



Economic and legal aspects of governance of the gambling industry in the digital era

Lilia Bublyk*

PhD in Economics, Associate Professor
Lviv Polytechnic National University
79000, 12 Stepan Bandera Str., Lviv, Ukraine
<https://orcid.org/0009-0008-5886-1440>

Abstract. The relevance of this study is determined by the rapid digital transformation of the gambling industry, which creates new economic opportunities while simultaneously generating complex challenges for state regulation. The aim of the article was to analyse the economic and legal mechanisms for regulating the gambling business in the context of the digital economy, taking into account institutional and technological aspects. The study employed general scientific and specialised methods, including analysis and synthesis, comparative analysis, a systems approach, and statistical methods. The paper examined the impact of digital technologies, online platforms, mobile applications, and algorithmic systems on the development of the gambling market. It has been established that digitalisation expands the accessibility of services, contributes to the formation of new business models, and increases the economic significance of the industry. The international experience of regulating online gambling was analysed, which made it possible to identify key approaches to licensing, taxation, financial monitoring, and consumer protection. It has been generalised that the rapid development of online gambling leads to the emergence of new challenges in the sphere of state regulation, particularly in relation to combating money laundering, ensuring market transparency, and implementing responsible gambling policies. The necessity of developing a comprehensive regulatory model that combines economic and legal instruments, digital monitoring technologies, and institutional mechanisms for responsible gambling has been substantiated. The implementation of such a model will contribute to increasing the transparency of the gambling market, ensuring the financial security of the state, and minimising social risks associated with the spread of gambling in the digital environment. It has been established that the processes of digitalisation significantly expand the accessibility of gambling services, contribute to the formation of new business models, and increase the economic importance of the gambling industry for national economies. The practical value of the study lies in the possibility of using its results by public authorities and regulatory bodies to improve policy in the field of the gambling business

Keywords: gambling business in Ukraine; digitalisation; state regulation; online gambling; economic regulation

INTRODUCTION

The rapid digital transformation of the global economy has significantly reshaped traditional industries, particularly those characterised by high levels of technological integration and regulatory sensitivity. The gambling industry represents one of the most dynamically evolving sectors in this context, as the transition from land-based operations to digital platforms has fundamentally altered its economic structure, operational mechanisms, and regulatory

environment. The widespread adoption of online gambling platforms, mobile applications, and data-driven management systems has increased the accessibility of gambling services and expanded market boundaries beyond national jurisdictions. At the same time, these developments have introduced new challenges for governments, particularly in ensuring effective regulation, financial transparency, and consumer protection in digital environments. Therefore,

Suggested Citation:

Bublyk, L. (2026). Economic and legal aspects of governance of the gambling industry in the digital era. *University Economic Bulletin*, 21(1), 9-18. doi: 10.69587/ueb/1.2026.09.

*Corresponding author (bublyk2016@gmail.com)



Copyright © The Author(s). This is an open access article distributed under the terms of the Creative Commons Attribution License 4.0 (<https://creativecommons.org/licenses/by/4.0/>)

the study of economic and legal mechanisms governing the gambling industry in the digital era is of critical importance for both academic research and public policy development.

Recent academic literature demonstrates growing interest in the regulation and transformation of gambling markets in the context of digitalisation. For example, S. Gainsbury *et al.* (2020) emphasise that the expansion of online gambling platforms has significantly increased market accessibility while simultaneously raising concerns about consumer protection and responsible gambling practices. Similarly, A. Ivanov (2020) argues that the economic model of gambling industries is closely linked to the prevalence of problem gambling, highlighting the need for stronger regulatory frameworks that address both economic and social dimensions of the sector. In the field of digital governance, F. Mihai *et al.* (2025) examine the role of technological innovations, including artificial intelligence and gamification, in shaping user behaviour and influencing gambling participation. The authors conclude that digital technologies enhance user engagement but may also intensify risks associated with addictive behaviour if regulatory safeguards are insufficient.

Current academic discourse suggests that the digital shift in gambling creates a dichotomy between substantial economic expansion and increasingly intricate regulatory hurdles. In particular, the rapid expansion of online gambling platforms increases accessibility and market scale, while simultaneously intensifying risks related to consumer protection and gambling-related harm. Similar conclusions were reached by M. Fisher *et al.* (2025), who emphasise that modern regulatory frameworks often struggle to keep pace with the evolving digital gambling environment. Furthermore, I. Savolainen *et al.* (2025) demonstrate that the growth of digital advertising and algorithm-driven promotion significantly influences user engagement and may contribute to the normalisation of gambling behaviour. These findings are supported by M. Sofis *et al.* (2025), who argue that unregulated gambling activities on digital and social media platforms create additional risks of problem gambling, particularly among younger users. From a broader public health perspective, L. Tran *et al.* (2024) confirm that the prevalence of problematic gambling behaviour is increasing in parallel with the expansion of online gambling markets. At the same time, S.-J. Ko *et al.* (2024) highlight that the cross-border nature of digital gambling platforms complicates jurisdictional regulation and creates challenges for national legal systems. In addition, Z. Khamzina & Y. Buribayev (2026) emphasise the growing tension between the fiscal benefits of the gambling industry and the need to minimise its negative social impacts. Overall, these studies support the results of this research and demonstrate that effective governance of the digital gambling industry requires a balanced approach that integrates economic regulation, legal control, and social protection mechanisms.

