

Assessing Shifts in the Sports Betting Market 5 Years Post-PASPA



AMERICAN
GAMING
ASSOCIATION®

MAY 2023

::: Research Design

Methodology



- Online survey
- 20 minutes
- March 14-20, 2023

Audience



- 1,066 Americans 21+
- 1,005 Core Bettors

::: Audience Definitions



CORE: Placed a traditional sports bet at a casino, online, or with a bookie in the past 12 months.



CASUAL: No traditional sports bets in past 12 months, but have placed a bet via family/friends, pool, or fantasy.



POTENTIAL: No sports bets of any kind in past 12 months but open to do so in the future.



UNINTERESTED: Have not bet on sports in the past and would not bet on sports in the future.

::: Audience Definitions



MAJORITY REGULATED:

A majority of sports bets placed with U.S. online sportsbooks or at regulated physical locations in legal states.



MAJORITY UNREGULATED:

A majority of sports bets placed with offshore online sportsbooks or with bookies.

::: Key Findings

85 Percent

of American adults agree with the Supreme Court's decision to strike down PASPA, compared to 63 percent in 2019.

77 Percent

of American adults support legalization in their state of residence.

39.2 Million

American adults have placed a traditional sports wager in the last 12 months.

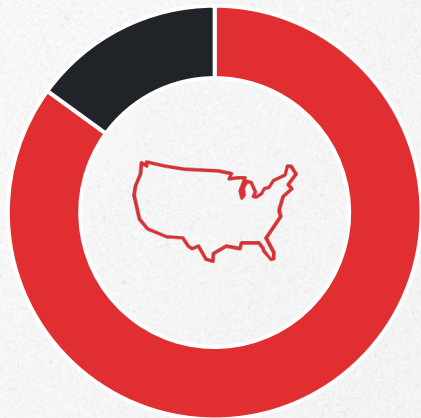
78 Percent

of bettors place all or most bets through regulated operators.

77 Percent

of online sports bets are now placed through regulated operators, compared to just 44 percent in 2019.

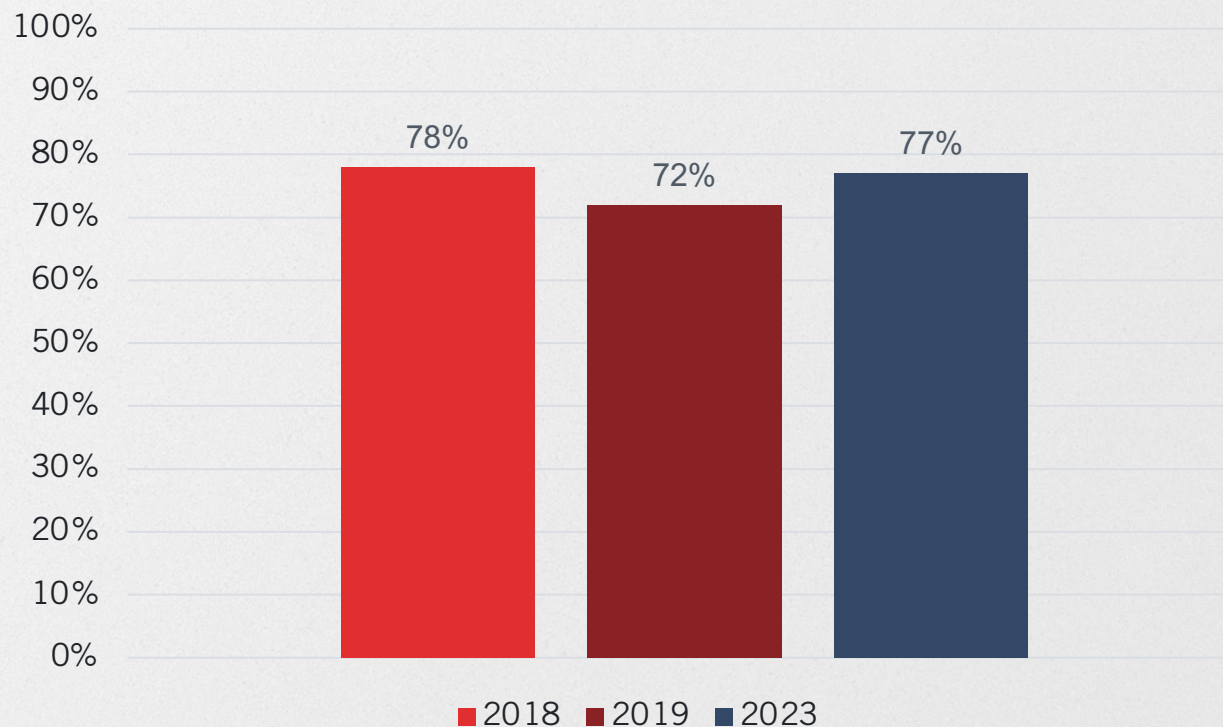
::: Five Years of Sports Betting: Court Decision and Legalization Remain Popular



