

# Mobile Sports Betting and Casinos TWO STREAMS OF INCOME

## DIRECT

- ▶ Mobile sportsbook operators are required to partner with an existing casino – mobile operators share a percentage of every mobile sports betting dollar in exchange for the right to use the casino’s gaming license
  - ▶ Revenue sharing agreements simplify things for both parties - Rather than a casino having to develop and implement their own software, payment and security platforms, partnering with an experienced mobile operator is a turnkey solution to create a new stream of revenue with minimal investment or risk
  - ▶ By offering mobile sports betting, casinos can expand their reach to online customers throughout the entire state

## INDIRECT

- ▶ Casinos can use mobile technology to market to a new customer base of sports bettors that skews younger, more affluent and less interested in traditional gambling than your average casino visitor
  - ▶ Cross-marketing opportunities will incentivize and draw these mobile users into brick and mortar casinos where they will spend money on entertainment and other casino games



### DIRECT

- ▶ Sports betting revenue sharing with Mobile sportsbook partner



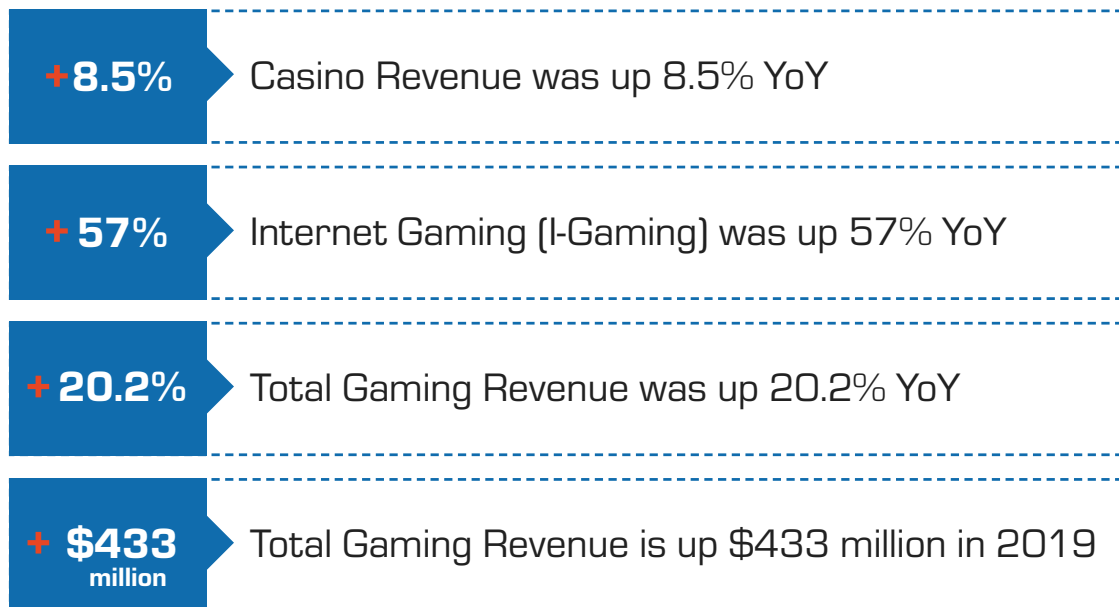
### INDIRECT

- ▶ Increase marketing reach from mobile
- ▶ Incentivize new customers to visit brick and mortar casinos
- ▶ Encourage casino loyalty through affinity programs
- ▶ Rise in \$ from food, drink, and casino gaming



# MOBILE SPORTS BETTING WORKS WITH CASINOS

- ▶ Despite early concerns about online sports betting detracting from existing gaming revenue, the opposite has proven true in early adopter states
- ▶ Revenue figures from New Jersey show that sports betting INCREASES overall casino revenues, including brick and mortar even as over 80% of all sports bets were made online<sup>1</sup>
- ▶ Sports Wagering has added \$190 million in new revenue in 2019 AND has led to increased revenue in ALL sectors of the casino industry. As of September, 2019<sup>2</sup>:



## Mobile EXPANDS Casino Opportunities

- ▶ In addition to new revenue on its own, mobile sports betting helps brick and mortar casinos engage a new demographic to partake in other casino activities
- ▶ Online sports bettors skew younger and more affluent than the average casino patron, so casinos that partner with mobile sports betting platforms gain the ability to reach new potential customers that would be unlikely to visit a casino on their own<sup>3</sup>
- ▶ Casinos can incentivize mobile sportsbook customers to visit their casinos through marketing and affinity programs

*Example: Bill is a 30-year-old sports fan who bets on sports once a week using an app on his phone. He has been to his local casino before, but doesn't seek it out. He receives a promotion on his phone for a free sportsbook bet at the casino sportsbook, and decides to visit on Sunday to watch the football games. He ends up staying for several hours, plays some table games, and makes plans with his friends to come back the following weekend.*