



Commentary on Executive Summary of *Annual Gambling Advertising Sponsorship Report 2025* by Alvarez & Marsal for the Betting and Gaming Council

A report for the Coalition to End Gambling Ads by Howard Reed, Landman Economics

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Introduction

In May 2025 the consultancy group Alvarez & Marsal produced a study for the Betting and Gaming Council, the industry body for the UK gambling industry, titled, the *Annual Gambling Advertising and Sponsorship Report 2025*. In February 2026 the BGC published the executive summary from this report (but not the whole report) on its website (Alvarez & Marsal 2025). The report includes estimates of the economic contribution of advertising expenditure by gambling firms to the UK economy (including indirect effects arising through the supply chain), a summary of the regulatory requirements for operators and the additional social responsibility measures that operators implement, and concludes with a discussion of emerging trends in the industry (including illegal “black market” gambling activity).

This commentary scrutinises the findings in the *Annual Gambling Advertising and Sponsorship Report 2025 (AGASR25)* executive summary to establish whether they are plausible and whether there are any problems with the analysis.

1 Failure to make the full report available on the BGC website

This commentary only discusses the executive summary from *AGASR25* because the main report has not been made available on the BGC website. This is despite the fact that the executive summary states that “this standalone document summarises a detailed report constructed by Alvarez & Marsal Corporate Transformation Services LLP – it should only be considered in conjunction with the detail set out in that report” (Alvarez and Marsal 2025, p2). However, it is not possible for readers to consider the executive summary in conjunction with the detailed report because the detailed report has not been made available. This is particularly important given the technical nature of the indirect GVA analysis (discussed further in Section 3 below). Without the detailed methodology it is impossible to verify the claims for the wider impact of gambling advertising expenditure made in the report.

It is also worth noting that the BGC only published the executive summary of the report on its website in February 2026, despite the fact that the report was completed in May 2025. No reason for the nine-month delay between completion and publication of the report has been given.

Answers provided to Parliamentary Questions by Baroness Twycross – the Gambling Minister in the UK Government – establish that the BGC provided the UK Government with the full text of the *AGASR25* report in 2025. Initially it seems that the plan was to make the report publicly available. On 23 May 2025, in response to a question from the Bishop of St Albans, Baroness Twycross stated: “the Betting and Gaming Council has commissioned an advertising report which will be published in due course” (UK Parliament 2025a). However, in response to a question from Lord Foster asking when the BGC would publish the report (on 18 December 2025), Baroness Twycross stated: “the BGC has provided the Government with their report on gambling advertising. It is for the BGC to decide whether to publish it” (UK Parliament 2025b).

In January 2026 the UK Government’s Department for Culture, Media and Sport (DCMS) rejected a Freedom of Information (FoI) request to put the *AGASR* report in the public domain using an exemption under Section 35(1)(a) of the Freedom of Information Act 2000, on the grounds that the report ‘relates to the formulation or development of government policy’ and that there needs to be “a safe space around officials and ministers to protect the integrity of the policymaking process.”

The failure to make the report available for public scrutiny shows a lack of transparency on the part of the BGC and also on the part of the UK Government. In a speech to the BGC in February 2025, Baroness Twycross stated:

One of the biggest issues raised with me as Gambling Minister is advertising. I have tasked the industry with doing more work together to ensure that gambling advertising and sponsorship is appropriate, reasonable, and does not exacerbate harm.... So I am keen for the industry to take the lead in making a robust assessment of the scale and impacts of advertising, so that we are working with the best available evidence. (DCMS, 2025)

We have no way of knowing whether the *Annual Gambling Advertising and Sponsorship Report 2025* is “a robust assessment of the scale and impacts of advertising” because the full text of the report has not been made publicly available. Despite the DCMS’s decision to deny release of the report via FoI, there is a clear public interest case for publication of the report on transparency grounds. The failure to release the full text of the report is part of a worrying pattern of cooperation between UK Government ministers and the BGC behind closed doors, shielded from public scrutiny. The BGC appears to have a favoured status in being granted access to ministers during the policy development process.

2 Not taking gambling harms into account

The AGASR25 report only quantifies the impact of gambling advertising and sponsorship expenditure on the UK economy, and does not include any costs to the UK economy arising from problem gambling. Problem gambling – defined as individuals having a PGSI (Problem Gambling Severity Index) score of 8 or higher – is associated with a range of harms. Recent research published by the Gambling Commission (2025) using the Gambling Survey of Great Britain (GSGB) shows that 2.7% of the Great Britain population are gamblers with a PGSI score of 8 or more.

Focusing on this group of problem gamblers in the GSGB, around 92% experienced problems with their relationships such as:

- Feeling isolated from other people, left out or completely alone
- Lying to family, or others, to hide the extent of their gambling
- Experiencing conflict or arguments with friends, family or work colleagues.

96% experienced health problems such as:

- Gambling causing them stress or anxiety
- Feeling guilty about the way they gamble or what happens when they gamble.

91% experienced problems related to financial resources, such as:

- Having to reduce or cut back their spending on everyday items such as food, bills and clothing
- Using savings or increasing their use of credit (such as credit cards)

- Borrowing money or selling possessions to fund gambling.