85%

Believe the Supreme Court made the right decision five years ago to permit states to decide or themselves whether to legalize sports betting.

% Somewhat/Strongly Support Sports Betting Legalization in State of Residence



::: Number of Americans Open to Placing a Sports Bet Grows by 24 Million Since 2019

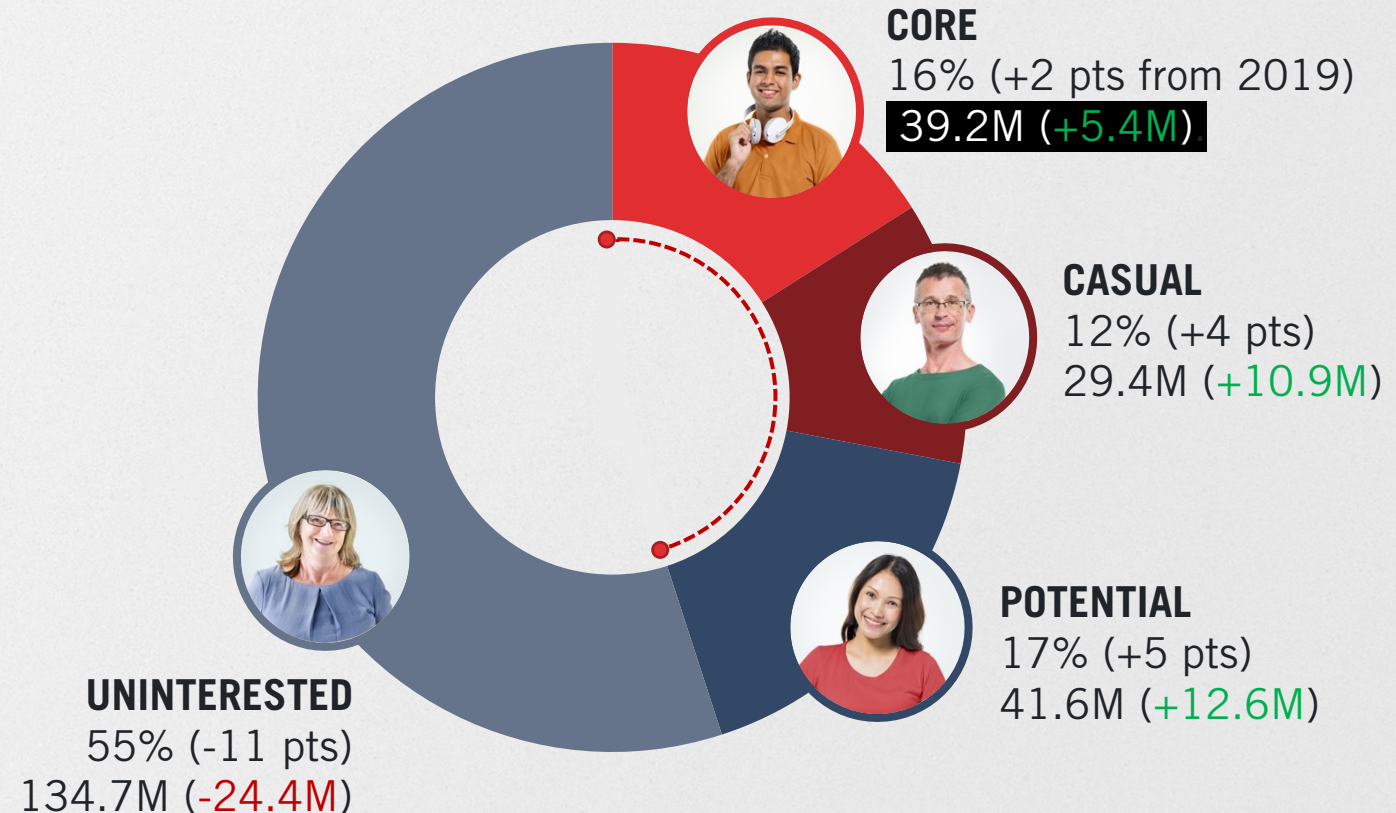
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UNINTERESTED: Have not and would not bet on sports.

