



All the ways players pay: The game plan for growth

Why payments will underpin the
expansion of the US online sports
betting industry

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Executive Summary

- Players are planning to bet much more frequently in the next 12 months and there are several reasons for this, including the impact of COVID-19.
- Currently high-volume sports bettors both deposit more funds and place a greater percentage of their overall bets online than those that bet less frequently. They are also less likely to cash out significant wins, although those that do are more likely to cash out to a digital wallet than low volume players. Only a small percentage of those that are thinking about opening an account soon have a preferred sportsbook in mind, and not knowing which sportsbook to open an account with is a significant reason they haven't done so yet.
- A high rate of card declines is still significantly damaging the industry, and in many ways the issue is getting worse. This is having a severely detrimental impact on operators' reputations. When a player's transaction is declined, their most likely next course of action is to try to deposit using a digital wallet.
- Being able to withdraw funds from an account quickly and efficiently is the number one priority for online bettors when choosing a sportsbook, ahead of promotional offers and even the odds they receive.
- Despite growing more comfortable with depositing into online sports betting accounts over the past two years, security of financial data is still front of mind for many players. Using cash to place bets is seen by the majority as the most secure way of sports betting online.
- For the majority of players, being able to deposit funds using a digital wallet is a critical component to their sports betting experience. And among high volume players, digital wallets are the most popular deposit method. Being able to move funds between accounts quickly and efficiently is one reason for this.

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Introduction

The last 12 months have been a rollercoaster for regulated online sports betting in the US. And while every year for the booming industry is expected to be unique for some time to come, there is little doubt that no one could have forecast just how exceptional 2020 was.

It's been a year of highs and lows. The industry has grown both nationally via new legislation in states such as Michigan and Colorado, and markets in states with regulated online sports betting operators before the start of 2020 have increased their overall revenues. But the trajectory of growth hasn't been smooth to say the least, with the COVID-19 pandemic and the resulting cancellation of professional sports for months including the shortening of the MLB and NBA seasons (and the postponement of marquee sports events such as March Madness, the Olympics and European Football Championships) being the most significant blocker to growth.

To illustrate this, let's take a look at online sports betting revenues in New Jersey (NJ), currently the largest online sports betting market in the US. Overall, online sports betting revenue in NJ for January to October grew 35% year-on-year between 2019 and 2020. And in October 2020 revenue broke the \$50m barrier for the first time, up 43% from October 2019.

But that doesn't tell the full story. From March-May 2020, the period when almost all professional sports were in hiatus, revenue was slightly shy of \$26m, equal to only 48% of revenue from the same period in 2019.

So as we head into 2021, what can we expect to see in terms of industry growth?

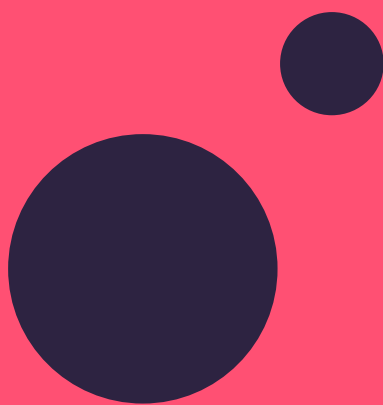
COVID-19 will continue to play a role, and may even continue to disrupt some events scheduled for 2021 such as the Olympics, but we are not expecting the global cessation of sports as a whole again. But with US consumers generally moving more of their daily lives online in the wake of the pandemic, and new regulation expected in a significant number of states, overall 2021 looks set to be full of promise for online sportsbooks.

To capitalize on this opportunity, sportsbooks must react to the changing habits and priorities of players. In December 2020 we commissioned research among 2,000 current and predicted future US sports bettors across eight states with an already active online sports betting market, to better understand how these players are placing wagers online today and how this might change in the next 12 months.

We also asked players about their current attitudes and concerns related to depositing and withdrawing from their online sports betting account, and whether this plays a role in both how they differentiate between sportsbooks and the overall volumes they do.

This report contains the key findings from that research.

Mapping the US online sports betting landscape in 2021



How are players sports betting today?

Currently high-volume sports bettors both deposit more funds and place a greater percentage of their overall bets online than those that bet less frequently.

They are also less likely to cash out significant wins, although those that do are more likely to cash out to a digital wallet than low volume players.

Only a small percentage of those that are thinking about opening an account soon have a preferred sportsbook in mind, and not knowing which sportsbook to open an account with is a significant reason they haven't done so yet.

