BETTING ON SOCIAL MEDIA

A Study of the Volume, Content, and Regulatory Compliance of Sports Betting Advertising in the U.S.

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University of BRISTOL

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1 | EXECUTIVE SUMMARY

This study provides a detailed examination of gambling advertising on social media platforms, by the four leading U.S. gambling brands: BetMGM, FanDuel Sportsbook, ESPN Bet, and DraftKings Sportsbook. Conducted during the week of 29th July to 4th August 2024, the research analyses the volume, content, and regulatory compliance of organic and paid-for gambling ads on Twitter/X, Instagram, TikTok, and Facebook. The three areas of investigation were:

- **Organic Advertising Analysis: A review of 1,353 organic ads posted by the brands on Twitter/X, Instagram, TikTok, and Facebook.**

- **Paid-For Advertising Analysis: An assessment of 310 paid-for ads on Facebook and Instagram.**

- **Regulatory Compliance: An evaluation of whether these ads comply with current gambling advertising regulations.**

IMPLICATIONS

This study is one of the first to focus on social media gambling advertising in the U.S. The findings show a high volume of gambling ads on social media, with 1,663 ads identified in a single week, averaging 237 per day. The high volume of ads raises concerns, as excessive exposure may be linked to increased gambling participation and harmful behaviours.

In the investigated sample, 81% of the ads were organic, while 19% were paid. The increasing use of organic ads suggests a shift towards more subtle, user-engaging strategies on social media platforms. Content marketing, a contemporary marketing technique that focuses on engaging, shareable content, without any reference to the product or service advertised, comprised over 52% of organic ads. By blending entertainment with advertising, content marketing often obscures the commercial intent of gambling promotions, making them harder to identify and potentially more misleading, especially for younger audiences. This is concerning given the significant youth engagement with social media.

The study uncovers notable gaps in regulatory compliance. Whilst all paid-for ads adhere to AGA regulations stipulating the inclusion of safer gaming messages and help hotlines, only 25% of organic ads adhere to the codes. This means that over 1,000 ads seem to breach AGA codes. This suggests that the current voluntary framework may be insufficient, prompting a need for more stringent regulatory measures to ensure adequate consumer protection and address emerging challenges in gambling advertising.

Policy Recommendations

1 Federal legislation is needed to ensure consistent regulation of gambling advertising across the U.S. This should include clear guidelines for responsible gaming messages, age verification, and ad content.

2 A ban on gambling content marketing across social media should be considered given the potential difficulty in distinguishing content marketing from regular content, particularly for minors.

3 The AGA's existing codes are not being followed for organic advertising. This must change. The codes would also benefit from more detailed guidance on ad transparency, responsible gaming, and age-related protections. Clear enforcement mechanisms, such as independent audits and penalties, should also be introduced.

4 Engaging children and child-focused experts in the creation of advertising codes could ensure that protections better reflect content that appeals to younger audiences and safeguard them more effectively.

5 Regulations should prohibit the use of celebrities in gambling marketing, to reduce the appeal of gambling ads to minors, following the example of other jurisdictions.

6 A centralised repository for online gambling ads would support transparency and facilitate regulatory oversight, enabling more effective monitoring and enforcement of advertising standards.

1,663

1,663 GAMBLING ADS IDENTIFIED

Across organic and paid-for ads, 1,663 ads were posted by the four gambling brands during 29th July and 4th August, averaging 237 ads per day.

81% OF ADS WERE ORGANIC ADS

81%

81% of ads investigated were organic (1,353) and only 19% were paid-for ads (310).

29m

29M VIEWS WITHIN ONE WEEK

The 1,353 organic ads generated over 1.1 million likes, 60,447 shares, and 29 million views.

1,012 ORGANIC ADS MAY BREACH REGULATIONS

1,012

75% of organic ads (1,012) contained no responsible gaming messages or help hotlines, potentially breaching AGA advertising regulations.

FINDINGS

58%

58% OF ORGANIC ADS WERE NOT IDENTIFIABLE AS ADVERTISING

58% of organic ads (784) were not clearly identifiable as advertising. This may indicate a violation of Federal Trade Commission (FTC) guidelines on ad transparency.

8% OF ORGANIC ADS MAY BE APPEALING TO MINORS

8%

8% of organic ads (102) were judged as being of strong appeal to minors due to their use of youth-targeted content, suggesting a breach of AGA advertising regulations.

71%

71% OF PAID-FOR ADS OFFERED MONETARY INCENTIVES

71% of paid-for ads included monetary incentives such as deposit matches or sign-up bonuses, with incentives ranging from $250 to $50,000.

ALL PAID-FOR ADS COMPLIED WITH AGA CODES

Paid-for Ads

In contrast to the organic ads, all paid-for ads stuck to the regulations.

2 | BACKGROUND

Liberalisation of the U.S. Online Sports Betting Market

The U.S. online sports betting market has grown significantly since the 2018 repeal of the Professional and Amateur Sports Protection Act (PASPA) by the Supreme Court (Nelson et al., 2023). PASPA had previously outlawed sports betting in all states except Nevada, Delaware, Montana and Oregon. Its repeal allowed states to legalise sports betting, and as of September 2024, 38 states offer sports betting, with legislation pending in two more states (American Gaming Association, 2024).

This market liberalisation has led to a surge in gambling revenue. Annual gross gaming revenue from sports betting rose from $900 million in 2019 to $10.9 billion in 2023 (Richter, 2024), while the number of online sports bettors is projected to increase from 25 million in 2022 to 37 million by 2025 (Statista, 2024). Domestic operators have moved into sports betting, while UK and European companies are also expanding into the U.S. market. For instance, DraftKings launched its sportsbook in New Jersey shortly after PASPA's repeal and is now available in 25 states (DraftKings, 2024). Similarly, Entain partnered with MGM Resorts to create BetMGM, which now reaches 49% of North American adults (MGM Resorts International, 2024). With this competitive, rapidly growing market, sophisticated marketing practices are being used to attract new customers, highlighting the need for regulation to ensure fair advertising and consumer protection.

Gambling Advertising Legislation in the U.S

Advertising regulation in the U.S. involves a combination of federal, state, and industry-specific rules. While no federal laws exclusively govern gambling advertising, existing marketing regulations still affect this sector. The Federal Trade Commission (FTC) oversees ensuring ads are truthful, non-deceptive, and fair (FTC, 2024). Its Enforcement Policy Statement on Deceptively Formatted Advertisements (2015) is crucial in the digital age, where ads often resemble editorial content. This statement emphasizes the use of clear terms like "Ad" or "Sponsored" to help consumers identify advertising (FTC, 2015). The FTC evaluates deception based on the "net impression" of the ad, considering both content and format (FTC, 2022). Consequently, gambling content marketing on social media may be considered deceptive. Studies in the UK found that neither minors nor adults can recognise gambling content marketing as advertising (Rossi & Nairn, 2024c). If U.S. ads follow similar patterns, they may violate FTC rules.