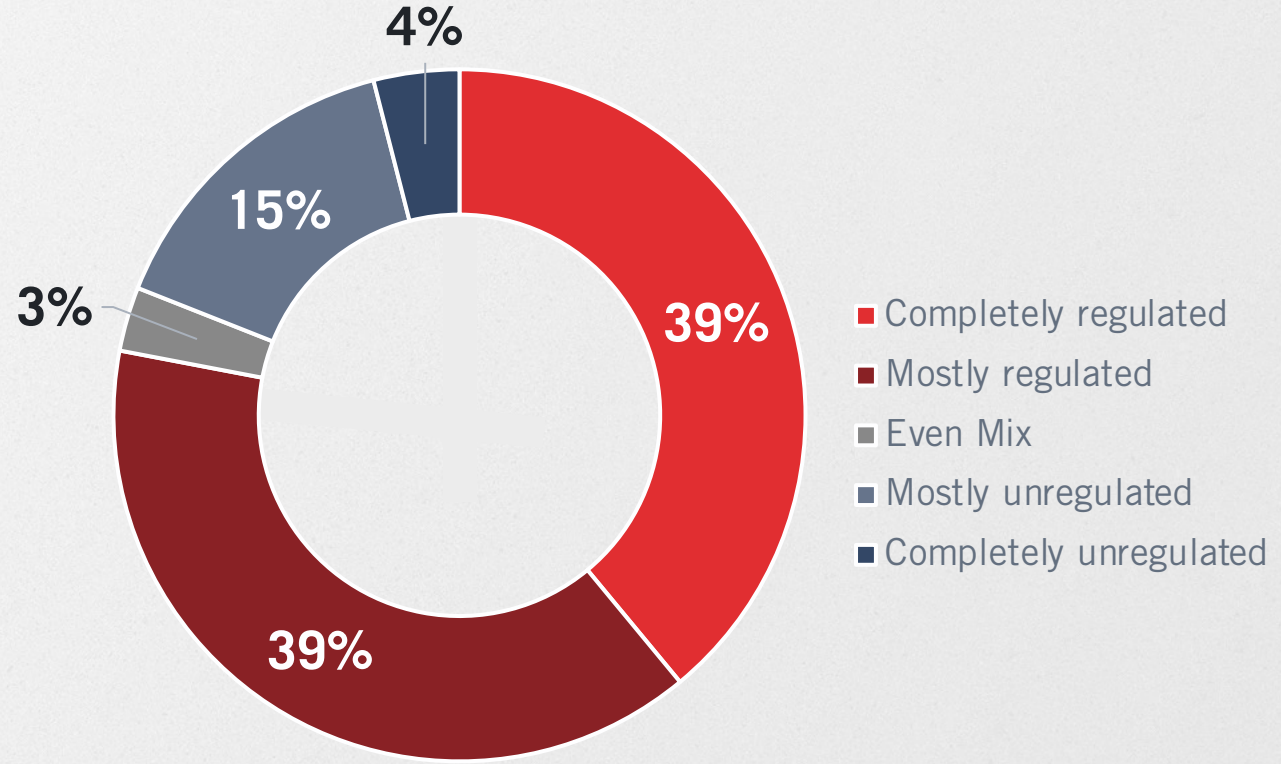
Current and Future Sports Bettors



::: Most Sports Bettors Place Majority of Their Bets Legally

78%

Over three-quarters completely or mostly betting in regulated avenues.