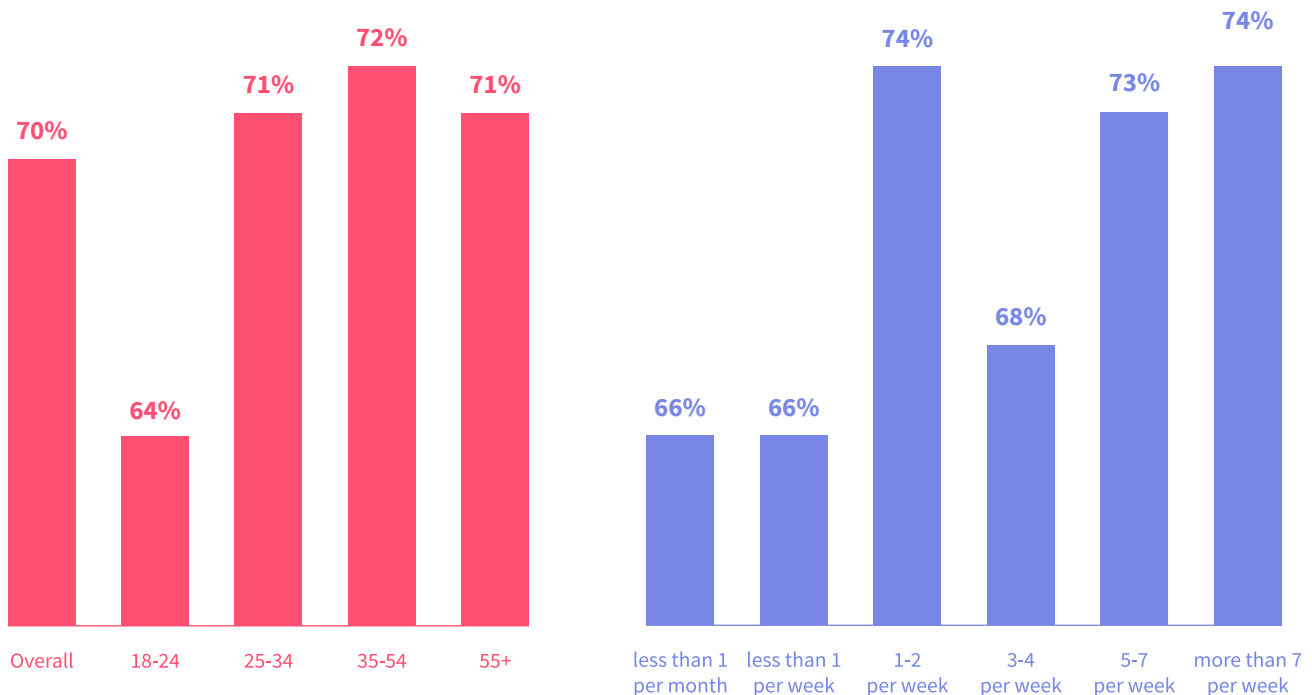
What percentage of sports bets are placed online?

While online sports betting handles have significantly outgrown the value of bets that are placed live, players are still splitting their betting activity between online and retail sportsbooks. On average, players are currently placing 70% of their bets online, with all players over the age of 25 placing approximately the same percentage of their bets online (circa. 71%).

Perhaps surprisingly, making wagers online is less common among 18-24 year-olds, with these players making 64% of their sports bets online on average.

Less surprisingly, the more frequently a player bets on sport, the greater the percentage of their overall sports betting is done online. Players that sports bet less than once per month on average only place 66% of their bets online; players that place more than seven bets per week on average place 74% of their bets online.

Q: Approximately what percentage of regulated sports bets you place are made online?



Data filtered by age

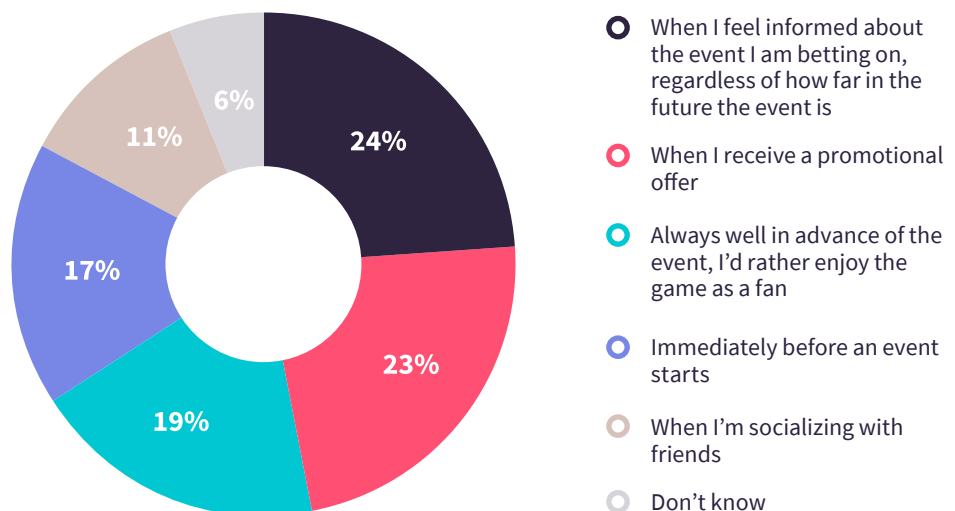
Data filtered by betting frequency

When are players most likely to deposit into their account, and how much?

