## Rated E for Everyone: Child Gambling and Electronic Art's Loot Box Mechanism

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## **Executive Summary**

Electronic Arts (EA) and many other video game companies are under fire for the same gaming mechanic: Loot Boxes. This mechanic allows players to pay with real or in-game currency to receive a randomized prize. This in-game function seems harmless at a glance, but actually, it shares several key aspects with slot machines and other gambling mechanisms. Numerous published studies have revealed that there is a strong positive correlation between lootbox engagement and gambling among minors. The situation becomes more problematic when popular games with this mechanism-such as EA's soccer game FIFA- are supposedly rated E for everyone. This means that the harmful loot box mechanism is readily available and marketed towards children as young as six. While this proposes significant ethical issues for EA, it is not just an ethical concern. A multitude of countries have proposed legislation against and even banned loot boxes, effectively banning a major source of revenue for EA. Our company, One-Up Consulting, offers a solution to EA's board of Directors for these problems: A Battle Pass System. Using FIFA as a model, this allows for consumers to access rewards through additional items in both a tiered and customizable system. This solution would allow EA to expand upon the rewards previously available to consumers without the problematic characteristics present in a loot box. A battle pass system is the desirable ethical replacement for the Loot Boxes in EA games.