In the context of consumer behaviour and social impact, M. Egerer & V. Marionneau (2024) investigate regulatory measures aimed at restricting access to offshore

gambling platforms and conclude that blocking strategies alone are insufficient without comprehensive regulatory coordination. Despite the significant body of research, existing studies often focus on individual aspects of the problem, such as consumer behaviour, technological innovation, or legal regulation, without providing a comprehensive analysis that integrates economic, legal, and institutional dimensions of gambling governance in the digital era. Moreover, the rapid pace of digital transformation requires continuous updating of regulatory approaches and deeper interdisciplinary analysis.

The purpose of this study was to analyse the economic and legal mechanisms regulating the gambling industry in the digital era, with a focus on institutional governance structures, the impact of digital technologies on market development, and the identification of effective regulatory approaches that ensure a balance between economic growth and consumer protection.

MATERIALS AND METHODS

This study was based on a comprehensive interdisciplinary approach that combined economic, legal, and institutional analysis of the development of the gambling industry in the context of digital transformation. The empirical foundation of the research was formed using official statistical data and analytical reports from leading international organisations and regulatory bodies. In particular, the study utilised data from the Gambling Commission (n.d.), which provided official statistics on market size, participation rates, and Gross Gambling Yield for 2024-2025. According to these reports, the UK gambling market generated approximately GBP 16.8 billion in gross gambling yield in the financial year 2024-2025, indicating stable growth of the sector. Data from the American Gaming Association (n.d.) were also used, showing that total legal betting volume in the United States exceeded USD 160 billion in 2025, reflecting the rapid expansion of online gambling markets. Additionally, analytical materials from international databases such as Statista and Euromonitor, as well as industry reports including Research and Markets, were employed to assess global market trends and economic indicators of the gambling sector. Regulatory frameworks and reports of the Malta Gaming Authority were analysed to examine international licensing practices and digital regulatory approaches.

The study encompasses the 2020-2025 period, facilitating a longitudinal analysis of the sector's evolution from the post-pandemic recovery phase to the current state of digital maturity. The methodological framework of the study included several approaches. Comparative analysis was used to compare regulatory models in the United Kingdom, Malta, the United States and Sweden. The selection of countries was based on their advanced digital gambling markets and distinct regulatory approaches. The comparison was conducted according to criteria such as the level of state control, effectiveness of licensing systems, financial monitoring mechanisms, degree of consumer protection, and integration of digital technologies in regulation.

Descriptive statistics were applied to analyse key market indicators such as gross gambling yield, participation rates, and betting volumes, allowing for the identification of trends and structural changes in the industry. Content analysis was used to examine legal documents, regulatory policies, and institutional frameworks governing gambling activities, which made it possible to identify key regulatory patterns and policy approaches. The system approach was applied to consider the gambling industry as a complex socio-economic system integrating economic, legal, technological, and institutional components.

In addition, elements of qualitative text analysis techniques were applied to interpret regulatory documents and policy reports, ensuring a deeper understanding of governance mechanisms in digital gambling environments. The data processing and analysis were supported by software tools including Microsoft Excel for statistical processing and table construction, Python with basic data analysis libraries for structuring and aggregating datasets, and NVivo for content analysis of regulatory and policy materials. The combination of these methods ensured a high level of analytical validity and reliability of the research results. The use of official international data sources, clearly defined methodological criteria, and appropriate analytical tools allowed for a comprehensive assessment of economic and legal mechanisms regulating the gambling industry in the digital era.

RESULTS AND DISCUSSION

The results of this study confirm that the digital transformation of the gambling industry significantly influences both its economic development and regulatory complexity. These findings are consistent with the conclusions of S. Gainsbury (2015), who emphasised that the expansion of online gambling platforms increases accessibility and market growth while simultaneously creating risks related to consumer protection and regulatory control. Similar to the research, S. Gainsbury highlighted the dual nature of digitalisation, combining economic benefits with social risks. The role of digital technologies identified in this study corresponds with the findings of M. Griffiths (2019), who noted that gamification and algorithmic personalisation significantly increase user engagement in online gambling environments. However, while M. Griffiths mainly analysed behavioural aspects, this study provides a broader institutional perspective by showing how these technologies affect regulatory frameworks and require enhanced legal oversight. Furthermore, the results of this research align with the work of K. Škařupová *et al.* (2018), who demonstrated that digital marketing and targeted advertising influence gambling behaviour. In contrast to the authors, who focused on behavioural risks, the present study emphasises the necessity of integrating these insights into public policy through stricter advertising regulations and responsible gambling mechanisms.