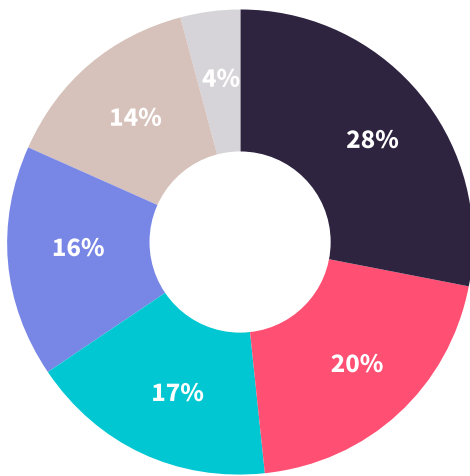
Feeling as though they have enough information to make a wager, regardless of how far in the future the event is taking place, is when the greatest percentage of players are most likely to place a deposit into their sports betting account (24%), and also when they are most likely to make a bet (28%).

Receiving a promotional offer is the second most popular occasion players say they are likely to deposit funds into their account, and immediately before an event starts is the next most popular time for actually placing a bet (20%).

Q: When would you be most likely to deposit into your sports betting account?



Question: When would you be most likely to place a sports bet?



- When I feel informed about the event I am betting on, regardless of how far in the future the event is
- Immediately before an event starts
- When I receive a promotional offer
- Always well in advance of the event, I'd rather enjoy the game as a fan
- When I'm socializing with friends
- Don't know

Overall, there is a direct correlation between frequency of betting and how much players are depositing into their account monthly.

In an average month, bettors that place more than seven bets per week (\$1107), deposit 4.6x more per month than bettors that bet less than once per week (\$238) and 2.2x more than bettors that place between one and seven bets per week (\$502).

Q: Approximately how much money (\$) do you deposit into your online sports betting account...

	Less than 1 per month	Less than 1 per week	1-2 per week	3-4 per week	5-7 per week	more than 7 per week
In the last month?	200	237	340	506	968	1073
In an average month?	241	236	359	555	877	1107
In a peak month?	295	286	564	738	1330	1409

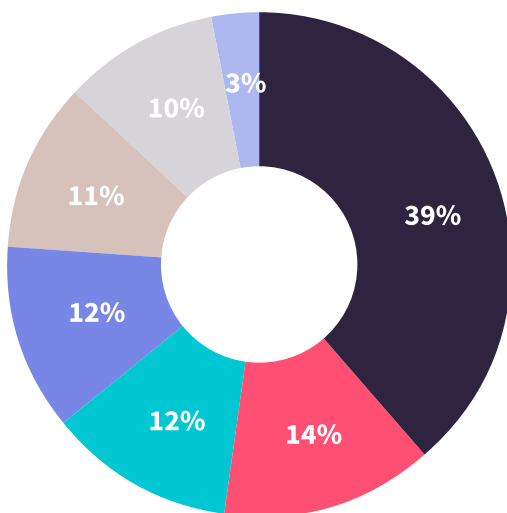
When a player has a substantial win, what happens next?

If a player has a substantial win, more than half (53%) are most likely to cash the winnings out from their online sports betting account.

Of these, the majority would cash out to their bank account in order to spend the money, but others would cash out to another source of funding for their online accounts, such as a digital wallet.

Only 12% of players would leave the funds in their account but not change their betting habits; 33% of players would increase the size or frequency of their bets, or both.

Q: If you won a significant amount on a wager (e.g. 10x more than your average win), what would you most likely do next?



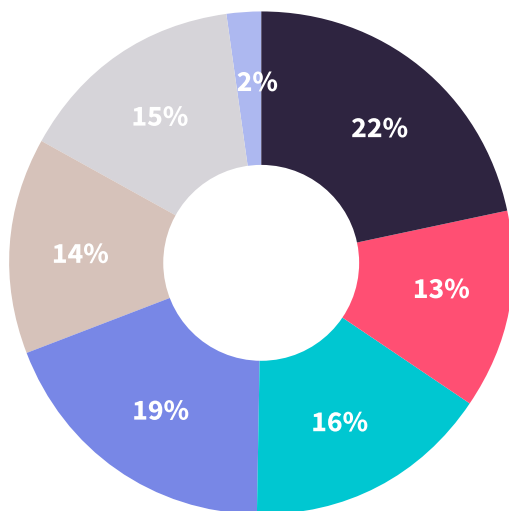
- Cash it out to my bank account or spend it
- Cash it out to another payment source I use to deposit into online gambling accounts such as a digital wallet
- Leave it in my sports betting account but not change my betting habits
- Leave it in my sports betting account and increase both the frequency and value of my bets
- Leave it in my sports betting account and increase the average value of my bets
- Leave it in my sports betting account and increase the frequency of my bets
- Don't know

However, the more frequently a player bets, the less likely they are to cash out these winnings.

