



The case for mobile betting in the United States



Bet.Works chair Dr Laila Mintas analyzes the value of mobile betting state-by-state, and argues in favor of widespread adoption



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One essential key component for a successful legalized sports betting market is to offer the sports betting experience not only via retail channels, such as in casinos or on racetracks, but also to provide an online experience to the customers across the state.

However, as we investigate some of the (planned) legislation, it seems that some of the stakeholders are rather resistant to these facts. This is quite surprising as there are proven examples out there that show how important mobile betting is for operators to be successful and for the states to create significant tax revenues.

A great example in this context is New Jersey, where a significant portion of the sports betting handle comes from mobile betting. These numbers are consistent with betting in mature European markets where the majority of sports betting is done on a mobile device, as well as in addition to retail locations.

Against that background, it is very disappointing to see that the state of **New York**, which represents a market share of 10% of the US population, has failed to allow mobile sports betting and instead is limiting the offerings to a few brick-and-mortar facilities.

A state which learned this the hard way is Rhode Island, where sports betting had been legalized in 2018. Initially, wagering was only allowed in retail locations, but since expected tax revenues have been significantly lower, the state very recently adjusted the legislation to allow **mobile betting**.



Another example is Mississippi, where betting can only be offered at premises of the water- and land-based casinos. A different approach has been chosen by **Tennessee**, which legalized sports betting this year and might launch in late 2019. Online sports betting will be allowed, but there will be no physical sportsbooks.

US outlook for mobile

There is no doubt that sports betting is a great tool to deeply engage fans into sports. This is especially true for the younger generation of sports fans. The trend here is to consume short-form content, such as highlights or just the last few minutes of a game. The issue we see is that the consumption patterns are changing overall, not only in the sports industry, but in the entertainment industry. Nowadays, we order our Ubers, book hotels, and pay for groceries with our mobile phone, and it's largely the same with sports betting, as mobile is the preferred device for consuming sports.

For the last few decades, sports fans in the US have spent an estimated \$200bn annually on online sports betting in the offshore markets. While only a few states have legalized sports betting so far, most sports fans in the US are still making use of these offerings due to the lack of legal alternatives.

It will be challenging to convert these bettors into the legal markets without offering online wagering opportunities. Watching sports and placing bets is a social event. Fans want to bet while being out with friends in a sports bar, or simply sitting in front of their TV at home. It is not realistic to believe that they will go into the next casino to do so.

If the states do not provide a legal online sports betting offering, they will just continue to bet online in the black markets as they have been doing for decades. These markets are nontransparent and difficult to monitor, which presents a huge risk for sports integrity. Nor do these markets provide any consumer protection or enforce any problem gambling policies and do not create any tax revenues for the US.

Dr Laila Mintas is an experienced C-level executive with a strong background in the sports betting, digital sports and fan engagement industries. A lawyer by trade, Mintas was recently appointed the chairwoman of US betting supplier Bet.Works' strategic advisory board. She is also a professor for global sports law at Columbia University in New York.



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