Betting Industry Voluntary Code

In March 2024, the seven largest sports betting providers (BetMGM, DraftKings, Bet365, FanDuel, Fanatics, Hard Rock Digital, and ESPN Bet), which account for over 85% of the legal online sports betting market in the U.S. (ROGA, 2024), established the American Gaming Association's (AGA) Responsible Marketing Code for Sports Wagering (AGA, 2024). The AGA code is voluntary. This type of code has been criticised in other countries and sectors for prioritizing industry interests over consumer protection as it often lacks review mechanisms, and imposes minimal consequences for code violations (OECD, 2015). The AGA code of 25 guidelines, is much shorter than the code devised by the UK's Industry Group for Responsible Gambling (IGRG) which consists of 64 guidelines, plus an additional 21 derived from the UK Advertising Standards Authority (CAP, 2022). Given the extensive research on the harmful effects of sports betting marketing on children and vulnerable consumers (De Censo et al., 2023), the brevity of the AGA code is surprising.

The AGA guidelines are organized into four key areas: (a) protection of minors, (b) limiting college and university advertising, (c) supporting responsible gaming, and (d) controlling digital media & websites. As highlighted below, previous research on online gambling advertising has highlighted significant issues, such as the appeal of ads to children, the unclear identification of content marketing, and the lack of harm-reduction messages (e.g., "responsible gaming" messages). These concerns are the focus of the present study.

The Rise of Gambling Marketing and Advertising

The growth of the sports betting market and associated marketing is relatively new to the US but is well developed in Europe where many countries have restricted gambling advertising in response to concerns that it may lead to harmful behaviours. This includes almost full gambling advertising bans in Italy, Spain, Belgium, Ukraine, and the Netherlands.

The contrast between the U.S.'s short voluntary codes and the stringent legislative measures taken abroad is stark. The Netherlands, which liberalised its betting market in 2021, quickly imposed a ban on untargeted gambling marketing across a range of media channels, following public concern about the volume of ads. From July 2023, gambling ads are banned from public places like billboards and bus shelters, as well as on social media where they might reach audiences of under 25-year-olds. By 2025,

sports sponsorship by gambling brands will also be prohibited (Dutch Government, 2023). Belgium enacted similar measures, with a blanket ban on public-facing advertising from July 2023, and additional restrictions on sports sponsorship being phased in between 2025 and 2028 (Moniteur Belge, 2023). As these countries tighten gambling marketing legislation, concerns around the impact of gambling advertising in the U.S. have grown (Lopez, 2024).

Social Media Gambling Advertising

One of the most significant challenges emerging from the rise of gambling advertising is its proliferation on social media platforms. The growth of social media usage has made sports consumption via mobile devices increasingly common among young people (Yim et al., 2021), and

social media in turn allows gambling operators to connect with sports fans and boost brand visibility (Houghton et al., 2019). Previous research has found that gambling companies actively promote their services on social media platforms such as X (formerly Twitter) and Instagram (Killick and Griffiths, 2020; Rossi et al., 2023).

Operators can advertise to audiences on social media in two main ways, paid-for, and organically. Paid-for advertising (where the platform is paid to place the ad) allows precise targeting of consumers based on demographics or shared information, with the reach of these ads largely determined by the ad spend. Organic advertising, on the other hand, relies on engaging content that users will want to share across their networks. It is effectively free. See figure 1 for more details.

Paid-for Ads

Paid-for ads enable a clear targeting of relevant demographics. Reach depends on the amount paid to the social media platform.

OR

Organic Ads

Organic ads are posted on a brands social media account. Reach depends on their number of followers and how many users engage with it

Conventional Ads

These ads have a clear relationship to the product/service and usually include a call to action. These ads are comparable to TV or billboard ads.

• Discounts
• Product information
• Brand promotion
• Sign-on bonus
• Free bets
• Odds or Acca
• Game previews
• Celebrity endorsements

Content Marketing

Content Marketing does not have a clear relationship to the service/product advertised. The main aim is often to be shared with friends.

• E-news
• Guides
• Trend Reports
• Competition
• Quiz or Riddles
• Memes
• Gifs
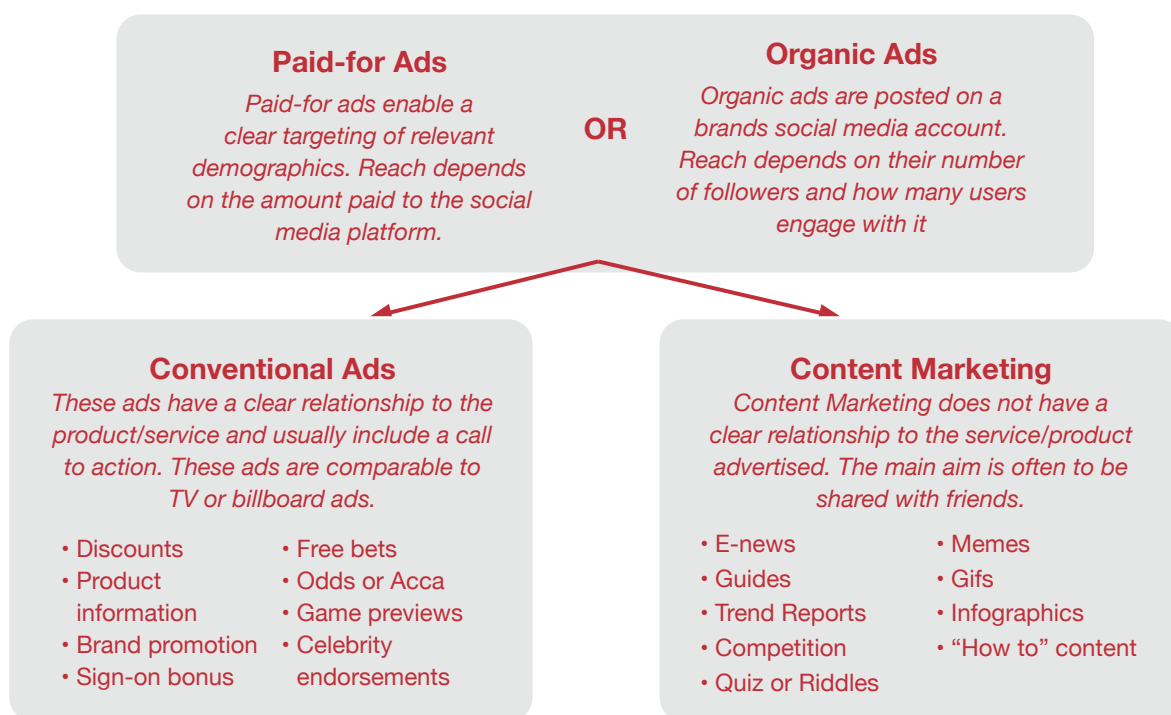• Infographics
• "How to" content

Figure 1: Forms of gambling marketing on social media. Source: Rossi and Nairn, 2023.

