

## Behavioural Reallocation after the Online Gaming Ban: A Multi-State Survey-Based Analysis

### Background and Context

The enactment of the Promotion and Regulation of Online Gaming Act, 2025 (PROG Act)<sup>1</sup> marked a significant shift in India's digital gaming landscape by introducing a nationwide prohibition on online real-money gaming (RMG). While the policy aimed to address concerns related to financial harm, addiction, and fraud, it also raised a critical question regarding how users would respond in a digitally open ecosystem where offshore alternatives remain accessible. Evidence from other studies indicates that regulatory restrictions in such environments often lead to behavioural adjustments rather than complete cessation, with users shifting toward alternative, unregulated platforms.<sup>2</sup>

In response, CUTS International initiated a multi-state, survey-based research project to examine post-ban behavioural patterns among former RMG users. The study spans Delhi NCR, Tamil Nadu, and Maharashtra, capturing diverse regulatory and socio-economic contexts. The research provides empirical insights into behavioural reallocation, particularly the shift toward offshore betting platforms that operate outside India's regulatory framework and raise concerns about consumer protection, financial exposure, and enforcement challenges.

### Objectives

The project is designed to generate evidence-based insights on behavioural responses to regulatory interventions in digitally open markets. The key objectives are to:

- assess whether the prohibition of domestic real-money gaming led to cessation, reduction, or reallocation of user behaviour;
- analyse changes in user engagement across key dimensions, including participation, spending, frequency, and duration;
- examine the extent of migration toward offshore betting and gambling platforms; and
- inform policy discussions by providing empirical evidence on the effectiveness and unintended consequences of the regulatory intervention.

### Approach and Methodology

The study adopts a phased, mixed-method research design combining quantitative surveys and qualitative insights.

- **Geographic Coverage:** Delhi NCR, Tamil Nadu, and Maharashtra
- **Sample Size:** 3,000 respondents (1,000 per state), all of whom had engaged in online money-based gaming before the ban

- **Sampling Method:** Non-probability sampling using purposive selection, snowballing, and pre-existing respondent databases
- **Analytical Framework:** Pre–post comparative design (before and after 1 September 2025 as the operational cut-off)
- **Quantitative Analysis:** Behavioural indicators including participation, spending, frequency, session duration, and platform usage
- **Qualitative Component:** In-depth interviews to understand behavioural drivers, platform preferences, and user motivations
- **Comparative Design:** Uniform survey instrument across states to enable cross-state analysis and aggregation

This consistent methodology enables both state-level insights and consolidated national-level analysis, ensuring robust, comparable findings.

## Envisaged Outputs

The project will produce three state-level reports covering Delhi NCR, Tamil Nadu, and Maharashtra, as well as a consolidated multi-state report synthesising findings across all regions.

## Envisaged Outcomes

The project aims to contribute to policy and regulatory discourse through:

- Improved understanding of user behaviour in response to regulatory interventions in digital markets
- Evidence on behavioural reallocation toward offshore platforms, highlighting gaps in enforcement and regulation
- Insights to support the design of balanced, evidence-based regulatory frameworks
- Strengthened policy dialogue among government, industry, and international stakeholders
- Contribution to future regulatory reforms, enforcement strategies, and responsible gaming frameworks.

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## Endnotes

- 1 <https://www.meity.gov.in/static/uploads/2025/10/8a7f103cefc68ed8aaa2ebc9a2ed7c13.pdf>
- 2 <https://www.tandfonline.com/doi/full/10.1080/17441056.2024.2440222>