From an institutional and legal perspective, the findings are consistent with the conclusions of O. Zozulia *et al.* (2024), who stressed the importance of strengthening

regulatory authorities in the gambling sector. Similarly, the current study confirms that effective institutional governance, including clearly defined regulatory competencies and international cooperation, is essential for managing digital gambling markets. At the same time, this research expands their conclusions by incorporating the role of digital monitoring tools and algorithmic regulation. The importance of financial monitoring identified in this study is supported by the findings of S. Tomic (2022), who analysed anti-money laundering mechanisms in online gambling. The aforementioned study demonstrated that digital gambling platforms are inherently susceptible to heightened risks regarding illicit financial flows. The obtained results confirm this conclusion and further show that integrated regulatory systems combining financial supervision and technological monitoring are necessary to ensure market transparency. In addition, the results of this study are in line with the conclusions of M. Egerer & V. Marionneau (2024), who examined regulatory measures aimed at limiting offshore gambling activities. While they concluded that blocking measures alone are insufficient, research supports this view and demonstrates that comprehensive regulatory strategies, including licensing, monitoring, and international coordination, are more effective. The economic aspects of gambling market development identified in this study correspond with the findings of N. Aimo *et al.* (2024), who highlighted the growing contribution of gambling industries to national economies. However, while they focused primarily on economic trends, this study provides a more integrated approach by combining economic analysis with legal and institutional perspectives.

At the same time, the present study extends the conclusions of previous research emphasising the behavioral and institutional nature of gambling markets. In particular, I. Montiel *et al.* (2021) highlight the increasing prevalence of cyber gambling among young populations, stressing the role of digital environments in shaping risky behaviour patterns. This finding supports the argument of the present study that digital transformation not only expands market accessibility but also intensifies regulatory challenges, requiring more advanced monitoring systems. Similarly, according to the Law of Ukraine No. 768-IX “On State Regulation of Activities Related to the Organisation and Conduct of Gambling” (2020), the institutional framework establishes the legal basis for regulating gambling activities, confirming the importance of clearly defined regulatory mechanisms and state supervision in the development of the gambling market. Furthermore, comparative research on gambling regulation indicates that different institutional models produce varying economic and social outcomes. In this regard, the findings of P. Sacco *et al.* (2019) highlight the diversity of regulatory approaches in digital economies and their impact on market efficiency. These conclusions are further supported by M. Griffiths (2019), who emphasises the role of gamification and digital tools in increasing user engagement in online gambling environments. However, while these studies primarily focus on behavioural dimensions,

the present research expands this perspective by integrating economic and regulatory aspects, particularly the role of digital platforms in shaping fiscal outcomes and institutional responses. Building on these contributions, the present study develops a more comprehensive analytical framework that combines behavioural, institutional, and economic perspectives. It demonstrates that effective regulation of digital gambling markets requires not only legal and social measures but also the integration of fiscal instruments, technological monitoring systems, and adaptive policy mechanisms. Such an approach allows for balancing economic benefits with social responsibility and ensuring the sustainable development of the gambling industry in the digital economy.

Finally, the present study complements the research of M. Devaney (2009), who analysed international regulation of online gambling. Although the author emphasised the challenges of cross-border regulation, the findings of the present study demonstrate that digital technologies both

complicate and facilitate regulatory processes through the use of data analytics and real-time monitoring systems. Overall, the comparison with existing literature shows that the findings of this study are consistent with previous research regarding the economic importance and regulatory challenges of digital gambling. At the same time, this study contributes to the literature by providing a comprehensive analysis that integrates economic, legal, technological, and institutional dimensions of gambling regulation in the digital era. To further illustrate the transformation of the gambling sector in the digital environment, it is useful to systematise the main economic and legal characteristics of traditional and digital gambling models. Digitalisation has not only expanded market accessibility but has also changed the mechanisms of regulation, monitoring, and consumer protection. The comparative characteristics presented in Table 1 and highlight the key structural differences between land-based and online gambling systems.

Table 1. Comparative characteristics of traditional and digital gambling regulation

Regulatory dimension	Traditional gambling model	Digital gambling model
Market accessibility	Physical presence in casinos, betting shops, or gambling halls	Global access through online platforms and mobile applications
Licensing procedures	National licensing tied to specific physical locations	Digital licensing systems often operating across multiple jurisdictions
Taxation mechanisms	Based on physical revenues and local economic activity	Complex digital taxation involving cross-border financial transactions
Monitoring and control	On-site inspection and physical supervision by regulatory authorities	Algorithmic monitoring, digital reporting systems, and automated compliance tools
Consumer protection	Limited behavioural monitoring and responsible gambling measures	Real-time player tracking, responsible gambling tools, and personalised risk detection
Advertising regulation	Traditional media advertising subject to national rules	Online targeted advertising requiring stricter digital marketing regulation
Technological infrastructure	Mechanical or electronic gambling devices in physical venues	AI-based algorithms, big data analytics, and cloud-based gaming platforms

Source: compiled by the author based on the studies of M. Devaney (2009), S. Tomic (2022), N. Aimo *et al.* (2024)

The comparison demonstrates that the digital transformation of gambling significantly expands both the economic scale and the regulatory complexity of the sector. While digital platforms provide new opportunities for market growth, innovation, and fiscal revenues, they simultaneously create challenges related to cross-border jurisdiction, data protection, and the ethical use of algorithmic technologies. From an economic perspective, governments must develop balanced regulatory policies that allow the industry to contribute to economic development while minimising potential social costs. Effective regulatory frameworks increasingly rely on integrated governance models that combine legal regulation, technological supervision, and institutional cooperation between financial regulators, gambling commissions, and digital platform authorities. Such an approach allows policymakers to address emerging risks associated with digital gambling markets while ensuring transparency, accountability, and responsible industry practices. Thus, the evolution of the gambling industry in the digital era requires continuous adaptation of economic and legal regulatory mechanisms.