The content of social media gambling advertising can be classified as conventional advertising or content marketing (Rossi and Nairn, 2022). Conventional ads highlight financial incentives, such as odds, or sign-on bonuses, and are designed to encourage immediate gambling. Content marketing, on the other hand, creates brand awareness and aims to engage current and potential customers with content not necessarily related to the product or brand. In summary, content marketing aims to build brand engagement and affection; to entertain and influence audiences' behaviours, without clearly or explicitly encouraging them to bet. Content could include competitions, memes, funny pictures of cats, how-to content, or infographics (Rossi et al., 2023; Wheaton et al., 2024). Content marketing is recognised as a form of advertising, and under the remit of advertising regulations (e.g. ASA, 2022; FTC, 2022).

Previous research has found that between 40% and 50% of all organic gambling ads are content marketing, whilst nearly all paid-for ads are conventional advertising (Rossi et al., 2023, Wheaton et al., 2024). While the gambling industry now spends most of its marketing budget on online platforms, research has highlighted serious concerns regarding gambling marketing on social media. These include its strong appeal to children (Rossi and Nairn, 2024a), poor compliance with regulations (Rossi et al., 2021), insufficient warnings about the potential harms of gambling (Killick and Griffiths, 2020), high volume and exposure (Houghton et al., 2019; Rossi et al., 2021), and a lack of transparency due to targeted ads and ad transience (Rossi and Nairn, 2024b).

RISE OF ONLINE BETTORS

THE NUMBER OF ONLINE SPORTS BETTORS IN THE U.S. IS PROJECTED TO INCREASE FROM 25 MILLION IN 2022 TO 37 MILLION BY 2025, INDICATING THE GROWING POPULARITY OF GAMBLING (STATISTA, 2024)

3 | AIMS & OBJECTIVES

This research aimed to conduct an in-depth analysis of the volume, content and regulatory compliance of gambling advertising on U.S. social media between 19th July and 4th August 2024. The study focuses on the four largest sports betting brands, namely, MGM Bet, FanDuel Sportsbook, DraftKings Sportsbook and ESPN Bet. The objectives are:

1 To investigate the volume and content of organic gambling advertising on Twitter, Instagram, Facebook and TikTok by the four largest U.S. sports betting brands.

2 To investigate the volume and content of paid-for gambling advertising on Instagram and Facebook by the four largest U.S. sports betting brands.

3 To investigate the compliance of social media gambling ads (organic and paid-for) to the key advertising regulations by AGA and FTC.

The key marketing regulations investigated are:

A. No sports betting message should be designed to appeal primarily to those below 21 – the prevailing legal age for sports wagering. (AGA)

B. Advertising should not depict cartoon characters or feature entertainers, athletes, influencers or music that appeal primarily to audiences below the age of 21. (AGA)

C. Each message will contain a conspicuous responsible gaming message along with a toll-free helpline number, where practical. (AGA)

D. Section 5 of the FTC act prohibits "unfair or deceptive acts or practices in or affecting commerce". (FTC)

4 | METHODS

To analyse social media ads, a content analysis was conducted, drawing on the approaches of previous research (see Houghton et al., 2019; Rossi et al., 2021, 2023). While previous research primarily focused on organic advertising and often limited its scope to a single platform, this research goes further by a) incorporating both **paid-for** and **organic social media ads,** and b) analysing more platforms, including **Instagram, X (formerly Twitter), Facebook,** and **TikTok.**

Data Collection

The study focused on the four dominant US brands—FanDuel Sportsbook, ESPN Bet, DraftKings Sportsbook, and BetMGM. Collectively, their social media accounts have 14 million followers, reflecting their substantial reach (see table 1). All ads posted by these accounts across the platforms from 29th July to 4th August were analysed. This week included a wide range of sporting events including the Olympics, Major League Baseball, and pre-season National Football League matches, all of which could be used by operators for engagement with audiences.

For **paid-for gambling ads,** the methodology of Rossi et al. (2023) and the Behavioural Insights Team (2023) was followed using the Meta Ad Library which provides access to current paid-for campaigns on Instagram and/or Facebook. There is no reliable database for paid-for campaigns from Twitter/X and TikTok so it was not possible to study these. Screenshots of all paid-for ads live during the week of the 29th July to 4th August were taken. For **organic gambling ads,** the approach was consistent with similar research in gambling advertising (Rossi et al., 2023; Wheaton et al. 2024). Screenshots were captured of all posts containing images or text, and links were saved for all videos shared by the four brands on X, Instagram, TikTok, and Facebook during the same period.

Brand	Owner	Facebook Followers	Instagram Followers	TikTok Followers	X (Twitter) Followers	Total Followers
ESPN Bet	Penn Entertainment	2,700,000	2,300,000	9,600	5,400,000	**10,409,600**
DraftKings Sportsbook	DraftKings	1,000,000	187,000	736,000	276,700	**2,199,700**
FanDuel Sportsbook	Flutter	52,000	260,000	470,000	341,300	**1,123,300**
BetMGM	MGM	45,000	106,000	20,100	311,900	**483,000**

Table 1: Number of followers of the four largest U.S. sports betting accounts.

Data Analysis

Data analysis followed established content analysis methods for studying gambling advertising on social media (Rossi et al., 2021, 2023; Wheaton et al., 2024). The codebook of 18 codes had previously been used in research exploring social media adverts posted in Canada and the UK, and focuses on volume and engagement, content, and compliance with advertising regulations. Minor modifications were made to adapt the codebook for U.S. advertising regulations and to include paid-for ads. Before analysis began, all research assistants received training, covering the study context, coding framework, and definitions in the codebook. Example ads were provided to clarify coding distinctions and a trial coding session was conducted to ensure consistency across all coders.

5 | **RESULTS**

5.1 TOTAL VOLUME OF GAMBLING ADVERTISING ON SOCIAL MEDIA

1,663 ads were posted by the four major gambling brands on social media between 29th July and 4th August 2024, averaging approximately 237 ads per day. Of these, 19% (310 ads) were paid-for ads on Facebook and Instagram, while 81% (1,353 ads) were organic ads posted on Instagram, X (formerly Twitter), TikTok, and Facebook (see Figure 2). Content marketing accounted for 52% (703 ads) of all ads and conventional advertising 48% (960 ads) of all ads.

