

BETTING IN CYBERSPACE: A STUDY OF THE CURRENT LITERATURE ON THE PSYCHOSOCIAL IMPACT OF ONLINE GAMBLING

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Abstract

Online gambling has become a rapidly growing global phenomenon, raising concerns about its psychosocial impact on individuals and society. The method used in this study utilized literature. The study results show that online gambling has significant potential negative impacts, including increased risk of addiction, financial problems, impaired social relationships, and various mental health problems. However, the impact varies depending on individual and contextual factors. The ease of access and special features of online platforms were found to contribute to the increased risk of problematic gambling behavior.

Keywords: online gambling, psychosocial impact.

INTRODUCTION

The rapid development of information and communication technology has brought significant changes in various aspects of human life, including in the world of gambling. Online gambling, as an evolved form of traditional gambling, has become an increasingly prevalent global phenomenon in recent decades. The ease of access, anonymity, and variety of games offered by online gambling platforms have attracted the interest of millions of people around the world. (Zhang, 2023).

Online gambling, or online gambling, can be defined as any form of betting or gambling activity conducted over the internet using electronic devices such as computers, smartphones, or tablets. These activities include various types of games and bets, including but not limited to online poker, virtual casinos, sports betting, online lotteries, and online bingo. (Leslie & McGrath, 2023). Online gambling allows players to participate in gambling activities from anywhere and at any time, without the need to visit physical locations such as casinos or traditional betting venues. The main characteristics of online gambling include accessibility, a wide variety of games, digital financial transactions, and often offer interactive and social features that allow players to interact with other players or dealers directly through digital platforms. (Bedford, 2024).

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According to a report from Grand View Research, the global online gambling market is estimated to reach a value of \$59.6 billion in 2020 and is projected to grow at a CAGR (Compound Annual Growth Rate) of 11.4% from 2021 to 2028. This rapid growth is driven by various factors, including increased internet and smartphone penetration, regulatory liberalization in some countries, and changes in consumer behavior due to the COVID-19 pandemic. (Brown & Hickman, 2020).

However, behind the promising economic growth, online gambling also brings a series of complex psychosocial issues. Unlike traditional gambling, the unique characteristics of online gambling such as accessibility, cashless transactions, and social isolation may increase the risk of addiction and other negative impacts. Recent research shows that the prevalence of gambling problems among online gambling players is higher compared to traditional gambling players (Shaw & Williams, 2023).

The psychosocial impact of online gambling is multifaceted, ranging from mental health issues such as depression and anxiety, to social consequences such as damaged interpersonal relationships, decreased work productivity and financial problems. Furthermore, online gambling also has the potential to trigger criminal behavior such as fraud and theft to fund gambling habits. (Brazeau, 2020).

While there have been many studies on the impact of gambling in general, specific studies on the psychosocial impact of online gambling are still relatively limited and scattered. Rapid technological developments and the emergence of new forms of online gambling, such as in-game gambling and e-sports betting, add to the complexity of this issue. Therefore, a comprehensive literature review is needed to analyze and synthesize current findings on the psychosocial impact of online gambling.

Research Methods

In this study, researchers used the literature method. The literature research method, also known as a literature study or literature review, is a research method that focuses on analyzing and synthesizing information from various written sources relevant to the research topic. (Suyitno, 2021); (Adlini et al., 2022); (Raco, 2018).

Results and Discussion

Online Gambling Development

The development of online gambling has undergone a significant transformation in the last few decades, in line with the advancement of technology and the internet. Initially, gambling could only be done physically in casinos or other gambling establishments. However, with the advent of the internet in the 1990s, the gambling industry began to see great potential in the digital world. In 1994, the country of Antigua and Barbuda became a pioneer by issuing a license for the first online casino, paving the way for a revolution in the gambling industry. (Chagas et al., 2021).

In the early 2000s, online gambling experienced rapid growth. Various platforms began to emerge, offering a wide array of games from online poker, virtual slots, to sports betting. Advancements in online security technology, such as data encryption and secure digital payment systems, further increased user confidence. Increasingly sophisticated smartphones and tablets have also played a major role in the popularity of online gambling, allowing access from anywhere. (Louderback et al., 2020).

Today, the online gambling industry is constantly evolving with the latest innovations such as virtual reality (VR) and augmented reality (AR) based games, as well as the use of cryptocurrency as a payment method. However, these developments also bring new challenges, especially in terms of regulation and prevention of gambling addiction. (Mykhailov & Savina, 2023). Many countries are now trying to balance the economic potential of online gambling with the need to protect society from its negative effects, creating a complex legal and social landscape around the industry.

The Psychological Impact of Online Gambling

Online gambling has a significant psychological impact on its users, with effects that can be much more intensive than conventional gambling. The ease of access and anonymity offered by online gambling platforms creates an environment that is highly conducive to addictive behavior. Users can easily get caught up in a continuous cycle of gambling, with no time or place restrictions, which can result in serious addiction. This often leads to individuals experiencing extreme mood swings, from euphoria when winning to severe depression when losing (Lopez-Gonzalez et al., 2021)..