Only 35% of players who make more than seven bets per week on average would cash out, and the percentage of these players that would cash out to a digital wallet or other payment method in order to fund their online sports betting accounts is higher.

Almost half (48%) of these players would increase the size or frequency of their bets, or both.

Q: If you won a significant amount on a wager (e.g. 10x more than your average win), what would you most likely do next? - *Players that place more than seven bets per week on average*



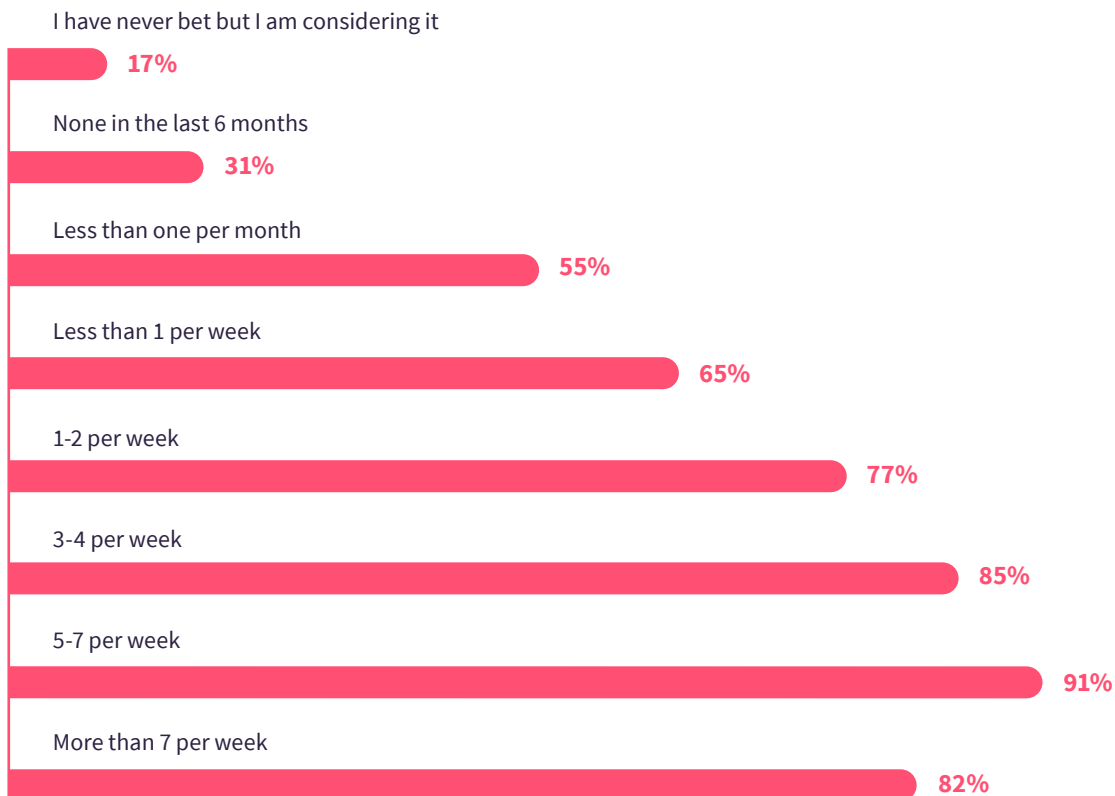
- Cash it out to my bank account or spend it
- Cash it out to another payment source I use to deposit into online gambling accounts such as a digital wallet
- Leave it in my sports betting account but not change my betting habits
- Leave it in my sports betting account and increase both the frequency and value of my bets
- Leave it in my sports betting account and increase the average value of my bets
- Leave it in my sports betting account and increase the frequency of my bets
- Don't know

Do players have a preferred sportsbook?

Only two thirds of active sports bettors (67%) have a preferred online sportsbook, although this is significantly higher for players that make at least one bet per week (82%).

However, the most active players that place more than seven bets per week are less likely to have a preferred sportsbook than those that place between three and seven bets per week, suggesting brand loyalty may be less relevant for the most serious players, with other factors playing a more significant role.

Q: Do you have a preferred online sportsbook?



Having a preferred sportsbook is significantly less likely for players that are planning to place their first online sports bet within the next 12 months.

Only 17% of players that plan to place an online bet for the first time in 2021 say they have a preferred sportsbook in mind.

