

October 2020

# Danes increasingly gamble online

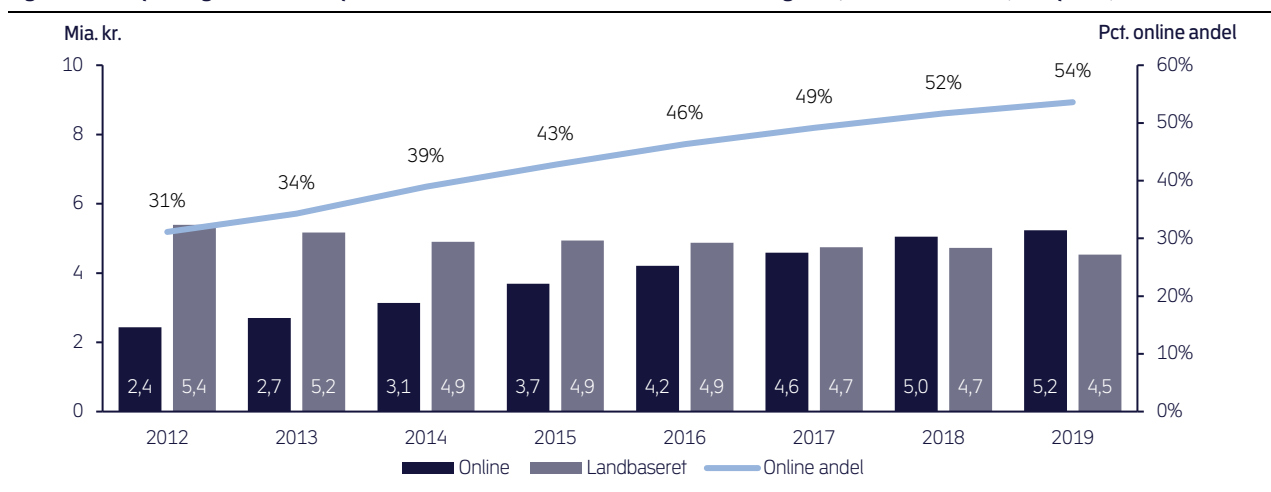
Online gambling is becoming more and more popular on the Danish gambling market. In 2019, online gambling accounted for 54 percent of the total gambling market. This is an increase of 23 percentage points since 2012. At the same time, Danes prefer mobile phones to computers when they gamble online.

Players in the Danish gambling market can choose from a wide selection of gambling products. Overall, a distinction is made between land-based and online gambling products, and many of them exist in both forms. Danes can, for example, bet on sports matches in the local kiosk or on an internet website, just as they can both play roulette at a land-based casino or at an online casino.

Figures from the Danish Gambling Authority show that the Danes' spending on online gambling products with licensed operators has been increasing since 2012, when there was a partial liberalisation of the Danish gambling market, *cf. box 1*. The Danes spent DKK 2.4 billion on online games in 2012 out of a total spending of DKK 7.8 billion. In 2019, the spending on online games doubled to DKK 5.2 billion out of a total spending of 9.8 billion. Online gambling has thereby increased from 31 percent of the total spending on gambling products in 2012 to 54 percent in 2019, *cf. figure 1*.

Gross gaming revenue (GGR) is used to measure the Danes' total spending on gambling products and shows how much players lose. GGR is calculated based on the players' stakes (including bonuses) minus the winnings, plus the commission players pay to participate in a game.

**Figure 1. Total spending with licensed operators distributed between online and land-based games, measured as GGR (2019 prices)**



Source: The Danish Gambling Authority's gambling system, Danske Spil A/S and the class lotteries

The increase in GGR from DKK 7.8 billion to DKK 9.8 billion in the period from 2012 to 2019 can be attributed to the increase in the spending on online games. In 2012, land-based games accounted for more than two-thirds of the total spending on gambling products, but over the years, the balance has become more even. In 2018, online gambling accounted for 52 percent of the total spending and had thus for the first time overtaken the spending on land-based gambling products. In 2019, the share has risen to 54 percent.

#### Box 1. Partial liberalisation of the Danish gambling market in 2012

In 2012, a partial liberalisation of the Danish gambling market was implemented, which changed the framework for two of the largest types of games on the market: online casinos and betting. This meant that everyone can apply for a license to provide these types of games and thus can legally offer them if they obtain a license.

Prior to 2012, betting and online casinos were subject to a monopoly, so only the state-owned Danske Spil was allowed to offer these games. However, the monopoly was under pressure from foreign online providers of betting and online casino, which increasingly offered games in Denmark without a license. The liberalisation thus aimed to ensure a safe and well-regulated gambling market.