One of the main psychological impacts of online gambling is increased levels of stress and anxiety. The rapid fluctuation of emotions between the hope of winning and the fear of losing can create constant psychological tension. This often leads to sleep disturbances, changes in diet, and a decline in overall mental health. Furthermore, the dependence on the thrill generated by online gambling can interfere with one's ability to feel pleasure from other daily activities, causing social isolation and worsening mental state. (Konietzny & Caruana, 2021).

Online gambling can also affect a person's risk perception and decision-making. Constant exposure to opportunities and risks in online gambling can alter the way one assesses real-life situations, often leading to unnecessary risk-taking or poor financial decisions. In addition, the "almost win" mechanism often used in online gambling games can create an illusion of control, leading players to continue playing despite repeated losses (Casu & Belfiore, 2011). (Casu & Belfiore, 2022).

The long-term psychological impact of online gambling can be very damaging. Many online gamblers experience decreased self-esteem, especially after experiencing large losses or the inability to control their gambling behavior. This can lead to clinical depression, chronic anxiety, and in extreme cases, suicidal thoughts or actions (Kairouz et al., 2023). Personal relationships are also often victimized, with the lies and deception

associated with gambling activities causing a breakdown of trust in family relationships and friendships. Recovery from online gambling addiction often requires professional intervention and long-term support to overcome these profound psychological impacts. (Junaedi, 2024).

Impact on Mental Health

Online gambling has a significant impact on the mental health of its users. One of the most prominent effects is the increased risk of addiction. The easily accessible and available nature of online gambling makes players more susceptible to compulsive behavior. Gambling addiction can lead to a variety of mental health issues, including depression, anxiety, and mood disorders. Addicted players often experience drastic changes in sleep patterns, appetite, and energy levels, all of which can negatively impact overall mental health. (Choi, 2023).

Chronic stress is another consequence of online gambling that has a serious impact on mental health. The intense emotional fluctuations between winning and losing create a constant cycle of stress. This stress can trigger or exacerbate existing mental health conditions, such as anxiety disorders or bipolar disorder. Furthermore, the financial stress that often accompanies excessive gambling can lead to constant worry and feelings of hopelessness, contributing to an overall decline in mental health (Edson et al., 2023).

Online gambling can also lead to social isolation, which is a significant risk factor for a range of mental health problems. As players spend more and more time gambling online, they tend to withdraw from social interactions and activities that they previously enjoyed. This isolation can lead to or exacerbate feelings of loneliness and depression (Malik et al., 2024). Furthermore, the shame and guilt that often accompany problem gambling behavior can lower self-esteem and increase the risk of mental disorders such as clinical depression. In extreme cases, the combination of financial stress, social isolation, and declining mental health can lead to suicidal thoughts or actions (Griffiths, 2020). (Griffiths, 2020).

Social Impact of Online Gambling

Online gambling has a significant and far-reaching social impact, especially on interpersonal relationships and family structures. When a person is caught up in an online gambling addiction, often relationships with spouses, children, and other family members become strained and damaged. Time that should be spent with the family is diverted to gambling, causing conflict and feelings of neglect among family members. (Drosatos et al., 2020). Trust in relationships can also erode when lies and deception become commonplace to cover up gambling activities or related financial problems. In severe cases, online gambling can lead to divorce, family break-ups, and long-term trauma for children growing up in an unstable environment. (Suomi et al., 2023).

The social impact of online gambling is also seen in a broader scope, namely in the workplace and community. Productivity in the workplace can plummet when employees spend their time and energy gambling online, even during working hours. This can lead to decreased performance, increased absenteeism, and in some cases, job loss. (Min & Lee, 2024). At the community level, an increase in online gambling can lead to a rise in crime rates, especially financial-related crimes such as theft or fraud, as gamblers attempt to earn money to fund their habit. In addition, reliance on social services and government assistance may increase when individuals and families face financial difficulties due to excessive gambling. (Aonso-Diego et al., 2024).

The phenomenon of online gambling also has an impact on the social norms and values of society. The normalization of gambling behaviour through aggressive advertising and easy accessibility can alter society's perception of the risks and consequences of gambling. This is especially dangerous for young people who may begin to view gambling as an acceptable way to seek financial gain or entertainment. (Aonso-Diego et al., 2024).. This shift in values may result in the erosion of traditional work ethics and sound financial principles. In addition, the increasing prevalence of online gambling may lead to changes in the way people interact and socialize, with more time spent in the virtual world than in meaningful face-to-face interactions, which may ultimately weaken social cohesion within communities (Newall & Allami, 2024). (Newall & Allami, 2023).