Future regulatory strategies should focus on strengthening international cooperation, improving digital monitoring systems, and enhancing the transparency of algorithmic decision-making processes used by online gambling operators. These measures can contribute to the development of a sustainable and socially responsible gambling ecosystem in the context of rapid technological change.

As evidenced by the comparative data, the migration to digital ecosystems necessitates a departure from territorial-based oversight towards more fluid, multi-jurisdictional governance. Digital ecosystems operate in a transnational environment where traditional territorial jurisdiction becomes less effective. Online gambling services can be accessed from different countries simultaneously, which complicates the application of national regulatory mechanisms and creates challenges related to taxation, licensing, and consumer protection. Furthermore, the implementation of advanced technological tools such as artificial intelligence, machine learning, and big data analytics allows both operators and regulators to monitor gambling activities in real time. These technologies enable the detection

of irregular betting patterns, identification of potential cases of fraud or money laundering, and early recognition of problematic gambling behaviour. At the same time, the growing use of algorithmic systems in gambling platforms raises important legal questions concerning transparency, accountability, and ethical standards in automated decision-making processes. From an economic perspective, the digital gambling market generates a number of significant benefits for national economies. Governments receive additional fiscal revenues through taxation, licensing fees, and regulatory contributions paid by gambling operators. Moreover, the development of online gambling platforms stimulates innovation in related technological sectors, including fintech services, cybersecurity systems, and digital payment infrastructures. However, these

economic benefits must be balanced against potential social and regulatory risks associated with the rapid expansion of digital gambling markets.

To better understand these dynamics, it is useful to examine the economic effects associated with the development of the digital gambling sector. The analysis presented in Table 2 indicates that digital gambling markets simultaneously generate economic opportunities and regulatory challenges. On the one hand, the sector contributes to economic growth, technological development, and diversification of government revenues. On the other hand, the globalisation of digital gambling platforms increases the risk of regulatory arbitrage, where operators may relocate their activities to jurisdictions with less strict regulatory requirements.

Table 2. Economic effects of the digital gambling market

Economic indicator	Positive effects	Potential risks
Fiscal revenues	Increased tax income from online gambling platforms	Tax avoidance through offshore jurisdictions
Employment	Growth of jobs in IT, fintech, and digital marketing sectors	Decline of employment in traditional gambling venues
Technological innovation	Development of digital payment systems, data analytics, and cybersecurity technologies	Increased technological dependence and infrastructure costs
Market expansion	Access to global markets and wider consumer base	Intensified international competition and regulatory pressure

Source: compiled by the author based on the studies of M. Devaney (2009), S. Tomic (2022), N. Aimo *et al.* (2024)

In response to these challenges, many countries are developing integrated regulatory frameworks that combine economic policy instruments with advanced digital monitoring technologies. Such frameworks involve cooperation between financial regulators, gambling commissions, cybersecurity agencies, and law enforcement institutions. Their primary objective is to ensure transparent market functioning, prevent illegal gambling activities, and protect consumers from potential harm associated with excessive

gambling behaviour. Figure 1 presents a conceptual model of the institutional framework governing the economic and legal regulation of the digital gambling industry. The diagram illustrates the interaction between the key institutional actors involved in regulating and operating digital gambling markets, as well as the technological and social components that shape the functioning of this sector. The model emphasises the multi-level nature of regulatory governance in the context of digital transformation.

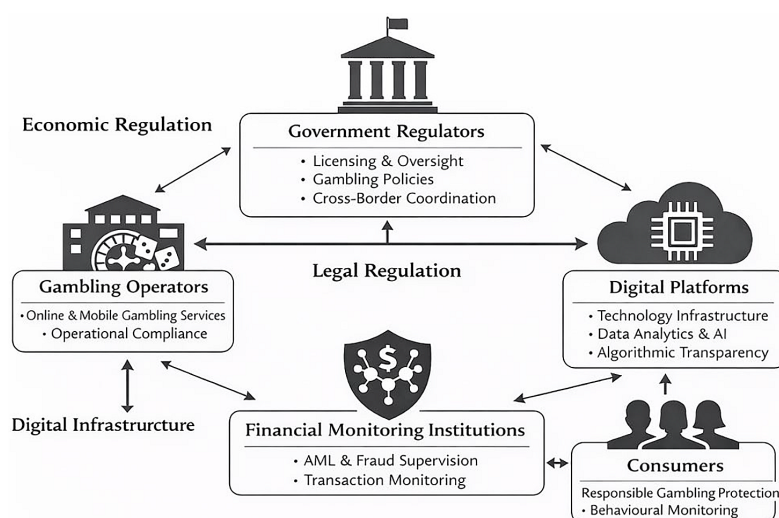


Figure 1. Institutional model of digital gambling regulation

Source: compiled by the author based on the studies of M. Devaney (2009), S. Tomic (2022), N. Aimo *et al.* (2024)

At the top of the framework are government regulatory authorities, which represent the central coordinating element of the regulatory system. These institutions are responsible for establishing licensing procedures, ensuring legal oversight of gambling operators, and developing regulatory policies aimed at maintaining market transparency and compliance with national legislation. In the digital environment, regulatory authorities must also address issues such as cross-border gambling services, digital taxation, algorithmic accountability, and the regulation of online advertising. The inclusion of cross-border coordination within the regulatory structure highlights the global nature of digital gambling markets and the necessity for international cooperation among regulatory bodies. The economic regulation dimension is reflected through the relationship between government regulators and gambling operators. Gambling operators function as the primary economic agents within the industry by providing online and mobile gambling services through digital platforms. Their activities generate fiscal revenues for governments through taxation and licensing fees while simultaneously stimulating technological development and employment within related sectors such as information technology, fintech services, and digital marketing. However, due to the high financial turnover associated with gambling markets, strict regulatory supervision is required to ensure compliance with operational standards and prevent illegal practices.