And not having a preferred sportsbook already is actually one of the most important reasons these players haven't placed a bet yet.

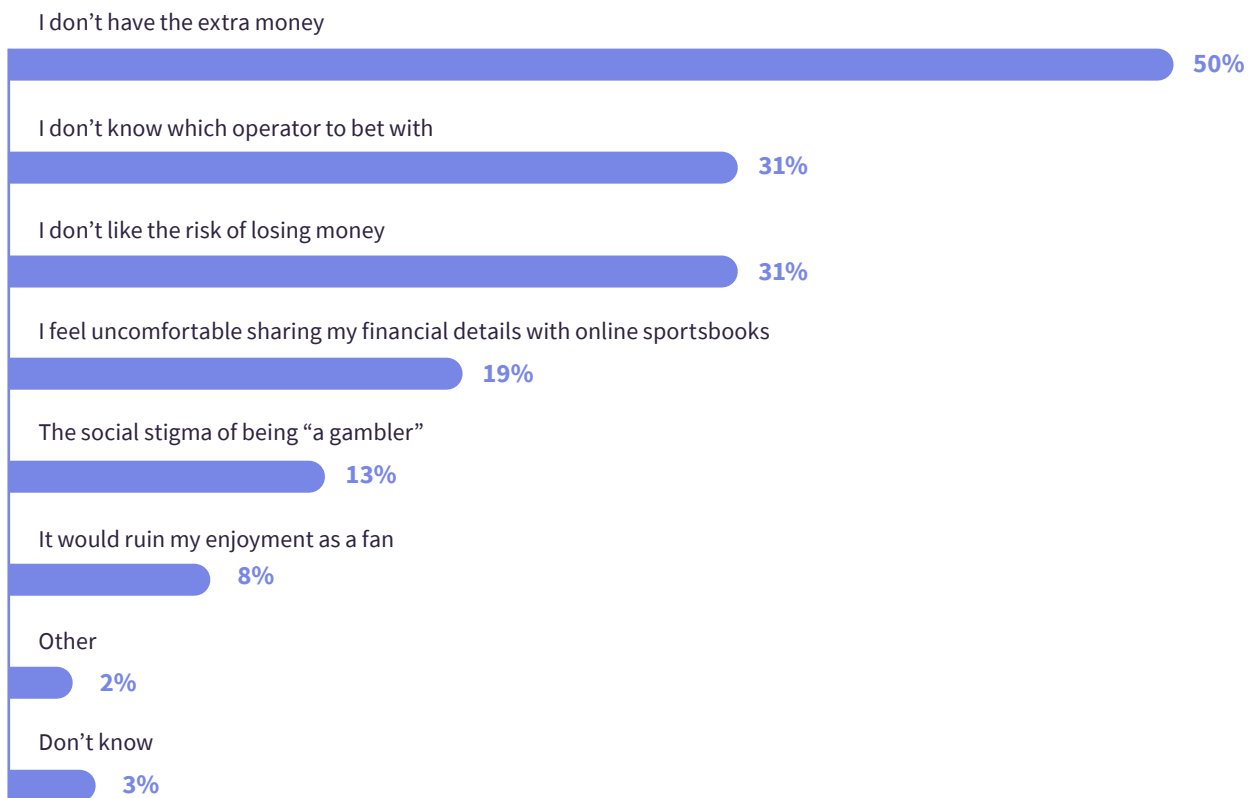
Almost one third (31%) of potential players say they don't know which sportsbook to bet with, ahead of all other reasons except not being able to afford to place bets.

Feeling uncomfortable sharing their financial details with an online sportsbook is another significant barrier preventing new players from making their first online sportsbook deposit.

83%

of people planning to start online sports betting in the next 12 months do not have a preferred sportsbook

Q: What is currently preventing you from sports betting? Select all that apply.



What will change in 2021?

Players are planning to bet much more frequently in the next 12 months and there are several reasons for this, including the impact of COVID-19.

How often are players planning to bet next year?

Overall the trajectory of the online sports betting market in the US is significant growth, even when only considering already active players.

The majority plan to bet much more frequently in 2021, and the more frequently an online sports betting player is already wagering, the more likely they are to increase the amount they bet next year.

87% of players currently betting between five and seven times per week on average say they plan to bet much more frequently in 2021, as do 79% of those that place more than seven bets per week on average.