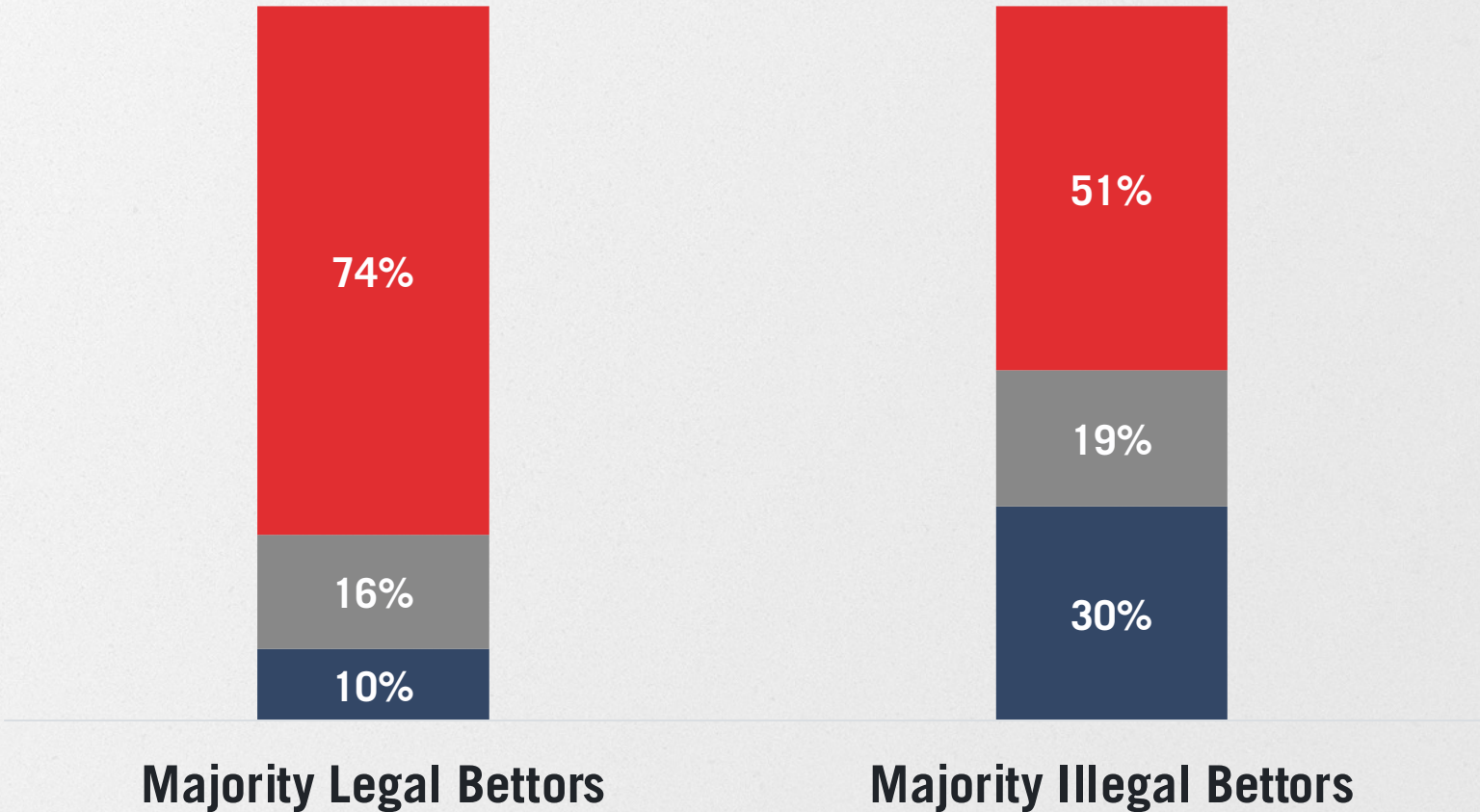


::: Half of Illegal Bettors Believe They are Betting Legally