Another critical component illustrated in the figure is the digital infrastructure and technological environment that supports online gambling activities. Digital platforms provide the technological backbone of the gambling ecosystem and include cloud computing systems, artificial intelligence algorithms, payment processing technologies, and data analytics tools. These technologies enable real-time interaction between operators and consumers, facilitate personalised gaming experiences, and improve operational efficiency. At the same time, the increasing reliance on algorithmic systems introduces regulatory challenges related to transparency, cybersecurity, and ethical use of data. The legal regulation layer connects government regulators, gambling operators, and digital platforms, highlighting the legal mechanisms that govern the functioning of the gambling market. Legal regulation encompasses licensing requirements, operational compliance rules, advertising restrictions, responsible gambling policies, and data protection regulations. This layer ensures that the economic activities of gambling operators are conducted within a legally defined framework that protects both the integrity of the market and the rights of consumers. An essential supervisory role within the system is performed by financial monitoring institutions, which are responsible for maintaining financial transparency within the gambling sector. These institutions implement anti-money laundering (AML) regulations, monitor financial transactions conducted through gambling platforms, and cooperate with international financial intelligence units to detect suspicious financial activities. The presence of financial

monitoring institutions within the regulatory framework reflects the high level of financial risk associated with digital gambling markets, particularly with regard to illegal financial flows and cross-border transactions.

At the social level of the framework are consumers, who represent the participants of digital gambling markets. Modern regulatory approaches increasingly prioritise consumer protection through the implementation of responsible gambling mechanisms. These mechanisms include behavioural monitoring systems, betting limits, self-exclusion programmes, and digital tools designed to identify early signs of problematic gambling behaviour. By incorporating consumer protection measures into the institutional framework, regulators seek to minimise the social risks associated with excessive gambling and ensure that gambling activities remain within safe and controlled limits. Overall, the institutional framework presented in Figure 1 demonstrates that the regulation of the digital gambling industry requires an integrated governance approach that combines economic policy instruments, legal regulatory mechanisms, technological oversight, and social protection measures. The interaction between these components forms a comprehensive regulatory ecosystem capable of responding to the challenges associated with the rapid expansion of digital gambling markets. Effective coordination between regulatory authorities, gambling operators, financial monitoring institutions, and technology providers is therefore essential for maintaining the stability, transparency, and sustainability of the digital gambling industry in the context of ongoing technological change. To deepen the analytical discussion of the institutional model presented in Figure 1, it is necessary to examine how different countries implement economic and legal regulatory mechanisms for digital gambling markets. International experience demonstrates that regulatory approaches vary significantly depending on national legal traditions, technological development, and public policy priorities. Some countries apply highly centralised regulatory models with strict licensing requirements, while others adopt more flexible frameworks aimed at encouraging market development and technological innovation.

One of the most developed regulatory systems can be observed in the United Kingdom, where gambling activities are supervised by the national regulatory authority responsible for licensing, consumer protection, and market transparency. The regulatory framework emphasises responsible gambling policies, mandatory age verification systems, and strict advertising restrictions aimed at preventing gambling-related harm. The British model is widely considered one of the most comprehensive regulatory systems because it integrates economic regulation with strong consumer protection mechanisms. Another example is Malta, which has become a major international hub for online gambling operators due to its favourable regulatory environment and clear licensing procedures. The Maltese regulatory framework focuses on creating a competitive and technologically advanced gambling market while maintaining financial transparency through strict

anti-money laundering requirements. Many international gambling companies choose Malta as their licensing jurisdiction due to its stable legal environment and well-developed digital infrastructure. In contrast, the United States follows a more fragmented regulatory approach. Gambling regulation is primarily conducted at the state level, resulting in different legal frameworks across states. For instance,

some states allow online sports betting and digital casinos under strict regulatory supervision, while others maintain significant restrictions on online gambling activities. This decentralised regulatory structure reflects the complex legal and political environment of gambling regulation in the United States. The comparative characteristics of these regulatory models can be summarised in Table 3.

