

THE ALLURE OF EASY MONEY: BETTING APPLICATIONS AND THEIR IMPACT ON THE FINANCIAL AND MENTAL WELL-BEING OF PAKISTANI YOUTH

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ABSTRACT

The rapid proliferation of smartphone-based betting applications in Pakistan has introduced a novel and pervasive form of digital gambling, particularly among youth aged 18–30. These platforms, often marketed as "fantasy sports" or "skill-based gaming," leverage persuasive design principles to foster sustained engagement. Despite global evidence linking online gambling to financial precarity and mental health disorders, the Pakistani context remains critically underexamined. This mixed-methods study investigated the prevalence, patterns, predictors, and psychosocial consequences of betting app usage among Pakistani youth. A sample of 78 participants (M age = 23.4 years, SD = 3.1; 62.8% male, 37.2% female) completed an online survey, with a subsample of 12 participating in semi-structured interviews.

Quantitative findings indicated that 42.3% of users engaged with betting apps weekly, with 18.2% reporting daily use. Statistically significant correlations were found between frequency of use and increased financial stress ($r = .67, p < .001$), higher debt accumulation ($r = .59, p < .001$), and elevated scores on measures of depression (PHQ-9: $r = .71, p < .001$) and anxiety (GAD-7: $r = .64, p < .001$). Regression analysis revealed that frequency of use and perceived peer norms significantly predicted both financial distress ($R^2 = .48$) and anxiety symptoms ($R^2 = .41$). Qualitative analysis identified four core themes: The Illusion of Control, Social Normalization, Financial Desperation, and Psychological Spiral.

The convergence of findings underscores the urgent need for evidence-based regulation, targeted mental health interventions, enhanced financial literacy programs, and corporate responsibility to mitigate the risks posed by these platforms to Pakistani youth.

Keywords: online gambling, betting applications, financial well-being, mental health, emerging adults, Pakistan, mixed-methods, digital behavior

Introduction

The digital landscape in Pakistan has undergone a seismic shift with the widespread adoption of smartphones and affordable mobile data. Concurrently, there has been a marked rise in the availability and marketing of online betting applications, which are often ambiguously classified as "fantasy sports" or "skill-based contests" to navigate regulatory gray areas (Hussain, 2023). These platforms employ

sophisticated behavioral design elements—such as variable ratio reinforcement schedules, "near-miss" feedback, and social leaderboards—that are engineered to maximize user retention and expenditure (Gainsbury et al., 2021).

Globally, online gambling is a well-established public health concern, with robust meta-analytic evidence correlating it with financial hardship, debt, family conflict, and a range of mental health disorders, including major

depressive disorder, generalized anxiety disorder, and gambling disorder (Calado & Griffiths, 2016). However, the cultural, religious, and socioeconomic context of Pakistan presents a unique milieu. In a conservative, Muslim-majority society where conventional gambling is explicitly prohibited, the covert nature of digital betting may exacerbate shame and impede help-seeking behaviors. Furthermore, high youth unemployment rates and economic instability may heighten the "get-rich-quick" appeal of these platforms (Khan & Ahmed, 2022).

Despite these contextual risks, empirical research on the impacts of betting applications in South Asia, and Pakistan specifically, is virtually nonexistent. This study aims to bridge this critical gap by providing the first comprehensive, empirical investigation into the financial and psychological consequences of betting app engagement among Pakistani youth. Grounded in cognitive-behavioral and social learning theories, this research seeks to inform national policy, clinical practice, and public health strategy.

The Digital Finance Landscape and Regulatory Context

In recent years, Pakistan has taken measured steps toward integrating digital financial technologies, including engagement with cryptocurrencies such as Bitcoin. In early 2023, the Pakistani government entered into discussions as part of broader international agreements aimed at regulating digital assets and aligning with global anti-money laundering (AML) and counter-terrorism financing (CTF) standards. These developments are part of a larger effort to modernize the financial sector, promote digital inclusion, and facilitate remittances through formal channels.

While these regulatory efforts are focused on financial innovation and security, they have inadvertently coincided with the growth of online betting platforms, many of which operate in legal gray areas. The expansion of digital payment systems—such as mobile wallets and easy bank transfers—has also made financial transactions on betting apps more seamless and accessible, particularly for tech-savvy youth. This evolving digital finance ecosystem presents both opportunities for economic growth and

challenges related to consumer protection, especially among vulnerable populations.