Total Gambling Ads
1,663

Organic Advertising
1,353 (81%)

Paid-for Advertising
310 (19%)

Content Marketing
703 (52%)

Conventional Ads
650 (48%)

Content Marketing
0

Conventional Ads
310 (100%)
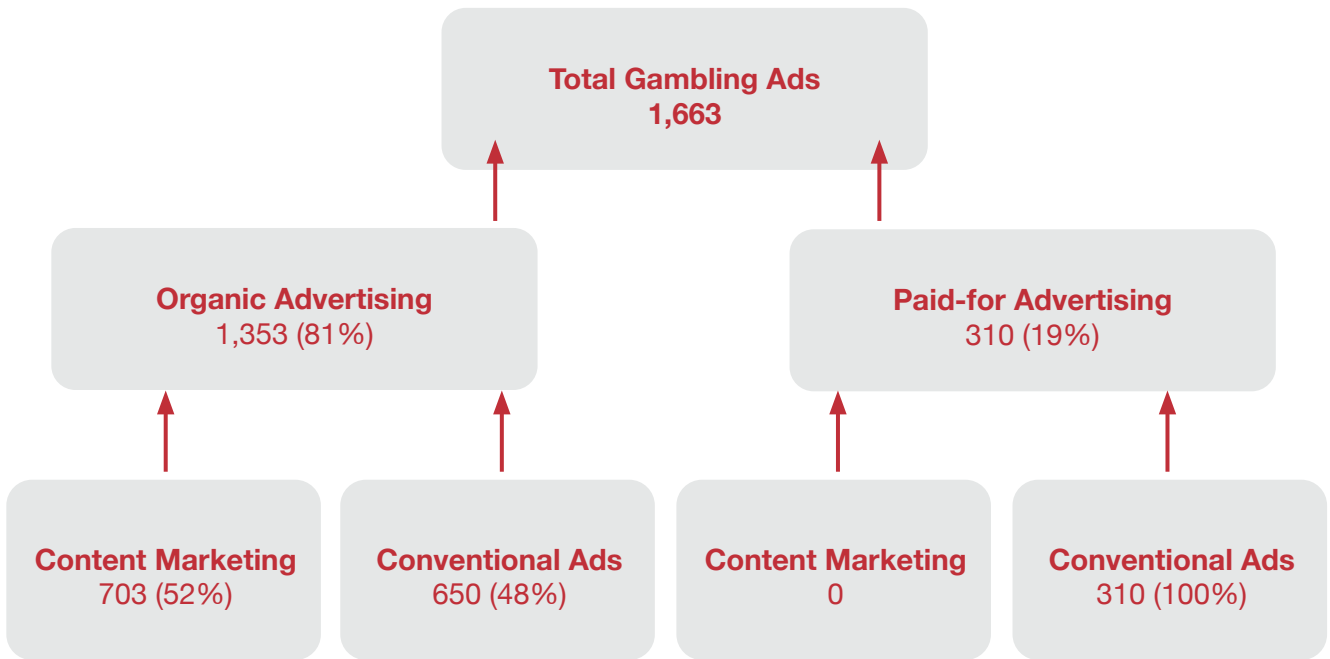
Figure 2: Overview of all social media gambling ads collected between 29th July and 4th August.

HIGH ENGAGEMENT ON SOCIAL MEDIA

U.S. SPORTS BETTING ADS GENERATED OVER 29 MILLION IMPRESSIONS ON SOCIAL MEDIA IN JUST ONE WEEK, REFLECTING THE EXTENSIVE REACH AND INFLUENCE OF THESE MARKETING STRATEGIES

5.2 ORGANIC GAMBLING ADVERTISING

All four brands posted organic ads during the study period. DraftKings Sportsbook posted the most organic ads (394 ads), while BetMGM posted the least (273 ads). ESPN Bet and FanDuel Sportsbook posted 390 and 296 organic ads respectively. Table 2 show details of the volume and engagement, content and regulatory compliance of all the organic gambling ads studied.

Table 2: Codebook and results of the analysis of organic gambling ads.

Code	Definition	Total
Volume and Engagement		
Advertising Form	Ads that are classified as content marketing.	703 (52%)
	Ads that are classified as conventional advertising.	650 (48%)
Likes	Number of likes generated by the advert.	1,157,901 (avg. 859)
Shares	Number of times the advert has been shared.	60,447 (avg. 49)
Impressions / Views	Number of times the advert has been viewed or seen.	29,249,000 (avg. 30,341)
Content		
Use of emojis	Ads that featured emojis.	1,113 (8%)
Use of celebrities	Ads that featured or referenced a celebrity.	146 (11%)
Use of cartoons	Ads that featured a cartoon.	27 (2%)
Use of humour	Ads that featured content designed to be humorous.	343 (25%)
Reference to popular culture	Ads that make a reference to popular culture (e.g. tv series).	157 (12%)
Reference to specific sporting event	Ads that referenced a specific sporting event.	1,157 (86%)
Reference to active sportsperson	Ads that featured or referenced an active sportsperson.	936 (69%)
Odds, moneyline or U/O	Ads that included odds, moneyline or U/O for a specific bet	544 (40%)
Bonus or inducement offered	Ads that offer bonuses or inducements (e.g. sign-on bonus, matched deposit, etc.).	16 (1%)
Compliance with Advertising Regulations		
Age restriction (AGA)	Ads that include age restriction labelling (e.g. 21+).	341 (25%)
Responsible gambling message (AGA)	Ads that include a responsible gaming message.	337 (25%)
Help hotline included (AGA)	Ads that include a hotline to get help with gambling related problems.	345 (26%)
Appeal to minors (AGA)	Ads that primarily appeal to minors.	102 (8%)
Identifiable as advertising (FTC)	Ads that were clearly identifiable as advertising.	569 (42%)

Volume and Engagement

703 (52%) of the organic ads were classified as content marketing, while 650 (48%) were conventional ads. Similar investigations in the UK and Germany reported similar findings of 40% and 33% respectively (Rossi et al. 2021; Singer et al., 2024). Collectively, these ads generated substantial engagement, amassing 1.1 million likes, 60,447 shares, and 29.2 million impressions (impression relates to X/Twitter and TikTok only). Content marketing ads were more successful in generating impressions and likes than conventional ads. Figure 3 shows two examples by BetMGM and FanDuel, together generating over 1 million impressions.
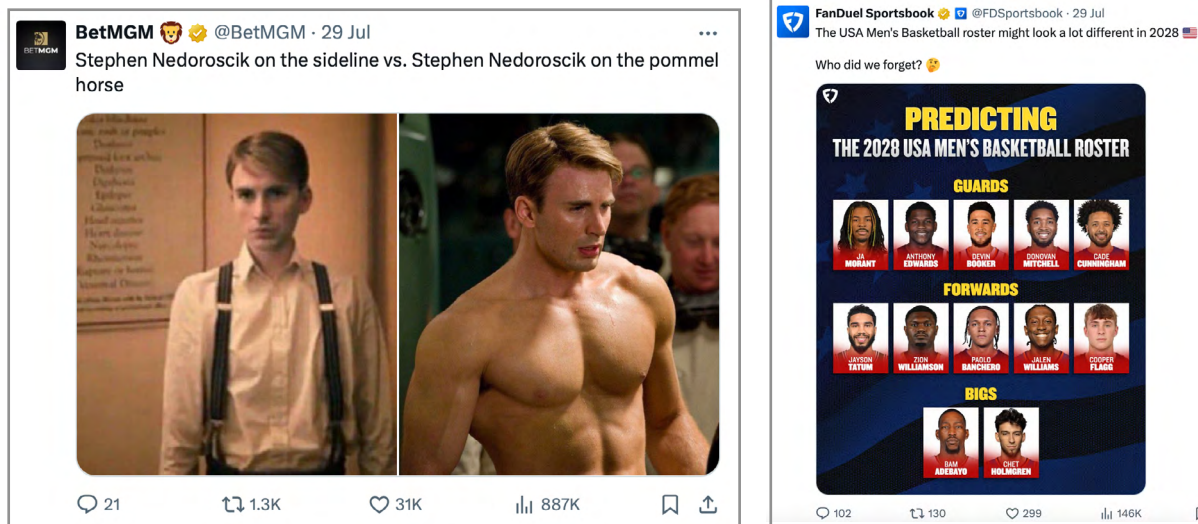
Figure 3. Ads by BetMGM and FanDuel that reached over 1m impressions combined. Neither of the ads has any age restriction warning, responsible gaming message, nor help hotline. Both ads were categorized as content marketing, as they do not include any reference to gambling.