Table 3. Comparative analysis of digital gambling regulation in selected countries

Country	Regulatory authority	Key regulatory mechanisms	Economic impact	Consumer protection measures
United Kingdom	UK Gambling Commission	Licensing system, advertising control, digital monitoring	Significant tax revenues from online gambling	Mandatory age verification, responsible gambling tools
Malta	Malta Gaming Authority	International licensing, AML monitoring, technological regulation	Attraction of international operators and investment	Responsible gambling policies and compliance audits
United States	State regulatory authorities	State-level licensing and taxation	Development of regional gambling markets	Player protection regulations vary by state
Sweden	Swedish Gambling Authority	National licensing system and market supervision	Controlled market development	Strict advertising restrictions and player protection rules

Source: compiled by the author based on the studies of M. Devaney (2009), S. Tomic (2022), N. Aimo *et al.* (2024)

The data presented in Table 3 indicate that despite differences in regulatory models, most developed gambling markets emphasise three key regulatory priorities: ensuring market transparency, preventing illegal financial activities, and protecting consumers from potential gambling-related harm. The integration of digital monitoring technologies, financial supervision mechanisms, and responsible gambling policies has become a common feature of modern gambling regulation. In the context of digital transformation, regulators increasingly rely on advanced technological tools such as artificial intelligence and data analytics to monitor gambling markets more effectively. These technologies allow authorities to track player behaviour, identify suspicious transactions, and enforce compliance with regulatory requirements in real time.

Therefore, the international experience of regulating digital gambling markets demonstrates that effective governance requires a balanced combination of economic incentives, legal supervision, technological monitoring, and social protection measures. Countries that successfully integrate these components into their regulatory frameworks are better positioned to manage the risks associated with the rapid expansion of online gambling markets while simultaneously benefiting from the economic potential of the industry. The statistical indicators presented in Table 4 demonstrate the growing economic importance of the gambling industry in national economies. In the United Kingdom, the gambling sector generated approximately GBP 16.8 billion in gross gambling yield in the 2024-2025 financial year, which reflects the significant fiscal contribution of the sector to the national budget.

Table 4. Key statistical indicators of gambling markets in selected countries

Country	Market size/revenue	Key regulatory authority	Specific market characteristics
United Kingdom	GBP 16.8 billion Gross Gambling Yield (2024-2025)	UK Gambling Commission	Highly regulated online gambling market with strong consumer protection
Malta	Major EU licensing hub for online operators	Malta Gaming Authority	Attractive licensing system and favourable regulatory environment
United States	USD 10.74 billion online gaming revenue (2025)	State gambling regulators	Rapid expansion of sports betting and online gambling markets

Source: compiled by the author based on the studies of M. Devaney (2009), S. Tomic (2022), N. Aimo *et al.* (2024)

In the United States, the legalisation of online sports betting in multiple states has significantly expanded the digital gambling market, resulting in total online gaming revenues exceeding USD 10 billion annually (Aimo *et al.*, 2024). This growth has been supported by technological innovations, mobile gambling platforms, and increasing consumer participation in online betting activities. Malta, in contrast, has developed a specialised regulatory model focused on providing licensing services for international gambling operators. The regulatory framework established by the Malta Gaming Authority has positioned the country

as one of the most important jurisdictions for global online gambling companies (Devaney, 2009).

In summary, the comparative analysis of international regulatory models confirms that the effective governance of digital gambling markets depends on the ability of states to combine legal regulation, technological monitoring, and economic policy instruments into a coherent institutional framework. The experience of countries such as the United Kingdom, Malta, the United States and Sweden demonstrates that different regulatory approaches may lead to varying economic outcomes, but all successful models share

common features, including transparency, financial control, and consumer protection. At the same time, the growing role of digital technologies requires continuous adaptation of regulatory mechanisms and the implementation of innovative supervisory tools. Thus, the findings presented in this study support the conclusion that sustainable development of the gambling industry in the digital economy is only possible under conditions of integrated, flexible, and technologically advanced regulatory systems that balance economic benefits with social responsibility.

CONCLUSIONS

The analysis conducted in this study demonstrates that the rapid digitalisation of the gambling industry has significantly transformed the economic structure and legal governance mechanisms of gambling markets worldwide. The transition from traditional land-based gambling establishments to digital platforms has expanded market accessibility, increased the scale of financial transactions, and introduced new technological instruments such as artificial intelligence, algorithmic personalisation, and real-time data analytics into the functioning of gambling systems. These technological developments create both economic opportunities and regulatory challenges. On the one hand, digital gambling markets generate substantial fiscal revenues, stimulate technological innovation, and contribute to the development of related sectors such as financial technologies, cybersecurity, and digital marketing. On the other hand, the cross-border nature of online gambling platforms complicates national regulatory frameworks and increases risks associated with illegal gambling operations, money laundering, and problematic gambling behaviour.

International experience demonstrates that effective governance of digital gambling markets requires a comprehensive regulatory approach that combines economic regulation, legal supervision, technological monitoring, and consumer protection mechanisms. Countries such as the United Kingdom have developed advanced regulatory models based on strict licensing systems, responsible gambling policies, and continuous monitoring of digital platforms. At the same time, jurisdictions such as Malta have created regulatory environments that encourage international investment and technological development while maintaining financial transparency through anti-money laundering regulations. Another important aspect of modern gambling regulation is the increasing role of technological supervision tools. Artificial intelligence and big data analytics enable regulators to identify suspicious financial

transactions, detect early signs of gambling addiction, and monitor operator compliance with legal requirements in real time. These technologies significantly improve regulatory efficiency and allow authorities to respond more quickly to emerging risks in digital gambling ecosystems.