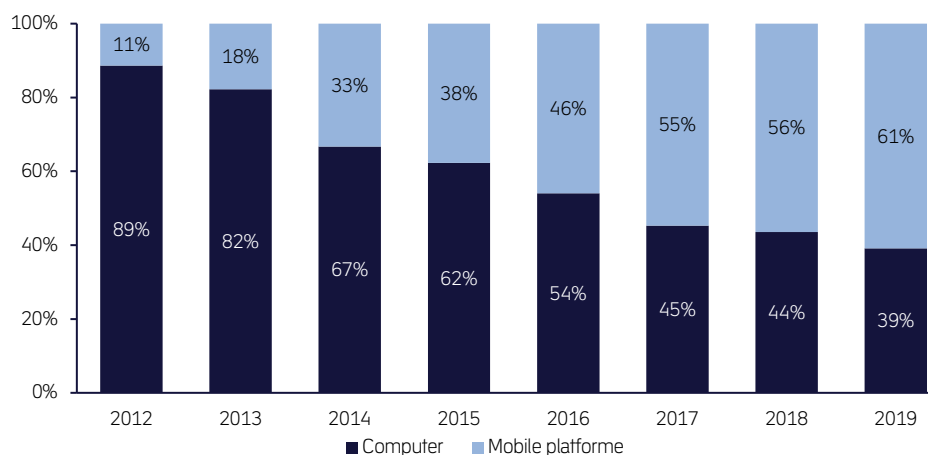
#### Danes prefer to gamble on their phones rather than on their computers

When Danes, for example, bet on sports results online or play online casino games, they may choose to gamble via their computer or mobile platforms such as mobile phones or tablets. The Danes increasingly choose to gamble via mobile platforms, *cf. figure 2*.

In the period from 2012 to 2019, there has been a clear tendency for more and more Danes to choose mobile phones or tablets when they gamble online, *cf. figure 2*. Where only 11 percent of the spending on online gambling products took place on mobile platforms in 2012, this share has increased to 61 percent in 2019.

As shown in figure 2, 2017 was the first year in which more than half of the spending on online games came from mobile platforms, and the development continues in 2018 and 2019.

Figure 2. Share of GGR for online betting and online casino on computers and mobile platforms 2012-2019



Source: The Danish Gambling Authority's gambling system and Danske Spil A/S

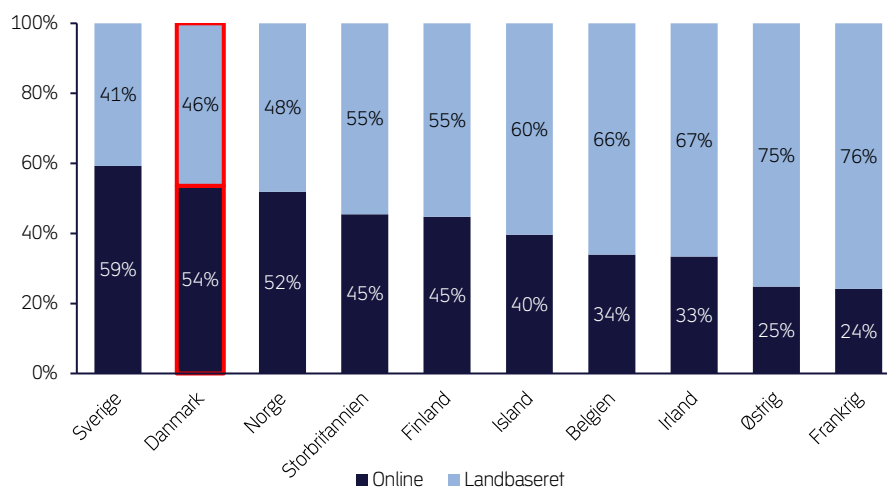
### The Danes take second place in online gambling in Europe

Across Europe, different gambling behaviours are seen – also in relation to the online and land-based games. Compared with other European countries, Denmark is among the countries where online gambling takes up most of the total gambling market. It is only in Sweden, Denmark and Norway that online gambling accounts for a larger share than the land-based games, *cf. figure 3*.

The large share of online gambling in Denmark must be considered in the light of a high degree of digitalisation and the relatively many operators with a license to provide online gambling products. In several other countries, many online games are illegal or subject to monopoly.

The distribution between land-based and online games varies a lot among countries. Austria and France are at the bottom of the top 10 countries with the largest spending on online gambling, with shares of 25 and 24 percent, respectively, *cf. figure 3*.

**Figure 3. Top-10 European countries with the largest share of online gambling in 2019**



Source: The Danish Gambling Authority's gambling system, Danske Spil A/S, the class lotteries and H2 Gambling Capital. The distribution is calculated based on GGR. The GGR is only shown for regulated gambling. In some countries, there can be a significant amount of unregulated gambling.

### The Danish Gambling Authority continuously monitor the development in Danes' spending

The gambling products on the Danish gambling market have varying framework conditions and spending on gambling products develops differently. Therefore, the Danish Gambling Authority continuously monitor the development in the Danes' spending on all types of gambling, as this is a prerequisite for conducting an effective supervision of the various gambling operators. It is thus an important part of the work of ensuring a fair and well-regulated gambling market.