Content

The analysis of the organic ads showed that both content marketing and conventional ads used a rather a subtle and seemingly benign form of marketing content. This approach potentially obscures the addictive nature of gambling by presenting gambling-related content in a light-hearted and entertaining manner. One technique is the use of emojis present in 83% of the ads. This suggests an attempt to heighten visual appeal and foster an emotional connection with viewers, as highlighted by Valenzuela-Gálvez et al. (2023). Another technique used by 25% of the ads is the use of humour, utilising memes or making witty remarks about sports-related scenarios, often mocking particular situations with around 11% of the ads containing references to popular culture, such as television series or the music industry (see example below). Around 85% of the ads referenced specific sporting events, with nearly half doing so without directly mentioning betting. And even those ads that included betting references did so in a discreet and often humorous manner. Figure 4 exemplifies these humorous posts, showcasing memes from The Simpsons (left) and playful, yet subtle, references to sports and betting context (right).

Figure 4: Ads by BetMGM & ESPN Bet commenting directly on sports-related events. BetMGMG's ads is content marketing and might be of strong appeal to minors, whilst ESPN Bet's ad is a conventional ad with a reference to sports betting. Both ads use humour. Neither of the ad contains any age warning, responsible gambling message or help hotline.

¹Facebook and Instagram impressions data was not available, and the mentioned data refers to TikTok and Twitter only. Accordingly, the actual number might be substantially higher.

Gambling-Related Content

40% (544 ads) of the organic ads contained betting-related content, such as odds, moneyline, or over/under markets, though these references were often inconspicuous. For instance, the inclusion of numbers like "+342" might go unnoticed by inexperienced users as gambling-related content despite including a call to action. Only 1% (16 ads) of organic posts included monetary inducements such as sign-up bonuses or free spins, contrasting sharply with paid-for advertising, where 99% of ads included such incentives (see section 5.3). This suggests that organic ads focused more on brand-building and engagement than directly encouraging gambling, raising concerns about the hidden nature of the commercial intent. Figure 5 shows two examples.
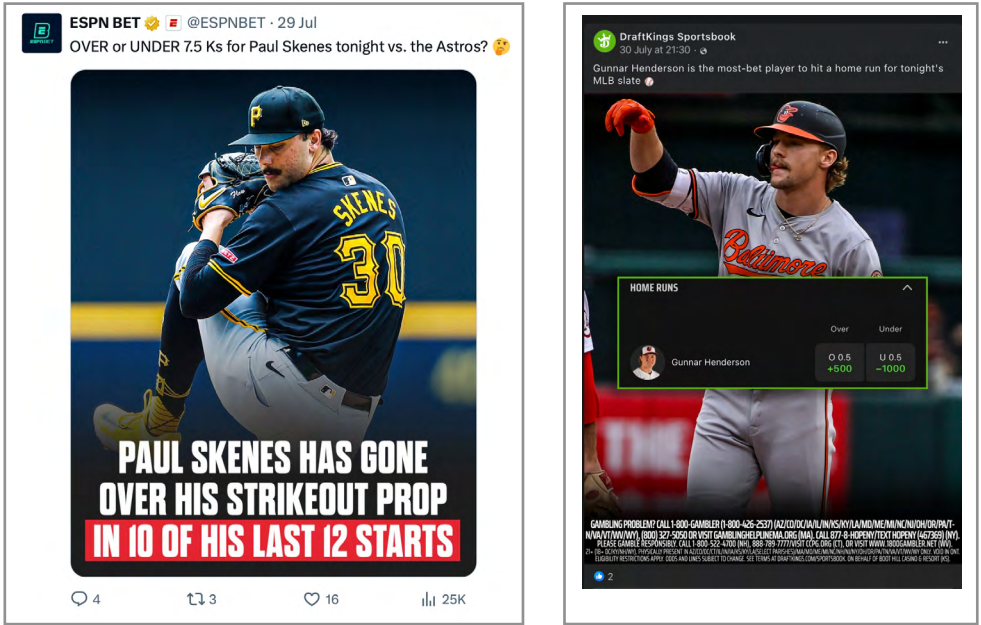

Figure 5: Ads by ESPN Bet and DraftKings Sportsbook including odds (in this case over and under). Both ads are classified as conventional advertising. Whilst the ESPN Bet ad does not have an age warning, responsible gambling message or help hotline, these are included in the DraftKings ad.

Compliance with Advertising Regulations

Responsible gaming message, help hotline and age restriction

The AGA Responsible Marketing Code for Sports Wagering (2024) stipulates that "each message" must include a responsible gaming message, a help hotline, and reminders of the legal age for sports wagering. However, our analysis of the organic ads found poor compliance to these codes. Only 337 (25%) included responsible gaming messages, 345 (26%) included help hotlines, and 341 (25%) included age restrictions. In other words, around 75% of the 1,353 organic ads did not include one or more of the responsible gaming messages, help hotlines, or age restrictions. Two examples are shown in Figure 6.
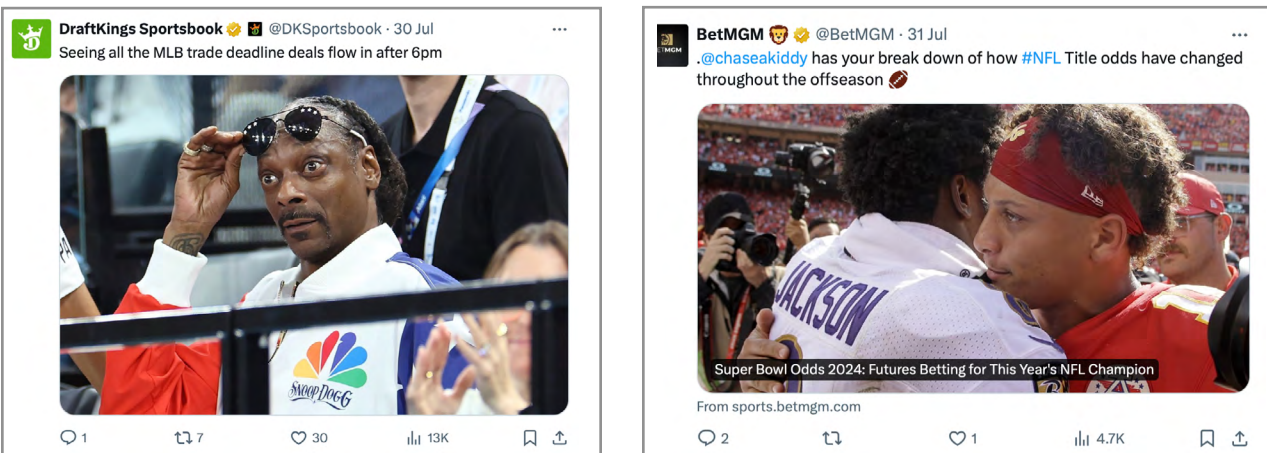