Popular Betting Applications in Pakistan

Several betting and fantasy sports applications have gained substantial popularity among Pakistani youth. These platforms are widely promoted through social media, celebrity endorsements, and targeted advertisements—often during popular sports events like cricket matches. Commonly used apps include:

- **Dream11:** Marketed as a fantasy sports platform, Dream11 allows users to create virtual teams based on real-life players and compete in leagues. It is one of the most widely used apps in Pakistan and is often perceived as a game of skill rather than chance.
- **My11Circle:** Similar in function to Dream11, this app focuses heavily on cricket and offers cash prizes, leveraging the sport's massive following in the country.
- **1xBet:** An international online betting platform offering sports betting, casino games, and live betting options. It operates through mirror sites and apps despite facing periodic regulatory blocks.
- **Bet365:** A globally recognized brand providing extensive sports betting markets, live streaming, and casino services, accessible via mobile apps and websites.
- **Pure Win:** A relatively newer entrant in the South Asian market, offering sports betting and casino games with localized payment options.

These apps often use promotional incentives such as sign-up bonuses, referral rewards, and "free bets" to attract and retain users, blurring the lines between entertainment, skill, and gambling.

Method

Study Design and Participants

A concurrent mixed-methods design was employed, integrating a cross-sectional quantitative survey with exploratory qualitative interviews. The target population was Pakistani nationals aged 18–30 who had used a betting application at least once in the preceding six months. Participants were recruited over an eight-week period via purposive and snowball

sampling through social media platforms (Facebook, Instagram), university student groups, and online forums frequented by gaming enthusiasts.

The final quantitative sample comprised 78 participants (62.8% male, 37.2% female). The mean age was 23.4 years (SD = 3.1, range: 18–30). In terms of employment, 44.9% were students, 32.1% were employed full- or part-time, and 23.1% were unemployed. A purposive subsample of 12 participants (8 male, 4 female), representing a range of betting engagement levels, was selected for in-depth, semi-structured interviews.

Measures

Demographic Questionnaire: Collected data on age, gender, education, monthly personal income, employment status, and household socioeconomic status.

Betting Engagement Scale (BES): Adapted from the Problem Gambling Severity Index (PGSI; Holtgraves, 2009). The 9-item scale was modified to assess frequency, duration, and expenditure specific to mobile application-based betting ($\alpha = .89$).

Financial Well-Being Scale (FWBS): A 5-item scale measuring subjective financial security and stress (Netemeyer et al., 2018). Higher scores indicate greater financial distress ($\alpha = .91$). Participants also reported their estimated net monetary loss and current personal debt attributed to betting.

Mental Health Measures:

- **Patient Health Questionnaire-9 (PHQ-9):** Screened for depressive symptoms over the past two weeks (Kroenke et al., 2001). ($\alpha = .88$).
- **Generalized Anxiety Disorder-7 (GAD-7):** Assessed anxiety symptoms (Spitzer et al., 2006). ($\alpha = .86$).
- **Problem Gambling Severity Index (PGSI):** The original scale was used to assess gambling-related problems ($\alpha = .92$).

Semi-Structured Interview Guide: Explored initiation pathways, usage patterns, perceived impacts on finances and mood, social influences, cognitive distortions (e.g., illusion of control, gambler's fallacy), and barriers to seeking help.

Procedure

The survey was hosted on a secure online platform. Informed consent was obtained digitally prior to participation. All participants were provided with a debriefing sheet containing contact information for free national mental health helplines and financial counseling services. Interview participants were recruited from the survey pool and interviews were conducted via encrypted video and audio conferencing.

Data Analysis

Quantitative data were analyzed using SPSS Version 28. Analyses included descriptive statistics, Pearson's correlation coefficients, and hierarchical multiple regression to test predictors of financial and mental health outcomes. Qualitative data were analyzed using reflexive thematic analysis following the six-phase approach outlined by Braun and Clarke (2006) to ensure a rigorous, inductive exploration of participant experiences.

Results

Quantitative Findings

Prevalence and Patterns of Use:

- 100% of the sample confirmed using at least one betting app (e.g., My11Circle, Dream11, 1xBet) in the past six months.
- Engagement frequency: 18.2% daily, 24.1% 3–5 times/week, 27.6% 1–2 times/week, 30.1% less than weekly.
- Mean reported monthly expenditure on betting was PKR 4,850 (approx. USD 17), with a wide range from PKR 500 to PKR 35,000.

Financial Correlates:

A strong positive correlation was found between betting frequency (BES score) and financial distress (FWBS score), $r(76) = .67, p < .001$. Participants reporting daily use had a mean FWBS score 32% higher than occasional users.

- 41.0% reported accumulating debt due to betting (Mean debt: PKR 18,500).
- 67.9% acknowledged experiencing "significant financial stress" directly linked to betting losses.

Mental Health Correlates:

Betting engagement showed significant positive correlations with:

- Depression (PHQ-9): $r(76) = .71, p < .001$. 38.5% of the sample scored in the "moderate" to "severe" depression range.
- Anxiety (GAD-7): $r(76) = .64, p < .001$. 34.6% scored in the "moderate" to "severe" anxiety range.
- Problem Gambling (PGSI): $r(76) = .82, p < .001$. 28.2% were classified as "moderate risk" or "problem gamblers."