Q: To what extent do you agree with the following statement? I am planning to bet on sports much more frequently in 2021

	I have never bet but I am considering it	None in the last 6 months	Less than 1 per month	Less than 1 per week	1-2 per week	3-4 per week	5-7 per week	More than 7 per week
Significantly agree	13%	12%	25%	21%	33%	35%	52%	45%
Somewhat agree	33%	32%	33%	35%	36%	40%	36%	34%
Neither agree nor disagree	39%	31%	30%	30%	22%	20%	10%	16%
Somewhat disagree	11%	17%	10%	13%	7%	2%	2%	4%
Significantly disagree	4%	8%	3%	2%	2%	3%	-	1%
% Agree	46%	44%	58%	55%	70%	75%	87%	79%
% Disagree	15%	24%	13%	15%	8%	5%	2%	5%

COVID-19 may be playing a factor in this, with the majority of players agreeing that COVID-19 has resulted in them being more comfortable with sports betting online.

Will players place a higher percentage of their bets online in 2021?

In addition to betting online much more frequently, players are moving towards betting online exclusively.

Although online players are placing 30% of their bets offline on average currently, almost two thirds (65%) plan to make all their sports bets online in the future. Again, this is even more pronounced amongst high volume bettors, with 86% of those that bet at least five times per week on average planning to exclusively wager online in the future.

of players are planning to sports bet online much more frequently in 2021

61%

Q: To what extent do you agree with the following statement? I am planning to place all of my sports bets online in the future.

	I have never bet but I am considering it	None in the last 6 months	Less than 1 per month	Less than 1 per week	1-2 per week	3-4 per week	5-7 per week	More than 7 per week
Significantly agree	18%	19%	26%	24%	32%	39%	53%	56%
Somewhat agree	32%	34%	37%	40%	39%	40%	33%	29%
Neither agree nor disagree	36%	30%	26%	23%	18%	14%	10%	10%
Somewhat disagree	11%	13%	8%	8%	7%	6%	4%	3%
Significantly disagree	3%	5%	3%	5%	4%	2%	1%	2%
% Agree	50%	53%	63%	65%	71%	78%	86%	85%
% Disagree	14%	17%	11%	12%	11%	7%	4%	5%

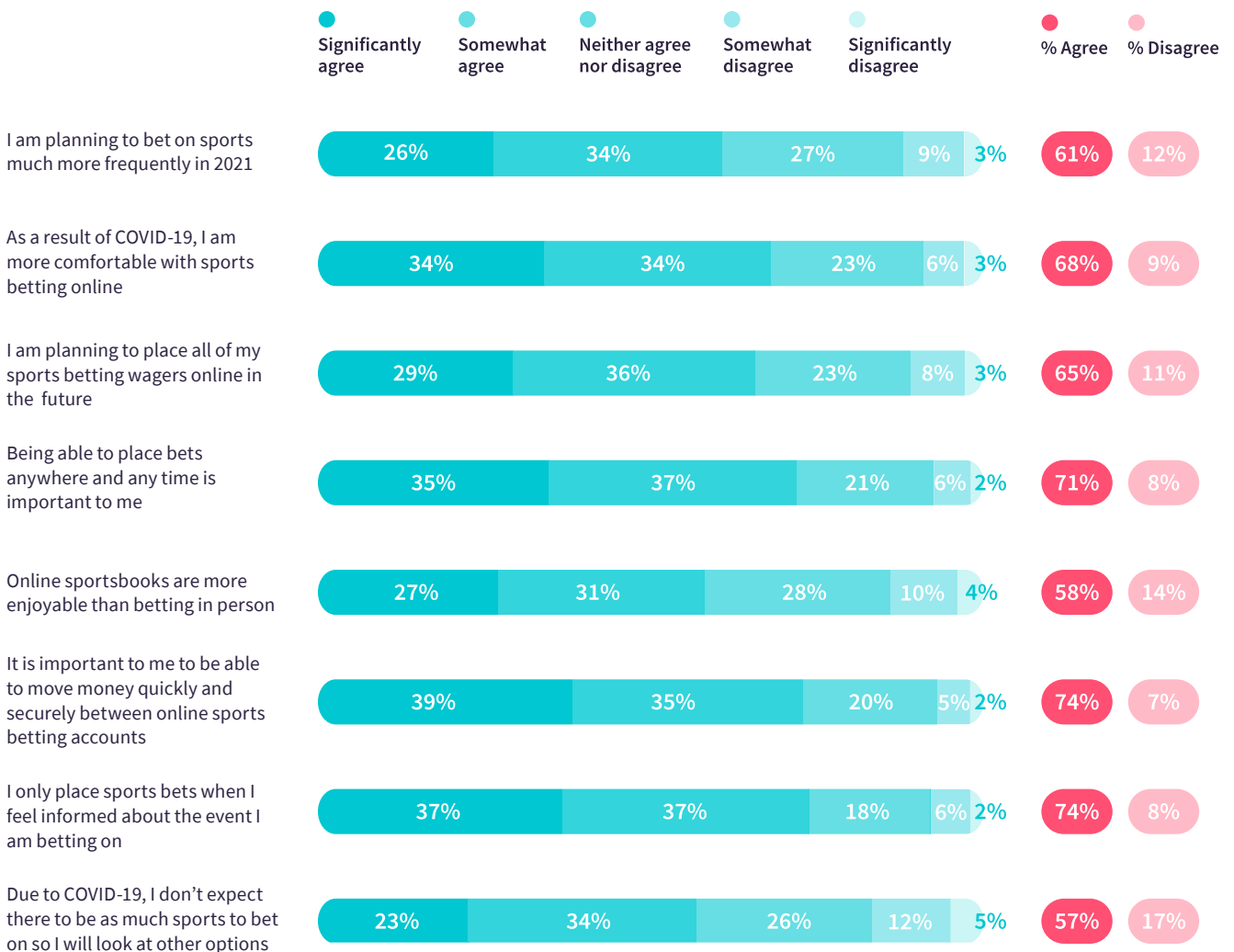
The freedom to place bets anywhere and any time, along with it being a more enjoyable experience, are both contributing reasons why players are moving their sports betting activity online, although the former appears to be a more significant factor.