Figure 6: Ads by DraftKings Sportsbook and BetMGM commenting directly on sports-related events. DraftKings ads is content marketing and might be of strong appeal to minors, whilst BetMGM's ad is a conventional ad since it has a refence to betting. Neither of the ads includes any age warning, responsible gambling message or help hotline.

Appeal to minors

All four brands have accounts on TikTok, with a combined following of over 6 million. The AGA code specifies that sports betting ads should only be placed "where at least 73.6 percent of the audience is reasonably expected to be 21 years or older." However, TikTok is known for having a particularly young user base, with recent statistics indicating that 25% of its audience is between the ages of 10 and 19 (eMarketer, 2023). This raises concerns about the suitability of advertising on this platform.

Figure 7: Ads by BetMGM and DraftKings Sportsbook ads that were judged as being of primary appeal to children. BetMGM's post was deemed as appealing to minors due to the use of Timothee Chalamet, an actor popular amongst young people. The DraftKings ads makes a reference to meme culture that is often used on TikTok. Neither ad contains any age warning, responsible gambling message or help hotline.

Unidentifiable as advertising

The Federal Trade Commission (FTC) states that ads that are not clearly identifiable as advertising might be deemed as deceptive. The study showed that only 42% (569) of organic ads were clearly identifiable as advertising. The coders deemed the post to be identifiable as advertising if it included one or more of the following: a) gambling-related terms (e.g., odds, moneyline, over/under betting), b) contained a website link, or c) incorporate gambling/brand-related imagery (see Wheaton et al., 2024). As shown in several of the examples in this report, many ads (e.g. all content marketing ads) do not have any relationship to the product or service advertised. No organic ad was found to include a "sponsored" or "ad" label. The only way that users could identify the advert was by already knowing the brand and the logo. Previous research with over 650 participants showed that consumers (and particularly children) are unable to identify content marketing as adverts. This leaves children unprotected against the persuasive nature of content marketing (Rossi & Nairn, 2024c). Whilst this might be not problematic for some products (e.g. shoes), for an addictive product such as gambling, this is seen as a serious concern (Rossi & Nairn, 2024c). According to the analysis 58% of organic ads in this study potentially breach section 5 of the FTC (see Figure 8 for two examples).
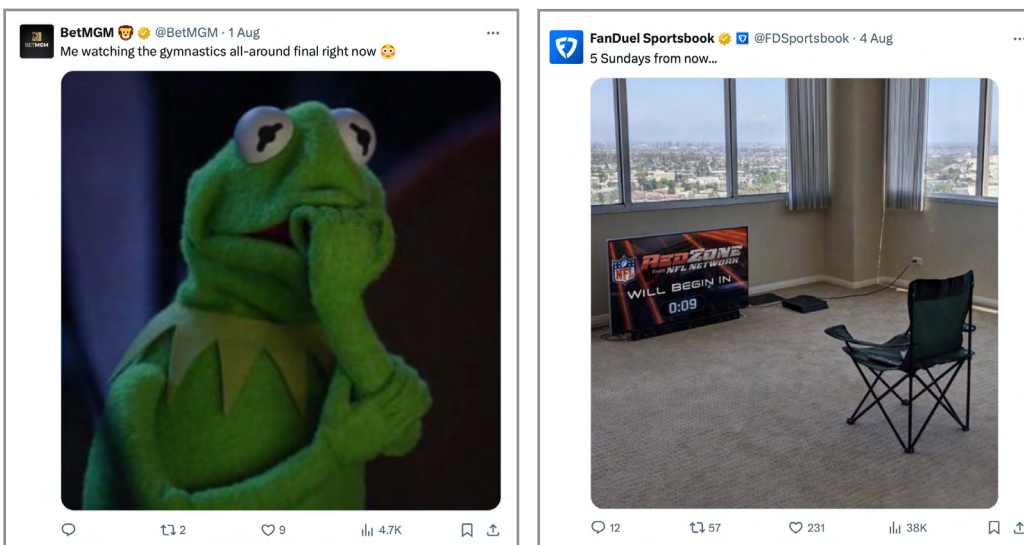

Figure 8: Ads by BetMGM and FanDuel Sportsbook that were judged to be not clearly identifiable as advertising. Neither ad contains an age warning, responsible gambling message or help hotline.

EXPLOSIVE MARKET GROWTH

SINCE THE REPEAL OF PASPA IN 2018, THE U.S. ONLINE SPORTS BETTING MARKET HAS SURGED, WITH ANNUAL GROSS GAMING REVENUE JUMPING FROM $900 MILLION IN 2019 TO $10.9 BILLION IN 2023 (RICHTER, 2024)

5.3 PAID-FOR GAMBLING ADVERTISING

Using the Meta Ad Library, 310 paid-for ads active on Instagram and Facebook during the week of 29th July to 4th August 2024 were identified. Table 3 show details of the volume and engagement, content and regulatory compliance of all the paid-for gambling ads studied.

Table 3: Codebook and results of the analysis of paid-for gambling ads.