Awareness of Own Sports Betting Activities

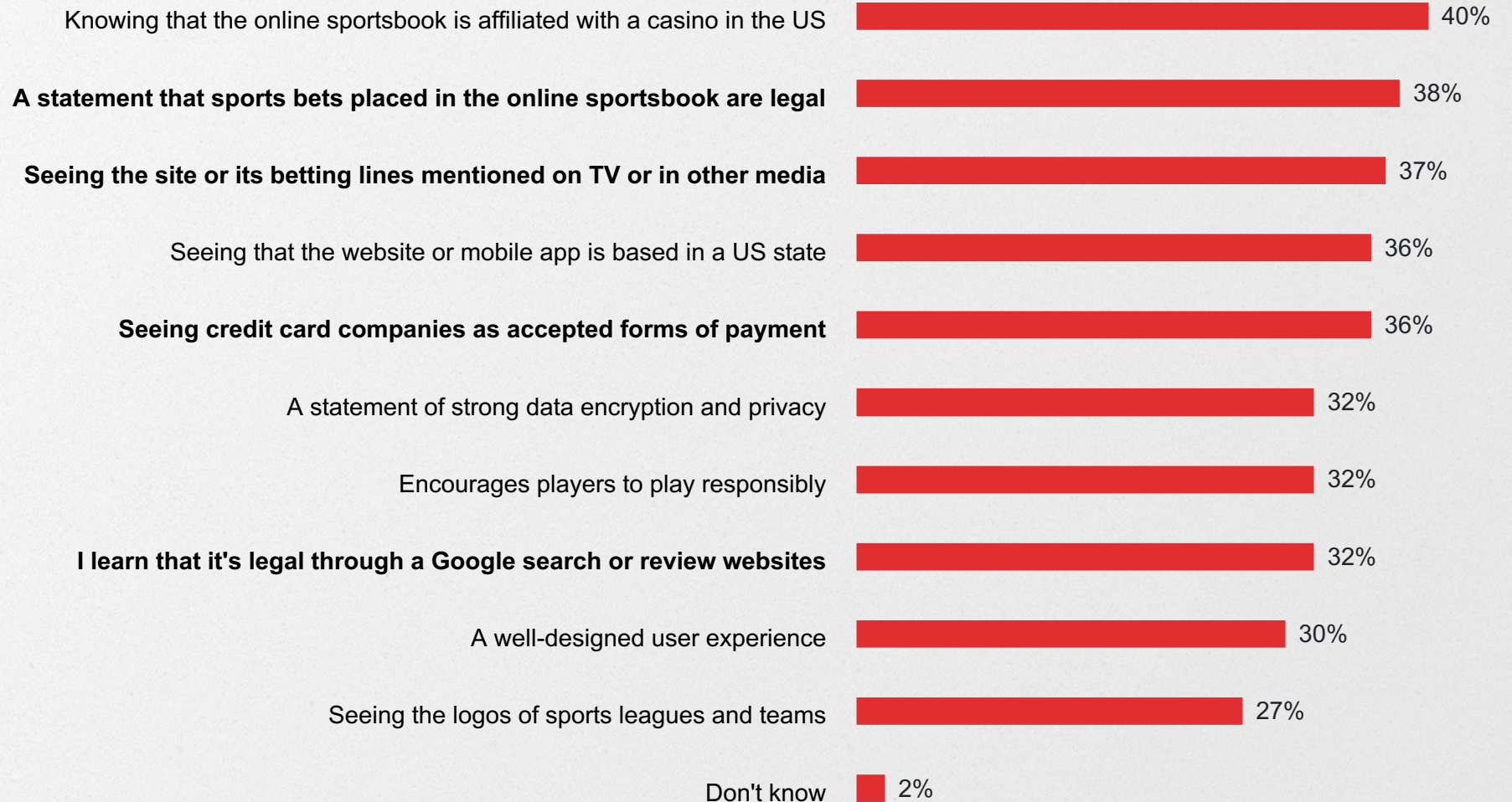
% believe their activity has been...