71% of players say being able to place bets anywhere and any time is important to them, and 58% agree that sports betting online is more enjoyable than betting in person.

65% of players are planning to place all their sports bets online in the future

65%

Q: To what extent do you agree with the following statements?



The role of payments in differentiating sportsbooks

What players really think about card declines

A high rate of card declines is still significantly damaging the industry, and in many ways the issue is getting worse.

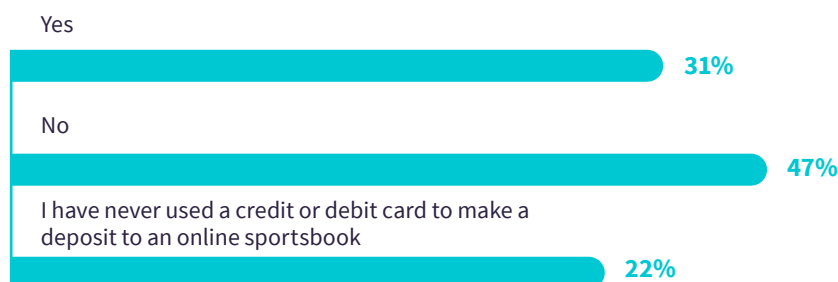
This is having a severely detrimental impact on operators' reputations. When a player's transaction is declined, their most likely next course of action is to try to deposit using a digital wallet.

Assessing the scale of the problem

In 2018 we surveyed players for our first US sports betting research report, **All the Ways Players Pay**. One of the most significant findings from that research was the impact that card declines was having on the growth of online sports betting.

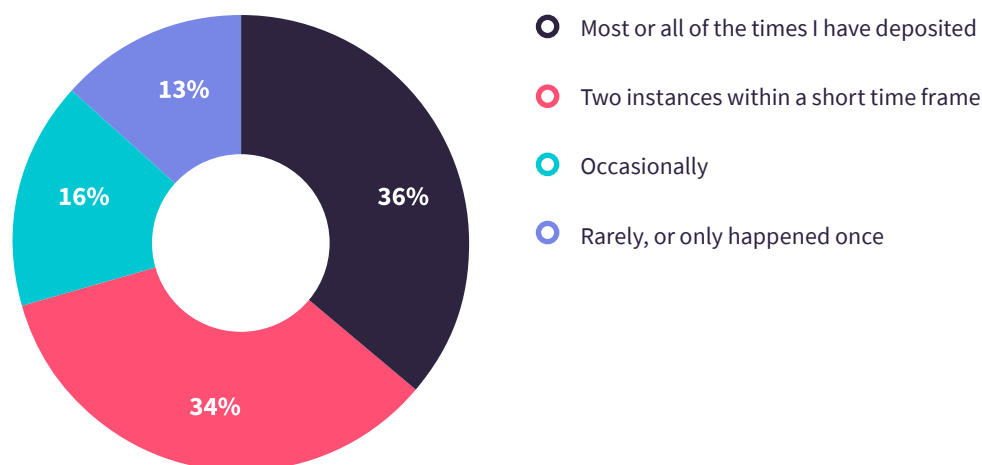
Overall 19% of all sports bettors (both online and retail) told us that they had experienced at least one card decline, and of those that had suffered a card decline, the majority (51%) told us that they experienced card declines every time, or almost every time, they tried to make a deposit via a bank card.

Q: Have you ever had a payment card declined when placing a sports bet online?



Two years later, and the issue of card declines remains a consistent obstacle for players. Today, 40% of sports bettors that have tried to make an account deposit using a bank card have experienced at least one card decline, and of those over a third (36%) experience bank card transaction declines all the time or most of the time they try to complete a deposit. Using these figures, we can calculate that a higher percentage of players are consistently facing decline issues in 2020 (14%) than 2018 (10%) when using bank cards.