Code	Definition	Total
Content		
Use of emojis	Ads that used use emojis.	156 (50%)
Use of celebrities	Ads that include celebrities.	44 (14%)
Reference to popular culture	Ads that make a reference to popular culture (e.g. tv series).	9 (3%)
Use of cartoons	Ads that use cartoons.	3 (1%)
Personalised ad	Ads that use personalised content (e.g. "Pennsylvania's bet bookie" – i.e. targeted at the audience in a specific state).	18 (6%)
Bonus or inducement offered	Ads that offer bonuses or inducements (e.g. sign-on bonus, matched deposit, etc.).	308 (99%)
Monetary inducement included	Ads that included a monetary inducement (e.g. 'up to $1000 matched deposit', or 'up to $1000 Free Bet Reset in Bonus Bets If You Lose')	219 (71%) Average offered: $1,652
Direct link included	Ads that include a direct link to the app or sign-up offer.	310 (100%)
Compliance with Advertising Regulations		
Age restriction (AGA)	Ads that include age restriction labelling (e.g. 21+).	310 (100%)
Responsible gambling message (AGA)	Ads that include a responsible gaming message.	310 (100%)
Help hotline included (AGA)	Ads that include a hotline to get help with gambling related problems.	310 (100%)
Appeal to minors (AGA)	Ads that primarily appeal to minors.	0
Identifiable as advertising (FTC)	Ads that were clearly identifiable as advertising.	310 (100%)

Volume and Engagement

BetMGM had the highest share with 182 ads, followed by ESPN Bet (70 ads), FanDuel Sportsbook (30 ads), and DraftKings Sportsbook (28 ads). BetMGM has fewer followers on their social media accounts and it is possible that their strong presence in paid-for ads is an attempt to increase their followers. Unlike other countries, the U.S. Meta Ad Library does not include data on targeting or reach. However, looking at the social media accounts of these brands in the EU shows that their paid-for ads reach between 12,000 – 200,000 users per ad – in much smaller countries than the US. Applying a conservative estimation of around 50,000 reaches per ad, this suggests that the 310 paid-for ads analysed may have reached around 15.5 million viewers in the U.S.

Content

Most paid-for ads (62%) were still images, while the remaining 38% were video ads. All paid-for ads included direct links to gambling platforms, often accompanied by action buttons such as "Play Game", "Install App," or "Sign Up." 71% (219 ads) offered monetary incentives such as sign-on bonuses or matched deposits, with an average incentive of $1,652 but ranging from $250 to $50,000. Notably, as these are paid-for ads, users are targeted and may be exposed to the ads involuntarily – for instance, they may not follow any gambling-related accounts on social media. The combination of unsolicited exposure to these offers paired with their high incentives, may entice individuals into participating in gambling activities that they might otherwise have avoided, fostering a culture of risk-taking without a full understanding of the potential consequences.

Techniques such as emojis featured in 50% of the paid-for ads, suggesting a focus on visual appeal and emotional engagement. 14% of the ads featured celebrities like Kevin Hart and Vanessa Hudgens. The use of celebrities in gambling marketing has faced criticism from researchers (Djohari et al., 2019) and was recently banned in Ontario (Canada) due to concerns that it may appeal to minors (Alcohol and Gaming Commission of Ontario, 2023).

Compliance with Advertising Regulations

Unlike organic advertising, all paid-for ads included age restrictions, responsible gambling messages, and help hotlines, and none were deemed to be appealing sto minors. Accordingly, compliance with regulations was not an issue here.
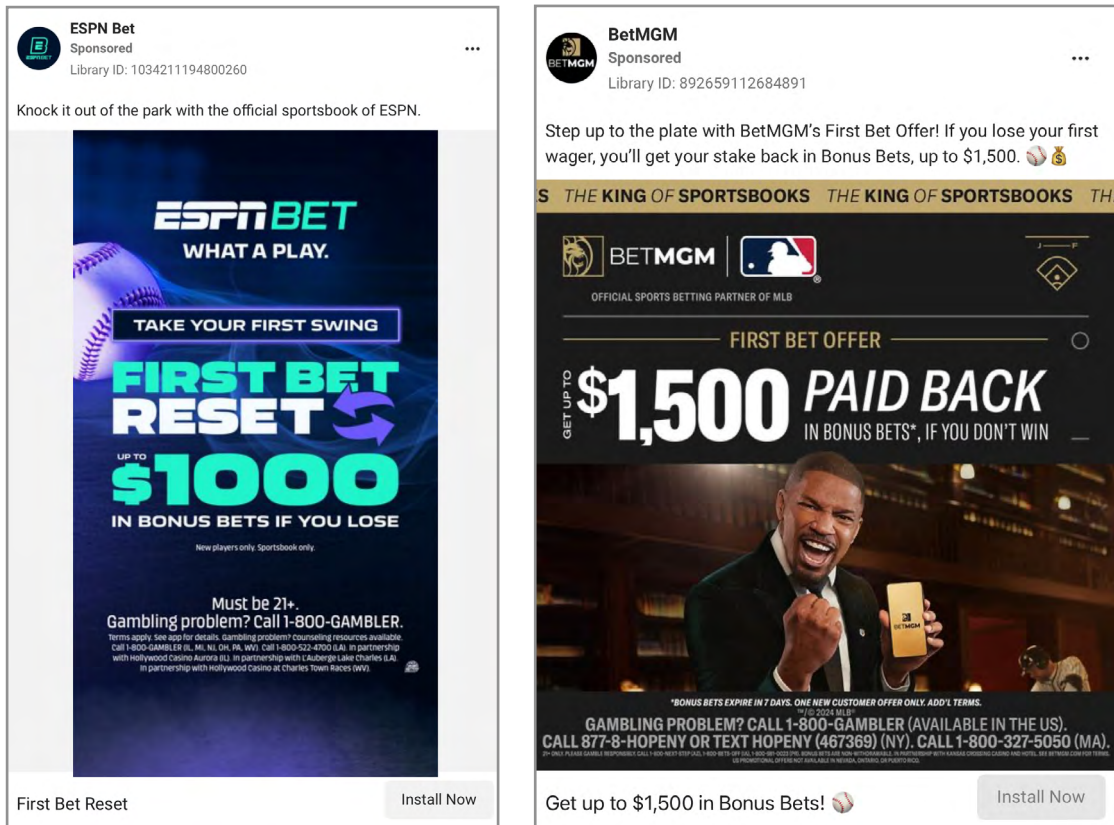

Figure 9. Examples of paid-for ads using montetary incentives. Both ads have responsible gaming messages, age warnings and help hotlines.

6 | DISCUSSION & CONCLUSION

This study investigated the volume, content, and regulatory compliance of sports betting advertising on social media across the four major U.S. gambling brands. The findings show (a) the high volume of ads, (b) the challenges posed by organic advertising, and (c) poor regulatory compliance by organic ads. These findings highlight some of the challenges in balancing industry growth with responsible advertising practices in the evolving U.S. sports betting market.

High Volume of Ads

The sheer volume of sports betting ads identified in this study reflects the aggressive marketing strategies employed by major sports betting brands. Over a single week, 1,663 ads were posted, averaging approximately 237 ads per day. The dominance of organic content (81% of ads) over paid-for ads highlights that gambling brands increasingly rely on strategies designed to engage users more subtly through social media platforms – making the ads potentially more effective. The high volume of advertising is not unique to the U.S.; similar trends have been observed in international markets such as the UK, where gambling advertising surged with the liberalisation of betting markets in 2005 (Houghton et al., 2019). However, European countries like Italy, Germany, Spain, Belgium and the Netherlands, who have liberalised their markets more recently, have responded with more stringent legislation to reduce the volume of gambling advertising. In contrast to this, the U.S. has opted for a voluntary regulatory approach, raising questions about whether the current framework is adequate to mitigate potential harms. Given that excessive exposure to gambling ads has been linked to increased gambling participation (McGrane et al., 2023; García-Pérez et al., 2024), the volume of advertising observed in this study warrants closer scrutiny by policymakers.