- Completely/mostly legal
- Even mix
- Completely/mostly illegal



::: Confusion Driven by Misleading Offshore Sites, Search Engines, Media

Which of the following aspects of an online sportsbook lead you to think that it is regulated?

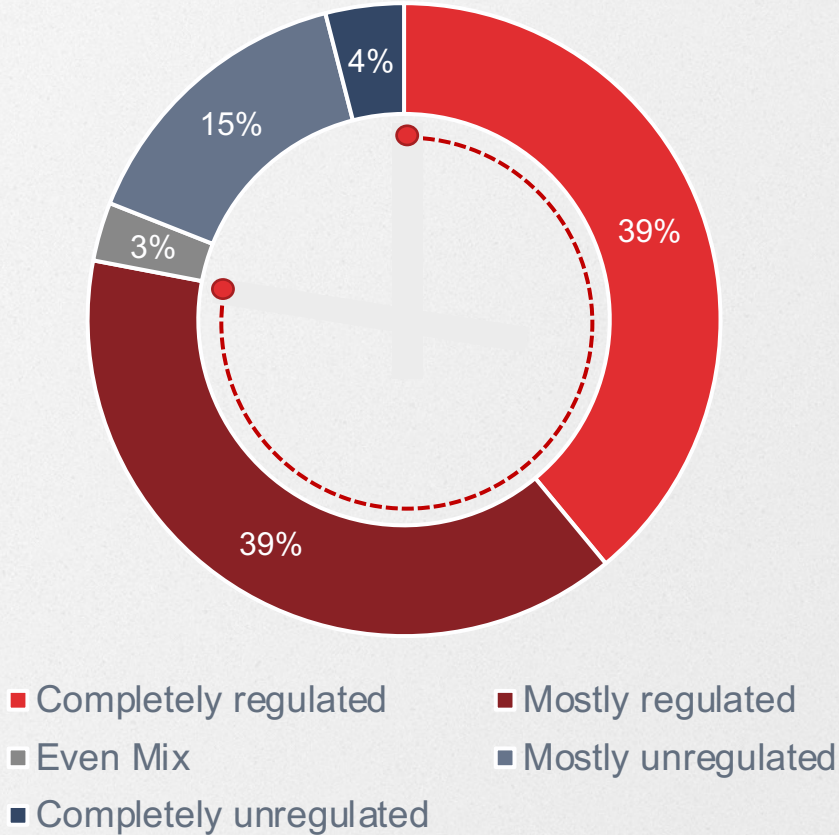


::: Consumers Expect to Continue Movement to Legal Operators Over Next 12 Months

OF THE 19% MAJORITY UNREGULATED BETTORS...

46%

expect to become regulated over the next 12 months.