The costs of problem gambling to the UK have been estimated to be extensive in previous research. In 2016 the Institute for Public Policy Research estimated that problem gambling costs the UK government between £260 million and £1.2 billion per year due to increased pressure on health services, welfare benefits, housing services and the criminal justice system (Thorley *et al*, 2016). Uprating this analysis to current levels using the growth in nominal GDP between 2016 and 2026 (around 50%) suggests that problem gambling now costs the UK between £390 million and £1.8 billion per year. It is also important to bear in mind that recent estimates of the prevalence of problem gambling from the GSGB are much larger than those that were available when the IPPR did its research, which used estimates from the Health Survey for England (HSE)¹ and equivalent health surveys for Scotland and Wales.

3 The implication of small indirect impacts arising from expenditure on advertising by the gambling sector

The AGASR25 executive summary estimates that the gambling industry's annual expenditure on advertising of £1.15bn in 2023/24 produced £506m of Gross Value Added (GVA – a commonly used measure of economic output) as an indirect effect (i.e. due to the supply chain of firms in the advertising sector). This implies that £1bn of gambling industry expenditure on advertising produced around £440m of GVA – a “GVA effect” of 0.44².

The Office for National Statistics' industry-level input-output tables (ONS, 2025) show the size of the GVA effects for the various industries in the UK economy. The average “GVA effect” across the whole UK economy, weighted by the amount of output in each industry sector, is 0.77. This implies that £1bn of spending across the UK economy generates around £770m of GVA on average. By comparison with this, £1 Billion of gambling industry expenditure on advertising generates only £440m of GVA – significantly lower than average. This implies that if an increase in consumer

¹ The data used for Thorley *et al* (2016) suggested that 0.5 per cent of the adult population in England were problem gamblers. The equivalent figures for Scotland and Wales were 0.7 per cent and 1.1 per cent respectively. By comparison, the latest estimate from the GSGB suggests that 2.7 per cent of the adult population in Great Britain are problem gamblers.

² The GVA effect is related to the GVA multiplier, but has a different formula. The multiplier is defined as the total increase in GVA arising from an increase in demand for a product divided by the size of the initial increase in GVA, whereas the effect is defined as the increase in GVA divided by the initial increase in demand for a product (in this case, increased expenditure on advertising). For more details see ONS (2022).

spending on gambling in the UK led to an expansion of the UK gambling industry and a corresponding shrinkage in other industries (as consumers spent more on gambling and less on other goods and services) it is more likely than not that overall UK GVA would actually *fall* slightly (because of the weaker multiplier effects arising from spending on advertising compared to other goods and services).

A 2021 report by the Social Market Foundation on the overall economic impact of gambling (Corfe *et al*, 2021) produced similar findings. Corfe *et al* found that gambling has low economic multipliers compared with most other parts of the economy – generating a relatively low boost to GVA and jobs compared with spending on most other goods and services. A key driver of the limited economic multipliers for gambling was the fact that “the industry has one of the shortest supply chains of the entire UK economy... consumer spending on gambling does little to create activity elsewhere in the economy, with a relatively high amount of gambling spend absorbed by the industry itself (Corfe *et al* 2021, p6). Corfe *et al* estimated that if net gambling expenditure declined by £1bn and individuals switched their expenditure to other goods and services, Gross Value Added would *increase* by just over £300 million. In other words, the larger the UK gambling sector, the weaker is Britain’s overall economic performance.

Research published this year by Sheffield University also found that gambling has substantial negative effects on the UK economy (Morris *et al*, 2026). The Sheffield researchers estimate that a 10% reduction in the size of the UK gambling sector would lead to a £1.25 billion boost in UK GVA and over 22,000 new jobs.

4 Sports sponsorship and the counterfactual

The AGASR25 executive summary claims that “free-to-air sports coverage and the lower levels or grass roots of certain sports are largely dependent on gambling advertising and sponsorship”. Furthermore, it claims that “in a hypothetical scenario in which gambling advertising and sponsorship were no longer permitted, there would likely be further repercussions than a marginal change in GVA and employment. These could include less sport being shown in free-to-air television, structural shifts towards subscription models for television resulting in increased costs for consumers and vendors of sports broadcasting rights receiving less revenue”.

Advertising and sponsorship at sports events comes from a wide range of companies in many different sectors, and gambling is only one sector among many. If the gambling sector were to diminish in size and gambling sector expenditure on advertising and sponsorship fell, other sectors would probably step in to fill the gap. No evidence is produced to back up the assertion that the amount of free-to-air television sport would be reduced if gambling sponsorship were restricted. In

particular, the AGASR report makes no attempt to look at the evidence from other jurisdictions that have restricted gambling advertising on the sports sectors in those jurisdictions.

5 Gambling advertising is falling year-on-year

The results from *AGASR25* show a falling trend in gambling advertising spending, down from 3.0% of total advertising spending in 2022/23 to 2.7% of total advertising spending in 2023/24. At the same time, gambling advertising expenditure fell between 2021/22 and 2023/24 at an rate of 1.7% per year. This suggests that the gambling sector is becoming less important as a source of advertising revenue over time.

