



Commentary: Leveling Up: Reminiscing on the Evolution of Gambling within the Video Game Industry

Caitlyn Salmon^{a*}

^a Freelance Digital Artist

Abstract: This article is an expert commentary by digital artist Caitlyn Salmon, written for the Critical Indigenous Gambling Studies special issue of *Critical Gambling Studies*.

If you were born in the 80s, chances are you grew up with or played with one of the fourth-generation consoles (NES/SUPER NES/SEGA GENESIS) in your childhood. I can remember my mother telling me to turn down the TV, so she would not be annoyed by the endless beeps, and blips that Mario and Sonic emitted while I furiously mashed the controller buttons. Despite being quite decent at playing games on both Nintendo and Sega, I could never master two of the mini games within ***Sonic the Hedgehog 2*** and ***Super Mario Bros 3***: the slot machines. These mini games would give you extra lives, coins, and power ups if you were successful, but I was far more interested in the story, graphics, and music of the games themselves. I suppose from a young age, the notion of gambling, even if it was within a game, just did not fascinate me.

Despite the technological limitations of the late 80s and early 90s, Nintendo and Sega had a selection of Casino games for their home entertainment and handheld consoles. The mid to late 90s introduced a new roster of consoles: Nintendo 64, Sony PlayStation One, and Sega Dreamcast. I recall being at Toys R US in 1998 and seeing ***Golden Nugget 64*** in the video game Section. This was the first Casino game I had ever seen with a substantial budget. Innovation was inevitable for video games, and in turn developers went above and beyond to make every aspect as enticing as possible, especially gambling.

The introduction of the highly renowned Pokémon franchise in the 90s gave birth to a multitude of gambling activities. I can recall watching my friends engage in playing card and video game battles on the schoolyard. The stakes for these games were quite high. If you lost a battle, you risked losing your valuable card collection, the Pokémon you had spent so much time leveling up on your Gameboy, or anything else you wagered. In 1998 the Pokémon

Pikachu digital pet was released; the toy encouraged you to take care of Pikachu by buying him presents via virtual currency. To obtain the virtual currency the owner was encouraged to walk around and make use of the pedometer to obtain credits, or you could gamble your credits via a slot machine within the device. The more presents you bought for Pikachu the more adoration he would show you; if you neglected Pikachu or did not buy him gifts, he would express extreme distaste for you. I had other digital pets, and Tamagotchis as a child, but I remember finding the Pokémon Pikachu device to be manipulative, superficial, and stressful with its emphasis on encouraging gambling. Another subtle method of promoting gambling that gaming companies pulled in the 90s was publishing Game magazines (***PSM***, ***Nintendo Power***, ***Electronic Monthly***) that offered sneak peaks at upcoming games, demo discs, and tips and tricks for beating games. Official game strategy guides were also a hot commodity during this decade, and perhaps the most overt money grab was the gaming tips hotline. For \$1.50-\$3.00 a minute you could call a hotline and receive information on how to beat a boss, or finally discover where every hidden secret in a game was. I never called into those hotlines, but I certainly did spend a substantial amount of money on video game magazines and strategy guides in my childhood due to a lack of the internet.

During the aughts I transitioned to my teens, and eventually adulthood. My interest in video games continued to thrive and I became more cognizant of the changes happening within the industry. I witnessed the birth of online gaming, cross platform gaming, live streaming, and multiple console wars. One thing I noticed was a huge increase in mini-games

* Corresponding author. Email: salmcas88@gmail.com

and side activities within the narrative of AAA games.² Most of these mini games could include anything: playing sports, dancing, racing, dating, etc. It became clear that gambling in games had undergone a complete overhaul; it wasn't just slot machines anymore, developers had built full blown casinos within the game world itself. Rockstar's **Grand Theft Auto San Andreas** is set in the fictional world of Los Santos, which was clearly modeled after Los Angeles, San Francisco and Las Vegas. I can recall my friends coming to school and lamenting on how they were millions in debt (in game currency that is) within the game due to gambling at the casinos. This all seemed like innocent fun. Little did I know the twenty-tens would prove to be a truly sinister decade for gaming.

While studying at Seneca College in 2014, it was required that my classmates and I attend a class on Studio Production. The essence of this class was to pitch an idea for a potential game and create concept art, assets, a level, and a proof of concept for the game, within a mock studio setting. While our instructor encouraged us to create our game for the major consoles of the time (PS3/PS4/XBOX 360/XBOX ONE/WII U) he also encouraged us to be considerate of the mobile gaming platform as well. Most mobile games are free to play and download, however developers of these games make most of their money by charging for DLC (Downloadable Content) and various special in-game items: loot boxes, currency, skins, weapons, etc. This vastly profitable business model has left developers open to criticism since these microtransactions are often non-refundable and aimed at a younger demographic. There are countless horror stories of parents finding out that their young children have racked up hundreds or thousands of dollars of debt by making purchases on mobile games and, despite trying to contest the charges, they are told they simply must pay for it.