At the same time, the growing influence of algorithmic systems and targeted digital marketing requires additional legal safeguards aimed at protecting vulnerable groups of consumers. Advertising strategies, personalised game design, and behavioural tracking technologies may increase the risk of excessive gambling if appropriate regulatory controls are not implemented. Therefore, modern regulatory policies increasingly emphasise responsible gambling programmes, self-exclusion systems, and transparency requirements for digital gambling platforms. In conclusion, the digital transformation of the gambling industry requires continuous adaptation of economic and legal regulatory frameworks. The successful regulation of digital gambling markets depends on the ability of governments to integrate legal instruments, technological monitoring systems, and consumer protection mechanisms into a coherent governance model capable of responding to the rapidly evolving dynamics of the global digital economy.

In this context, policymakers should focus on several strategic priorities for the future development of gambling regulation. First, it is necessary to strengthen international cooperation between regulatory authorities in order to address cross-border gambling services and prevent regulatory arbitrage. Second, governments should promote the development of technological monitoring systems that allow regulators to analyse gambling market data and detect potential risks more effectively. Third, regulatory frameworks must prioritise consumer protection through the implementation of responsible gambling policies and digital safety mechanisms. Further research should focus on empirical quantitative validation of the proposed integrated regulatory model, particularly the impact of AI and digital monitoring tools on problem gambling rates, tax revenues, and consumer protection in both Ukrainian and international contexts.

ACKNOWLEDGEMENTS

None.

FUNDING

None.

CONFLICT OF INTEREST

None.

REFERENCES

- [1] Aimo, N., Bassoli, M., & Marionneau, V. (2024). A scoping review of gambling policy research in Europe. *International Journal of Social Welfare*, 33(3), 659-674. doi: 10.1111/ijsw.12632.
- [2] American Gaming Association. (n.d.). Retrieved from <https://www.americangaming.org/>.
- [3] Devaney, M. (2009). Online gambling and international regulation: An outside bet. *Information & Communications Technology Law*, 18(3), 273-283. doi: 10.1080/13600830903424718.
- [4] Egerer, M., & Marionneau, V. (2024). Blocking measures against offshore online gambling: A scoping review. *International Gambling Studies*, 24(1), 36-52. doi: 10.1080/14459795.2023.2190372.

- [5] Fisher, M.L., *et al.* (2025). Legal and regulatory responses to online gambling harms: A scoping review of evidence. *Harm Reduction Journal*, 22, article number 163. doi: [10.1186/s12954-025-01292-y](https://doi.org/10.1186/s12954-025-01292-y).
- [6] Gainsbury, S.M. (2015). Online gambling addiction: The relationship between internet gambling and disordered gambling. *Current Addiction Reports*, 2, 185-193. doi: [10.1007/s40429-015-0057-8](https://doi.org/10.1007/s40429-015-0057-8).
- [7] Gainsbury, S.M., Angus, D.J., Procter, L., & Blaszczynski, A. (2020). Use of consumer protection tools on internet gambling sites: Customer perceptions, motivators, and barriers to use. *Journal of Gambling Studies*, 36, 259-276. doi: [10.1007/s10899-019-09859-8](https://doi.org/10.1007/s10899-019-09859-8).
- [8] Gambling Commission. (n.d.). Retrieved from <https://www.gamblingcommission.gov.uk/>.
- [9] Griffiths, M.D. (2019). Use of gamification in facilitating the use of responsible gambling tools. *Gaming Law Review*, 23(1), 19-22. doi: [10.1089/glr.2019.2313](https://doi.org/10.1089/glr.2019.2313).
- [10] Ivanov, A.M. (2020). Legalization of the gambling business and the hotel industry: Points of interaction. *Development of Management and Entrepreneurship Methods on Transport*, 4(73), 119-133. doi: [10.31375/2226-1915-2020-4-119-133](https://doi.org/10.31375/2226-1915-2020-4-119-133).
- [11] Khamzina, Z., & Buribayev, Y. (2026). Between fiscal returns and social harm: Reframing gambling regulation in Kazakhstan through international evidence. *Frontiers in Sociology*, 10, article number 1718858. doi: [10.3389/fsoc.2025.1718858](https://doi.org/10.3389/fsoc.2025.1718858).
- [12] Ko, S.-J., Seo, J.-E., & Kwon, H.-Y. (2024). A study on the jurisdiction and regulation of offshore online gambling between trading countries. In S. Chun, G. Karuri-Sebina, E. Przeybilovicz, F. Barbosa & C. Braga (Eds.), *Proceedings of the 17th international conference on theory and practice of electronic governance* (pp. 166-175). New York: Association for Computing Machinery. doi: [10.1145/3680127.3680138](https://doi.org/10.1145/3680127.3680138).
- [13] Law of Ukraine No. 768-IX "On State Regulation of Activities Related to the Organisation and Conduct of Gambling" (2020, July). Retrieved from <https://zakon.rada.gov.ua/laws/show/en/768-IX?lang=uk#Text>.
- [14] Mihai, F., Aleca, O.E., & Iordache, D.-M. (2025). AI personalization and its influence on online gamblers' behavior. *Behavioral Sciences*, 15(6), article number 779. doi: [10.3390/bs15060779](https://doi.org/10.3390/bs15060779).
- [15] Montiel, I., Ortega-Barón, J., Basterra-González, A., González-Cabrera, J., & Machimbarrena, J.M. (2021). Problematic online gambling among adolescents: A systematic review about prevalence and related measurement issues. *Journal of Behavioral Addictions*, 10(3), 566-586. doi: [10.1556/2006.2021.00055](https://doi.org/10.1556/2006.2021.00055).
- [16] Sacco, P., Frey, J.J., Callahan, C., Hochheimer, M., Imboden, R., & Hyde, D. (2019). Feasibility of brief screening for at-risk gambling in consumer credit counseling. *Journal of Gambling Studies*, 35, 1423-1439. doi: [10.1007/s10899-019-09836-1](https://doi.org/10.1007/s10899-019-09836-1).
- [17] Savolainen, I., Roukka, T., & Oksanen, A. (2025). The impact of gambling advertising online: A longitudinal study on exposure and harm. *International Gambling Studies*, 25(3), 495-512. doi: [10.1080/14459795.2025.2548220](https://doi.org/10.1080/14459795.2025.2548220).
- [18] Škařupová, K., Blinka, L., & Āápal, A. (2018). Gaming under the influence: An exploratory study. *Journal of Behavioral Addictions*, 7(2), 493-498. doi: [10.1556/2006.7.2018.27](https://doi.org/10.1556/2006.7.2018.27).
- [19] Sofis, M., Slade, M., & Kirshenbaum, A. (2025). Unregulated gambling on social media platforms exacerbates risk of problem gambling in a large national sample. *Journal of Social Media Research*, 2(5), 376-387. doi: [10.29329/jsomer.58](https://doi.org/10.29329/jsomer.58).
- [20] Tomic, S. (2022). Regulatory approach to anti-money laundering in online gambling in the UK. In D. Goldbarsht & L. de Koker (Eds.), *Financial technology and the law* (pp. 47-65). Cham: Springer. doi: [10.1007/978-3-030-88036-1_3](https://doi.org/10.1007/978-3-030-88036-1_3).
- [21] Toporetska, Z.M. (2020). Types of gambling business as an object of public administration. *Legal Science*, 12(114), 103-114. doi: [10.32844/2222-5374-2020-114-12.13](https://doi.org/10.32844/2222-5374-2020-114-12.13).
- [22] Tran, L.T., *et al.* (2024). The prevalence of gambling and problematic gambling: A systematic review and meta-analysis. *The Lancet Public Health*, 9(8), 594-613. doi: [10.1016/S2468-2667\(24\)00126-9](https://doi.org/10.1016/S2468-2667(24)00126-9).
- [23] Zozulia, O., Zozulia, I., & Profatilo, K. (2024). Legal status of state gambling authorities in European countries: Prospects for Ukraine. *Journal of the UNIFOR Law Program*, 15(1), 171-193. doi: [10.24862/rcdu.v15i1.1876](https://doi.org/10.24862/rcdu.v15i1.1876).