Factors Affecting the Psychosocial Impact of Online Gambling

The first factor influencing the psychosocial impact of online gambling is accessibility and convenience. The ease of access to online gambling platforms via smartphone or computer, 24 hours a day, 7 days a week, makes this activity very easy to do anytime and anywhere. This can lead to an increase in the frequency and duration of gambling, which in turn increases the risk of addiction. The convenience of transacting online also removes the social and physical boundaries that are usually present in traditional gambling, such as the need to interact with other people or the time constraints of physical casino operations (Aggarwal, 2024). (Aggarwal, 2024). As a result, individuals can easily become isolated and lose control of the time and money they spend gambling (Pratama, 2024). (Pratama, 2024).

The second factor is the highly engaging game design and features. Online gambling platforms are often designed using principles of psychology to maximize user engagement. Engaging sound effects, striking animations, and carefully designed reward systems can create the illusion of control and increase the feeling of "almost winning", encouraging players to keep playing. Features such as sign-up bonuses, free spins, and loyalty programs can also create a sense of psychological obligation to continue playing. Additionally, the use of virtual money or game credits can reduce the

perception of financial risk, encouraging players to wager more than they would with real money (Wardle & Zendle, 2021).

The third factor relates to individual characteristics and the social environment. Factors such as genetic predisposition to addictive behaviors, mental health history, and childhood experiences can influence one's susceptibility to the negative effects of online gambling. Stress, loneliness, and lack of social support can also encourage individuals to seek escape through online gambling. (singh, 2023). Cultural and social norms that view gambling as an acceptable or even desirable form of entertainment may increase the risk of negative psychosocial impacts. In addition, a lack of education about gambling risks and responsible gambling strategies can make individuals more vulnerable to the development of gambling-related problems. (Kharismanto & Phahlevy, 2024).

The fourth factor is the anonymity and lack of social supervision in an online environment. In contrast to traditional gambling, online gambling allows players to remain anonymous, which can reduce the embarrassment or social stigma usually associated with excessive gambling. The lack of supervision from friends, family, or casino staff can also remove an important external control mechanism. As a result, players may be more likely to take greater risks or play longer than they would in a face-to-face gambling situation (Wardle & Zendle, 2021).

The fifth factor relates to easily accessible digital payment and credit methods. Online gambling platforms often offer a variety of digital payment options, including credit cards, e-wallets, and even cryptocurrencies. The ease of making deposits and withdrawals can encourage players to continue playing or try to recover their losses quickly. In addition, some platforms offer instant credit or loans, which may encourage players to gamble with money they don't actually have, increasing the risk of serious financial problems. (Challet-Bouju et al., 2020).

The sixth factor is the influence of aggressive advertising and marketing. The online gambling industry often uses sophisticated marketing strategies, including targeted advertising, sports sponsorship, and influencer marketing. Constant exposure to content promoting online gambling can normalize this activity and create the impression that gambling is a path to wealth or excitement. This can particularly affect vulnerable groups, such as adolescents or individuals with financial problems, increasing the likelihood of them engaging in problematic gambling behavior. (Rahadi, 2024).

As such, the psychosocial impact of online gambling is influenced by a variety of interrelated factors, ranging from accessibility and platform design to individual characteristics and social environment. Ease of access, enticing game features, anonymity, easy payment methods and aggressive marketing all contribute to the potential negative impact of online gambling. These factors, combined with personal vulnerabilities and social norms, create a complex environment where the risk of gambling addiction and related problems can quickly develop.

To address these psychosocial impacts, a multifaceted approach is needed involving stricter regulation, public education about the risks of online gambling, development of tools for responsible gambling, and increased support for those experiencing gambling-related problems. It is also important to conduct further research on the long-term impact of online gambling and develop effective prevention strategies. By understanding and addressing the factors that influence the psychosocial impact of online gambling, we can work towards a safer and healthier environment for all individuals.

Conclusion

Online gambling has significant and varied psychosocial impacts. The ease of access, anonymity and availability offered by online gambling platforms has created a potentially more addictive environment compared to traditional gambling. The most prominent negative impacts include an increased risk of gambling addiction, serious financial problems, disruption of social and family relationships, and a range of mental health issues such as depression, anxiety, and in extreme cases, suicidal tendencies.

Nonetheless, research also shows that the impact of online gambling is not necessarily negative for all individuals. For some people, online gambling can be a relatively harmless form of entertainment when conducted responsibly and within controlled boundaries. Factors such as personality characteristics, socio-economic background, and the availability of social support play an important role in determining whether an individual will experience negative impacts from online gambling.

Thus, the importance of a multidimensional approach in addressing online gambling problems. A combination of effective regulation, comprehensive public education, the development of technologies for safer gambling, and improved support and treatment services are required. In addition, further research is needed to better understand the specific dynamics of online gambling, especially in the context of rapid technological development and changing social behavior. With a better understanding, more effective prevention and intervention strategies can be developed to protect individuals and society from the negative impacts of online gambling, while still respecting the right of individuals to participate in legal and responsible gambling activities.

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