



# Loot boxes in video games - call for evidence.

The race is on to damage-limit legislation with potentially serious consequences for the sector

## RISK BAROMETER:



## JURISDICTION RELEVANCE:

UK

## TIMELINE:

The consultation runs until  
November 22nd

## WHAT YOU SHOULD KNOW:

- As of September 23rd, 2020, the government's consultation on loot boxes, led by DCMS, is [going full steam ahead](#). The consultation will seek two tranches of evidence. First, video games players and adults responsible for children and young people aged 16+ and who play video games are asked to undertake a "Player Experience Questions Survey". Second, video games businesses, researchers and organisations are asked to provide detailed answers to a series of bespoke questions.
- The [survey](#) is heavily tilted towards measuring the uptake of parental controls and whether their functionality, combined with ratings, labels and drop rates, constitutes an effective means of limiting the access of minors to loot boxes. A lone question asks whether consumers have encountered "positive" experiences from loot boxes. We can expect negative responses throughout from activist participants.
- The [more detailed consultation](#), aimed at businesses, researchers and organisations, consists of ten questions, centred upon a) evidence of harm from loot boxes, especially for young people b) the predominance of loot boxes to the in-game purchase market and c) current self-regulatory and regulatory protections for loot boxes, including actions taken by other jurisdictions. DCMS has provided multiple sub-questions, which might be construed as an effort to contain the scope of responses - virtually all use the term "loot boxes" and some necessitate the release of player data

as it pertains to loot boxes at an unrealistic level of micro and macro detail.

- The results of the consultation will be considered alongside the review of the Gambling Act 2005 (timeline TBA) and will inform future actions regarding loot boxes. No specific legislative options are set out, however, a clue may lie the fact that drop rates are afforded considerable air time and the player survey is limited to "young people aged 16+," implying that the line of thinking is already that anyone younger should not be accessing loot boxes.

## MOST TELLING:

**"The government stands ready to take action should the outcomes of the call for evidence support taking a new approach to ensure users, and particularly children and young people, are protected."**

## DELANY & CO HOT TAKE:

DCMS have done their utmost to keep the consultation "loot box-centric." However, they may discover that in undertaking the first fully-fledged public consultation into this pricing mechanic, they have inadvertently pressed the open sesame button on a host of deeper interlinked issues - randomised mechanics in video games, in-app purchases and consumer protection, the video games and gambling debate, the video games addiction debate, age ratings versus age verification, and so on - for which, a hard and fast legislative solution simply does not exist. It will be the job of industry to explain that the easy policy win sought is a hornet's nest.