Економіко-правові аспекти управління індустрією азартних ігор у цифрову епоху

Лілія Бублик

Кандидат економічних наук, доцент
Національний університет «Львівська політехніка»
79000, вул. Степана Бандери, 12, м. Львів, Україна
<https://orcid.org/0009-0008-5886-1440>

Анотація. Актуальність дослідження зумовлена стрімкою цифровою трансформацією індустрії азартних ігор, яка створює нові економічні можливості та водночас формує складні виклики для державного регулювання. Метою статті був аналіз економіко-правових механізмів регулювання грального бізнесу в умовах цифрової економіки з урахуванням інституційних і технологічних аспектів. У дослідженні використано загальнонаукові та спеціальні методи, зокрема аналіз і синтез, порівняльний аналіз, системний підхід і статистичні методи. У роботі досліджено вплив цифрових технологій, онлайн-платформ, мобільних застосунків та алгоритмічних систем на розвиток грального ринку. Встановлено, що цифровізація розширює доступність послуг, сприяє формуванню нових бізнес-моделей і підвищує економічну значущість галузі. Проаналізовано міжнародний досвід регулювання онлайн-гемблінгу, що дозволило визначити ключові підходи до ліцензування, оподаткування, фінансового моніторингу та захисту споживачів. Узагальнено, що швидкий розвиток онлайн-гемблінгу зумовлює появу нових викликів у сфері державного регулювання, зокрема щодо протидії відмиванню коштів, забезпечення прозорості ринку та впровадження політики відповідальної гри. Встановлено, що процеси цифровізації суттєво розширюють доступність гральних послуг, сприяють формуванню нових бізнес-моделей та підвищують економічну значущість гральної індустрії для національних економік. Обґрунтовано необхідність формування комплексної моделі регулювання, яка поєднує економічні та правові інструменти, цифрові технології контролю та інституційні механізми відповідальної гри. Реалізація такої моделі сприятиме підвищенню прозорості грального ринку, забезпеченню фінансової безпеки держави та мінімізації соціальних ризиків, пов'язаних із поширенням азартних ігор у цифровому середовищі. Практична цінність дослідження полягає у можливості використання результатів органами державної влади та регуляторами для вдосконалення політики у сфері грального бізнесу

Ключові слова: гральний бізнес України; цифровізація; державне регулювання; онлайн-гемблінг; економічне регулювання