At National Online Safety, we believe in empowering parents, carers and trusted adults with the information to hold an informed conversation about online safety with their children, should they feel it is needed. This guide focuses on one of many issues which we believe trusted adults should be aware of. Please visit nationalcollege.com for further guides, hints and tips for adults.

What Parents & Carers Need to Know about

MICROTRANSACTIONS

Microtransactions (often abbreviated as "MTX") are digital purchases made within an app or game to unlock extra features or additional content such as new levels. A popular sub-set of these are loot boxes, which contain a selection (usually random) of virtual items: from character skins to game-changing equipment like better weapons. Microtransactions (and loot boxes in particular) are now widespread in apps and games, but concerns persist that they normalise gambling and can foster addictive behaviours – especially among younger players.

WHAT ARE THE RISKS?

GATEWAY TO GAMBLING?

Microtransactions have been criticised for promoting gambling-adjacent behaviour in children. Research has also suggested that exposure to the loot box system could affect the likelihood of a young person suffering gambling harms later in life: children who purchased or used loot boxes in the last 12 months were found to be more likely to have gambled during the same period, as well.

ADDICTIVE NATURE

Microtransactions (and loot boxes especially) could lead to young people displaying compulsive behaviours. Loot boxes are designed to be addictive, and the sought-after prizes they contain are dispensed at random. This means that young gamers might not get what they want straight away, causing them to spend more money as well as additional time gaming.

PAYING TO WIN

In many popular games (the FIFA series being a notable example), microtransactions make it far easier to succeed – which is a concern because children can often find it difficult to keep track of their spending. Once a child starts making in-game purchases, they may continue buying to keep up with their friends and other players – sometimes without recognising the mounting real-world cost.

DATA COLLECTION

To allow a young person to complete microtransactions, many app and game developers collect personal data such as their name, address, email, geolocation information, photos, payment details and so on. Even if this data remains secure (which is by no means guaranteed), there's always the chance that it will be used – and possibly sold on to third parties – for marketing purposes.

AFFECTING DAILY ROUTINE

Online games tend to revolve around repeated loops of activity that can affect purchasing decisions and potentially influence children's spending patterns. This could lead to your child not only handing over more money but also adjusting their daily routine to match the game's schedule – potentially impacting more important elements of their day, such as homework and family time.

SATELLITE SPENDING

If you've linked a payment method like a debit card or a PayPal account to your child's game or app, it's wise to keep a close eye on their microtransactions to ensure they aren't racking up a large bill. Letting a child have access to your card (if they're still too young to have their own) or other means of payment could also lead to them spending beyond the apps and games they normally use.

Advice for Parents & Carers

DO YOUR RESEARCH

It's important to have a serviceable idea of whether the games your child plays use the loot box system (even if it goes by a different name) or include the option of buying items, equipment and so forth. If so, it's crucial to help your child understand that this costs actual money, and that they shouldn't feel pressured into making any purchases.

CHAT ABOUT 'CHANCE'

It may help to explain to your child that many microtransactions involve an element of chance: they could pay money and *still* not get what they want in return. Emphasise that – while not usually costing much individually – these in-app and in-game purchases can soon add up. Talk to your child about how spending their money in a game or app means they have less to use in the real world.

(GIFT) CARDS ON THE TABLE

Investing in an in-game currency gift card can be a useful way of helping your child get to grips with budgeting. If you buy, say, a £10 V-bucks Fortnite gift card, monitor how long it takes them to spend it. When they come to you asking for more, you could make it the starting point for a conversation about how quickly that money went and how they could earn their next gift card.

STOP SPENDING AT SOURCE

You might decide that the wisest strategy is to remove the potential for spending money on microtransactions. If so, most games, apps and devices have options in their settings to help you manage what your child can spend – or to disable that function altogether, preventing them from buying additional items for their games or boosted functionality for certain apps.

WATCH FOR THE SIGNS

If you're worried that your child's passion for a particular game or app may tempt them into habitual spending on microtransactions, it's important to remember the indicators of addictive behaviour. Irritability, a lack of concentration and prioritising recreational screen time ahead of homework or mealtimes could all be signs that you need to have a conversation about a more balanced routine.

Meet Our Expert

Carly Page is an experienced technology journalist with a track record of more than 10 years in the industry. Previously the editor of tech tabloid The Inquirer, Carly is now a freelance technology journalist, editor and consultant.

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