6 The effects of pre-watershed television advertising and digital advertising expenditure on gambling

The *AGASR25* executive summary highlights of the fact that 72% of television advertising expenditure on gambling is post-watershed but this implies that 28% of television advertising expenditure on gambling is *pre*-watershed, which is a large amount of spending – just under £100 million³. The report does not consider any adverse effects of pre-watershed gambling expenditure on children.

In any case, two-thirds of gambling advertising by BGC members is digital rather than broadcast – where the concept of a “watershed” does not apply (rather, adverts are algorithm-driven). Recent academic research on the impact of online gambling advertising using a panel survey with a representative sample of Finnish adults from 2021 to 2024 (Savolainen *et al*, 2025) showed that encountering adverts online was directly linked to increased problem gambling (measured using the PGSI) and also linked to severe financial difficulties arising from gambling. The *AGASR25* report points out that operators licensed in Great Britain are expected to comply with the BGC’s Industry Code for Socially Responsible Advertising, but the report nonetheless ignores the harms arising from online gambling advertising.

³ Based on a total figure of £341 million for broadcast advertising by GB-licensed operators between October 2023 and September 2024.

7 Response to threat of black market

The *AGASR25* executive summary does contain a useful summary of emerging “threats and trends” in the gambling sector, particularly focusing on six key areas:

1. Techniques used by illegal gambling operators to advertise (for example, communicating the advantages of using their sites compared to licensed operators);
2. Illegal operators assuming names and brands associated with charities and educational institutions in their listings;
3. Illegal operators using generative artificial intelligence to create appealing advertisements outside the bounds of regulatory restrictions, with increasing use of personalised advertising;
4. An increasing role for influencers (including micro-influencers and deinfluencers) in terms of driving consumer demand for online gambling in both the regulated and black market sectors;
5. Increasing popularity of digital video advertising;
6. Increasing use of AI-assisted search models by consumers, replacing traditional search engines.

Previous work by Landman Economics (e.g. Reed 2025) has established that, as with other recent studies of the illegal market that we have looked at, it would be wrong to draw the conclusion from the emerging threat of the black market sector that deregulation of legal gambling advertising is required; rather, stronger enforcement actions and more robust safeguards against black market gambling companies are required.

Regarding influencers, *AGASR25* fails to mention the link between insufficient regulation of the gambling sector and affiliate activity. Some influencers and other affiliates promote black market operators in addition to (or instead of) operators regulated in Great Britain. UK-based gambling companies (the BGC’s members) are legally responsible for the conduct of their affiliates, but so far no UK company has faced any enforcement action from the Gambling Commission regarding illegal behaviour by influencers or other affiliates.

Regarding AI threats, the treatment of AI threats focuses exclusively on illegal operators using generative AI to “create appealing advertisements outside the bounds of regulatory restrictions,” without acknowledging that licensed operators also have access to these technologies and face questions about their appropriate use in gambling advertising.

8 Conclusions

Judging by the executive summary which has been critiqued in this report, Alvarez & Marsal's *Annual Gambling Advertising and Sponsorship 2025* report suffers from a number of flaws and biases. In particular, the report fails to take the harms and costs arising from problem gambling in Britain into account, which is consistent with the BGC's tendency to downplay the risks associated with gambling. The analysis of the indirect effects of advertising expenditure by the gambling industry on Gross Value Added is very partial and makes no attempt to compare the size of indirect effects arising from advertising expenditure with other industrial sectors in the British economy. The report claims that gambling advertising and sponsorship is a key enabler of free-to-air sport in Great Britain but does not attempt to analyse or model the extent to which other sponsors or advertising demand might arise if the gambling sector's footprint were reduced. Analysis of trends in gambling expenditure suggests that it is indeed falling year-on-year. The report fails to consider the possible negative impacts of expenditure on televised gambling advertising before the watershed, and is also silent on the harmful effects of digital gambling advertising. Finally, the analysis of emerging threats from black market gambling operators ignores the extent to which legal gambling operators engage in similar activities (particularly regarding the role of influencers and the use of generative AI in advertising) and fails to consider that tighter, rather than looser, regulation may be necessary to stem the growth in the black market.

More generally, the failure of the BGC – and the DCMS – to make the full text of the report publicly available shows a worrying lack of transparency regarding interactions between the UK Government and the BGC, and the precise content of the report. The BGC are a lobbying group for the gambling sector and have shown themselves time and again to be an inappropriate partner for government. Since the creation of the BGC in 2019 their members have incurred regulatory actions costing them over £718m, including a £615m deferred prosecution agreement between HMRC and Entain surrounding the company's failure to prevent bribery, and over £100m of financial penalties applied by the Gambling Commission and other British regulators for a variety of violations including anti-money laundering and social responsibility failings. BGC members have also incurred numerous actions from the Advertising Standards Authority for breaching the codes governing gambling advertising. In this context, it is deeply uncomfortable that the DCMS has fostered such a close relationship with an organisation representing businesses that breach statutory regulations with abandon.

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