Challenges of Organic Advertising

Organic advertising represents a growing challenge in the regulation of gambling ads on social media. In this study, 81% of 1,663 ads were organic. Both content marketing and conventional ads were found to use subtle and seemingly benign marketing content. This approach may obscure the addictive nature of gambling by presenting content in a light-hearted and entertaining manner. This was especially evident in content marketing ads which made up 52% of all organic ads analysed. Content marketing is a fairly new technique that blurs the line between entertainment and advertising. Content marketing often lacks any explicit reference to gambling, making it more difficult for users to recognise the commercial intent behind the message. This raises concerns over advertising fairness, particularly when content marketing is used to promote an addictive product like gambling.

The difficulties in identifying content marketing as advertising are well-documented in the literature. Rossi and Nairn (2024c) found that users across all ages, frequently misinterpret content marketing as non-commercial content, which leaves them vulnerable to the persuasive nature of such ads (Hartmann et al., 2024). This study reinforces these concerns, with only 42% of organic ads being judged to fully meet FTC standards for clear advertising identification. This issue is exacerbated by the prevalence of content marketing on platforms like TikTok or Instagram, which has a younger user base, heightening the risk of covert ads reaching minors.

Poor Regulatory Compliance of Organic Ads

The study also revealed the poor compliance to advertising regulations by organic adverts. Despite directives from the AGA (2024) that responsible gaming messages, help hotlines, and age restrictions must be included in all messaging, only around 25% of organic ads complied with these requirements. All paid-for ads, on the other hand, strictly adhered to the codes. This may suggest that gambling brands mistakenly believe that organic advertising is not a form of advertising despite the fact that across jurisdictions and according to the AGA's own wording, it clearly it. This finding highlights an important gap between the industry's voluntary code and actual practice, raising concerns about the ability of the current regulatory framework to effectively regulate current online marketing practices. In particular, Section 6 of the AGA Code "Monitoring Code Compliance", which commits to training and awareness raising amongst its members, does not seem to have kept pace with new digital advertising techniques.

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7 | **RECOMMENDATIONS**

1. Introduce Federal Legislation Governing Gambling Marketing

To ensure consistent regulation across the U.S. and protect vulnerable groups, federal legislation should be established to govern gambling marketing, both online and offline. This law could mandate responsible gambling messages, age verification measures, volume limits, and restrictions on promotional content, creating a unified framework for operators and safeguarding consumers, especially minors.

2. Ban Gambling Content Marketing on Social Media

Content marketing on social media should be banned. Other studies have shown that it is difficult for children to identify and that it appeals to young people through memes and celebrities.. A ban would prevent the blurred lines between entertainment and promotion, reducing the risk of unintentionally exposing children to gambling ads.

3. Strengthen AGA Codes with Detailed Guidelines and Enforcement

The AGA codes would benefit from clearer and more detailed guidelines, particularly on responsible gaming and what is seen as appealing to minors. More prescriptive rules could be included, including mandatory ad labelling, transparent incentive information, and standardised responsible gaming messages. The monitoring of code compliance needs attention. Independent audits and penalties for non-compliance should also be introduced to ensure industry-wide adherence.

4. Include Children in the Gambling Marketing Policy-Making

Engaging children and child-focused experts in the creation of advertising codes, as well as when ruling on breaches, could ensure that protections better reflect content that appeals to younger audiences and safeguards them more effectively.

5. Restrict the Use of Celebrities in Gambling Ads

To reduce the appeal of gambling ads to minors, the U.S. should follow the lead of jurisdictions like Ontario, Canada, and ban the use of celebrities in gambling marketing. This would ensure that promotions are targeted at adults and help prevent underage audiences from being attracted to gambling through high-profile endorsements.

6. Establish a Centralised Database for Online Gambling Ads

A centralised repository for all online gambling ads should be created to improve transparency and enforcement. Like the EU's Digital Markets Act, this database would store details on both paid and organic gambling ads, including content, targeting, and reach. This system would enable regulators to monitor compliance and address misleading or harmful
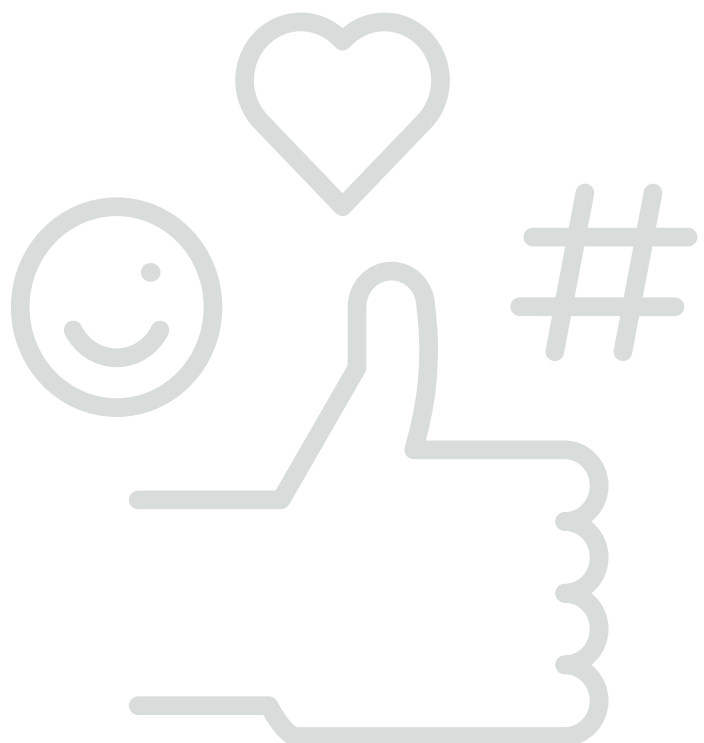
8 | ABOUT THE AUTHORS

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Dr Raffaello Rossi is Lecturer in Marketing at the University of Bristol. He has worked extensively on the effects of gambling advertising on young people, resulting in national and international media coverage, discussion of the research in UK Parliament, and has contributed to several changes in the regulation of gambling advertising. Raffaello has received funding from ESRC, CBC News, GambleAware, UK Gambling Commission and Action Against Gambling Harms. He is Communications Lead at the Bristol Hub for Gambling Harms Research.

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Edoardo Tozzi is a postgraduate researcher at the University of Bristol. His research focuses on conducting a psychophysiological study regarding the impact of (e)sports gambling advertising on social media platforms among the youth demographic. His specific area of investigation involves analysing content and influencer marketing strategies. Edoardo has not received any external funding.

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Saeid Moradipour is a postgraduate researcher at the University of Bristol. Saeid's research focuses on the impact of regulations, sports, culture, and other factors on reducing the harm caused by (mostly online) gambling advertising. His previous work involved studying consumer emotions, brands, culture, consumer psychology, and the consumption patterns of minors.

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