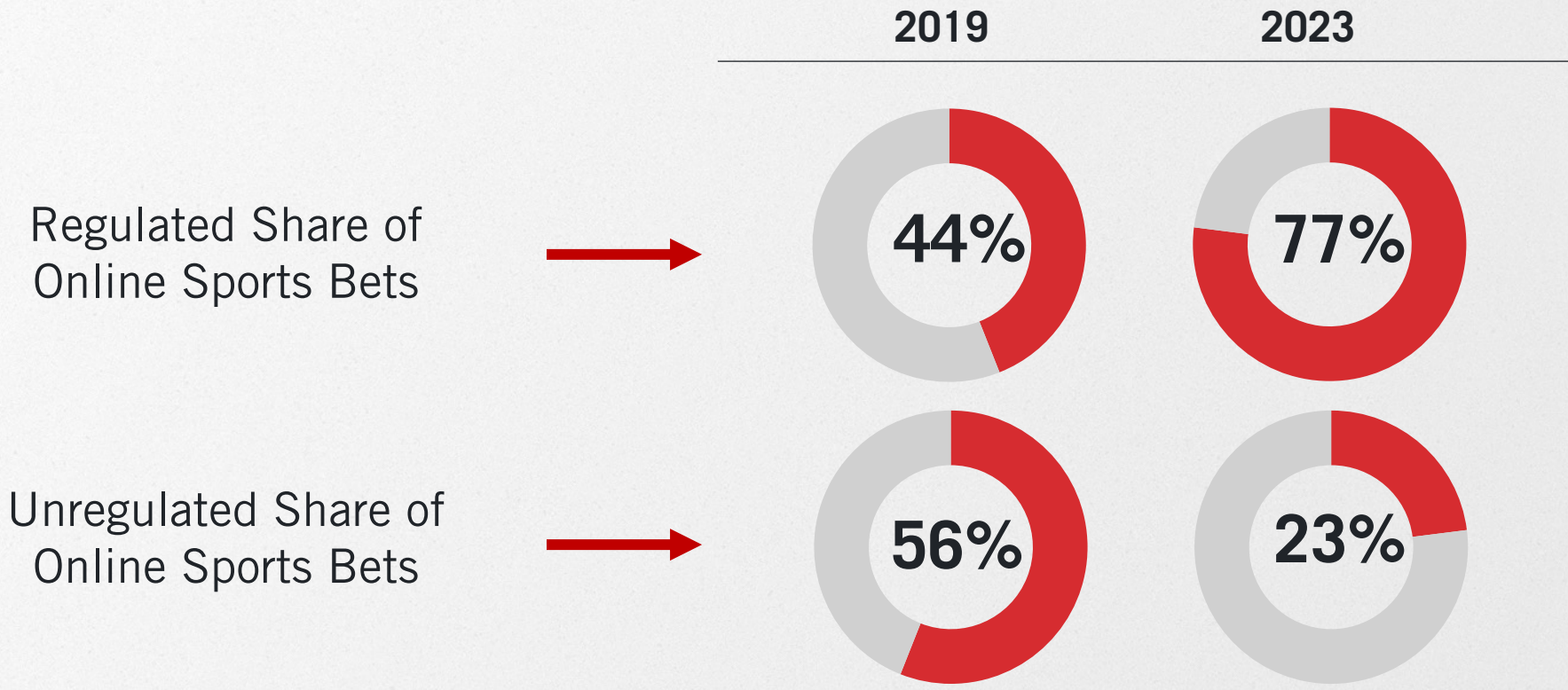


OF THE 78% MAJORITY REGULATED BETTORS...

90%

expect to stay regulated over the next 12 months.

Regulated Bets Now Represent More Than Three Quarters of Online Bets Placed



Confidence In Getting Paid Is The Main Motivator For Using Regulated Sportsbooks.

Over the past 12 months, have any of the following factors played a role in causing you to bet more using regulated means compared to unregulated means?



::: Advertising, Payment Confidence Driving Movement to Legal Books

TOP 5 REASONS CONSUMERS MIGRATE TO REGULATED BOOKS

VS

TOP 5 REASONS CONSUMERS MIGRATE TO ILLEGAL BOOKS

- Better odds with regulated options
- Promo/free-to-play options
- Easier payment methods
- Bad experience with unregulated channels
- Advertising from a casino

- Unable to use credit/debit
- No regulated options in state
- The way I've always done it
- Able to play other real money casino games
- Able to place bets on events not offered on regulated sites