Regression Models:

Two hierarchical regression models were constructed.

1. **Predicting Financial Distress (FWBS):** After controlling for demographic variables (income, employment), betting frequency ($\beta = .52, p < .001$) and peer betting norms ($\beta = .28, p = .003$) emerged as significant predictors, explaining 48% of the variance (Adjusted $R^2 = .46$).
2. **Predicting Anxiety Symptoms (GAD-7):** Betting frequency ($\beta = .47, p < .001$) and pre-existing financial worries ($\beta = .31, p = .002$) were significant predictors, accounting for 41% of the variance (Adjusted $R^2 = .39$).

Qualitative Findings

Thematic analysis of interview data produced four central themes:

1. **The Illusion of Control:** Participants consistently overestimated their skill and knowledge. "I study player statistics. It's not luck, it's analysis. I know I can win back what I lost" (P05, Male, 26). This cognitive distortion facilitated continued engagement despite repeated losses.
2. **Social Normalization:** Betting was often embedded in social rituals. "Our cricket watch party group chat is all about placing bets. If you're not in, you're out" (P11, Female, 24). This normalization reduced perceived risk and stigma.
3. **Financial Desperation:** For many, betting was driven by economic pressure. "My salary is gone by the 20th of the month. This feels like the only

chance to make the rent" (P08, Male, 29). Losses, however, deepened this precarity.

4. **Psychological Spiral:** Participants described a cyclical pattern: using betting to escape low mood, experiencing loss, which worsened mood, leading to further betting. "I feel guilty and stupid after losing. To forget that feeling, I start planning my next bet" (P02, Male, 22).

Discussion

This study provides compelling empirical evidence that betting application usage is significantly and detrimentally associated with both financial and mental well-being among Pakistani youth. The high prevalence of use and the strength of the correlations between engagement and adverse outcomes underscore the urgency of this public health issue.

The findings align with international literature on the harms of digital gambling but are contextualized by local factors. The illusion of control theme resonates with cognitive theories of gambling but is particularly potent in the "fantasy sports" model, which successfully masquerades as a skill-based activity. The social normalization within peer networks suggests that interventions must move beyond an individual-deficit model to address group dynamics and digital peer pressure.

Most critically, the intersection of financial desperation and psychological distress points to a vicious cycle where betting apps exploit socioeconomic vulnerability. This positions them not merely as entertainment platforms but as potential vectors of significant social harm in a country with a large youth population facing economic constraints.

The platforms' design—coupled with social endorsement and economic vulnerability—creates a high-risk environment for developing harmful gambling behaviors and psychological distress. The evolving digital finance ecosystem, while promising for inclusion, has also facilitated seamless transactions on these platforms, increasing accessibility and risk.

Limitations and Future Research

This study has limitations. Its cross-sectional design precludes causal inference. The use of snowball sampling and a modest sample size may affect generalizability. Self-reported data

are susceptible to social desirability bias, potentially leading to underreporting. Future research should employ longitudinal designs, larger nationally representative samples, and incorporate objective financial data. Investigating the specific platform design features (e.g., loot box mechanics, bonus structures) that are most harmful is also crucial.

Conclusion and Implications

This research confirms that betting applications pose a substantive threat to the financial security and psychological health of Pakistani youth. The convergence of persuasive technology, social endorsement, and economic strain creates a high-risk environment.

Implications are multifaceted:

1. **Policy & Regulation:** Urgent regulatory action is needed to clearly define, restrict, and monitor these platforms. Mandatory "pre-commitment" spending limits, prominent and culturally adapted responsible gambling warnings, and a ban on credit-based deposits should be considered.
2. **Clinical Practice:** Mental health professionals in Pakistan require training to screen for and treat gambling disorder. Cognitive-behavioral therapy (CBT) protocols adapted for online gambling should be disseminated.
3. **Public Health & Education:** Nationwide awareness campaigns should target youth and parents, debunking the "skill-based" myth and highlighting risks. Financial literacy programs must specifically address the dangers of gambling as a wealth-generation strategy.
4. **Corporate Responsibility:** Betting operators should be encouraged—or regulated—to implement ethical design practices, such as customizable limits, timeout features, and access to support resources within their apps.

Proactive, multidisciplinary collaboration is essential to safeguard a generation from the allure of easy money, which too often leads to hard consequences. The rise of betting

applications in Pakistan represents a dual-edged sword: a reflection of growing digital engagement, but also a source of significant psychosocial and financial harm for young users. Without intervention, these platforms risk exacerbating existing economic inequalities and mental health challenges among youth.

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