

Produced by the Gambling Commission in January 2019

## **Project brief: Analysing bank transactional data**

### **Overview**

1. As part of the wider programme of research exploring patterns of play, the Gambling Commission have identified the need for a piece of bespoke research exploring bank transactional data.
2. The aim of this work will be to better understand patterns of gambling transactions and how they might relate to wider financial behaviour. The research should also assess the use of blocking facilities which allow consumers to block transactions with gambling companies.
3. If possible, we are keen for this work to cover both high street banking groups such as Barclays, RBS, Lloyds and HSBC, and challenger banks like Monzo and Starling.

### **Research objectives**

4. The core objectives of this research are to explore:
  - What bank transactional data can tell us about the ways that different consumers gamble, and how they interact with gambling products
  - The extent to which blocking facilities are utilised, and by whom
5. Issues that could be explored, where possible, include:
  - How patterns of gambling expenditure vary across different gambling companies
  - Use of credit cards to gamble
  - Consumer spending habits and use of high street and challenger banks
  - Whether patterns of gambling expenditure differ across different demographic and socio-economic groups, levels of gambling engagement<sup>1</sup>, or between customers of high street and challenger banks
  - Motivations for using blocking facilities, and reasons for not using them
  - Use of budgets and savings pots, and the impact of gambling behaviour on these
  - Spending habits and gambling behaviour before, on and after pay day
  - Correlations between gambling expenditure and spending on other risky products such as alcohol and cigarettes

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<sup>1</sup> E.g. gambling frequency or problem, moderate or low risk gamblers, and non-problem or 'leisure' gamblers

## Considerations

6. Whilst data may be more readily available from challenger banks such as Monzo and Starling, these are more niche services and are likely to have a younger customer-base which is not reflective of the gambling population as a whole. There is also evidence to suggest that customers of these banks do not necessarily have their salary paid into these accounts, and instead use them for budgeting disposable income. We would therefore like this work to explore opportunities for analysing data from high street banks.
7. GambleAware have an estimated budget of around £50,000 for this work – however this is flexible, and we are open to exploring different options. It would be helpful to be provided with a range of cost scenarios, based on the number of banks included, varying sample sizes, or granularity of analysis and further research.