I do not have much of an affinity for mobile games, or purchasing DLC in games, but some colleagues of mine have expressed that making these purchases gives them a sense of gratification like a drug or gambling addiction. Of course, games on consoles and PC are not without fault either. During the twenty-tens some of the most loved and renowned game publishers such as Konami, Activision, Bethesda, and EA have created entire IPs³ which thrive upon microtransactions and pay-to-win mechanics. The games featuring these elements have been called egregious, greedy, and insidious, as the essence of the

games is no longer about skill but more so about who is willing to spend the most money to have the best stats and gear.

On a positive note, gamers have fought back against these deceptive and manipulative tactics by boycotting games, leaving negative reviews and utilizing social media to unite. In 2017 the UK government held a court hearing with Electronic Arts (EA) regarding the company's questionable business model, which resulted in the now iconic Meme and phrase "surprise mechanics".⁴ We are now in the twenty-twenties, and have a new generation of consoles (PS5/XBOX SERIES X) and state-of-the-art innovation, which includes augmented reality (AR) and virtual reality (VR). The playing field for creating games is no longer just for AAA developers and publishers but for Indie developers⁵ as well. The question remains: where will gambling in gaming evolve to next? Without a doubt I predict there will be an increase in mobile game Microtransactions. Their allure is too great and with the success of Pokémon GO (an AR game released in 2016) there is much capital to be gained.

Twitich is another lucrative platform that is currently in the process of a metamorphosis, while the platform does prohibit illegal activity, they do not specifically ban gambling streams. I wouldn't be surprised if **Twitich** created a separate category for gambling in the future, very much like they did for their controversial streamers who do "Hot Tub" streams. I do think that AAA game studios will have to rethink their strategy of trying to con players into purchasing overpriced DLC, and superfluous add-ons. After the absolute disaster of CD Projekt Red's **Cyberpunk 2077** in 2020 it will be a miracle if game publishers and developers can successfully convince gamers to even pre-order games anymore.⁶ Dropping a broken game at launch after multiple delays, all the while forcing your employees to endure grueling crunch time during the entire production is something players and investors take note of. Watching CD Projekt Red attempt to salvage their reputation due to these reasons will be gripping. The relationship between gamers and developers is somewhat contentious, however that does not mean that the industry itself is without good intentions. The fact that developers are facing backlash from their mistakes is a good thing, as it allows them to grow and regain trust from their audiences. It is far better to create a product that is special and has replay value, as

² Steinberg, S. (2007). *The Definitive Guide: Videogame Marketing and PR* (Vol.1). Power Play Publishing
<https://pdf-drive.com/pdf/Scott20Steinberg20-20Videogame20Marketing20and20PR20Vol.20120Playing20to20Win2028200729.pdf>

³ World Intellectual Property Organization (2016). *Understanding Industrial Property*.
<https://www.wipo.int/publications/en/details.jsp?id=4080>

⁴ Diaz, A. (2019, June 21) EA calls its loot boxes 'surprise mechanics', says they're used ethically. Polygon.

<https://www.polygon.com/2019/6/21/18691760/ea-vp-loot-boxes-surprise-mechanics-ethical-enjoyable>

⁵ Dutton, F (2012, April 18) "What is Indie?" Eurogamer.
<https://www.eurogamer.net/articles/2012-04-16-what-is-indie>.

⁶ Edge Staff, (2021, April 3) What can we learn from the Cyberpunk 2077 launch disaster? Edge.
<https://www.gamesradar.com/what-can-we-learn-from-the-cyberpunk-2077-launch-disaster/>

opposed to creating something that is cheap and forces your consumer to constantly spend money to get a temporary repetitive high.

Gambling in the video game industry is here to stay. While taking all the pros and cons into consideration, it is important to be informed and self-aware of the content you are consuming, whether it be games, films or literature. While I may be able to tell the difference between an amazing video game experience versus a blatant money-grab, someone else may not. It is my hope that consumers make informed decisions by doing their research, assessing reviews and, more importantly, thinking critically about the games they are playing so they do not fall victim to harms caused by gambling within games.

Author Details

Caitlyn Salmon is a freelance digital artist specializing in 3D modeling and animation. Caitlyn has several VFX and post production credits under her belt, having worked on films including: *Black Panther*, *Thor Ragnorak*, and *A Wrinkle In Time*.