Q: How often have you had a payment card declined when placing a sports bet online?



14%

of players experience a card decline all (or nearly all) of the times they try to deposit

What impact are card declines having on operators' reputations?

While the immediate block to revenue should be a concern to sportsbooks, this isn't the only negative impact resulting from card declines. The second, and far more serious long-term impact, is the reputational damage the sportsbook suffers. For many sportsbooks that do not perceive themselves to be the origins of the problem, this may come as a surprise and should certainly be a cause for concern.

Overall, almost half (47%) of players agree that if a transaction is declined, it is the operator's fault, and half (50%) say that if their card deposit is declined, they'll inform others not to open an account with a sportsbook. Two thirds (65%) of players would not recommend a sportsbook if they experience regular card declines, and 43% have changed their preferred online sportsbook due to declined transactions.

In addition to damaging sportsbooks individually, card declines are also impacting the growth of the online sports betting market overall. 60% of players agree that card declines could prevent them from sports betting online as much as they would like to, and more than half (52%) say that they would sports bet online more often in the future if they had more confidence that their card transactions would not be declined.

47%

of players blame the operator if their card is declined

Q: Have you ever had a payment card declined when placing a sports bet online?

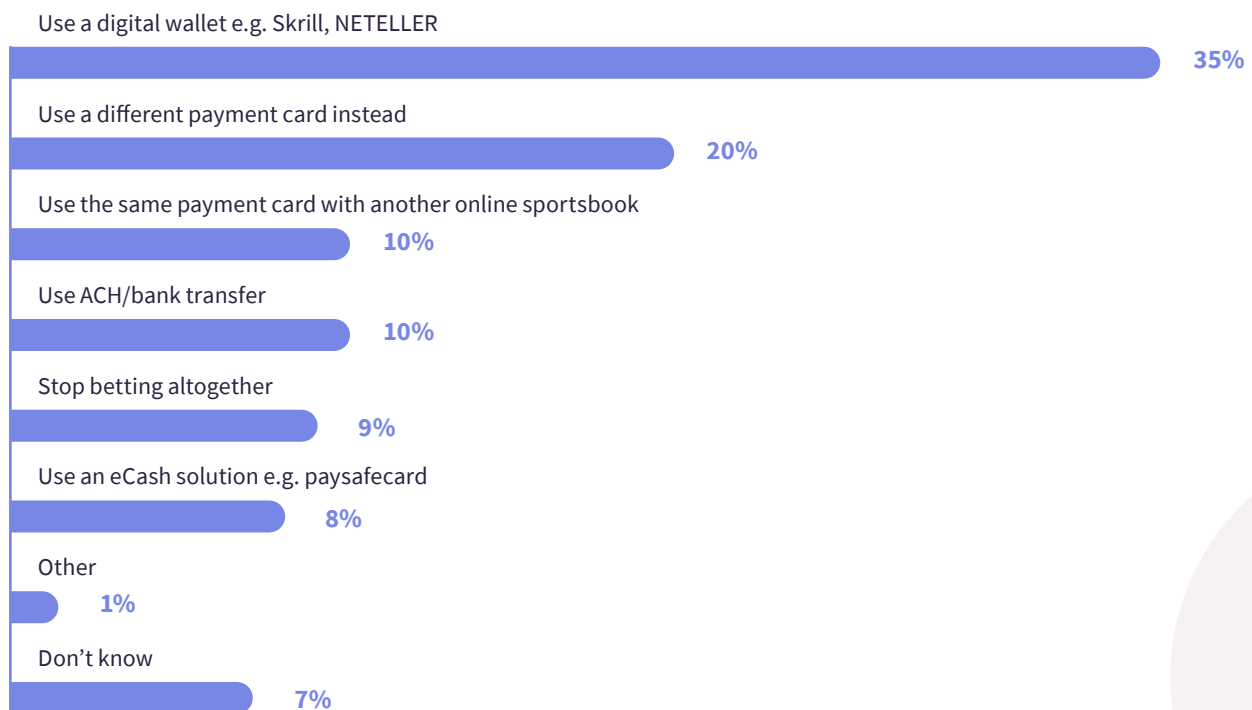
	Significantly agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Significantly disagree	% agree	% disagree
My first attempt to deposit into a sports betting account using a bank card was declined	18%	23%	23%	12%	23%	41%	36%
I am unlikely to continue being a customer of a sportsbook if my card is declined	27%	31%	27%	10%	5%	58%	15%
If my card deposit is declined, it is the sportsbook's fault	21%	26%	34%	12%	8%	47%	19%
If my card deposit is declined, I'll inform others not to open account with a sportsbook	22%	28%	29%	13%	8%	50%	21%
I would not recommend a sportsbook if I experience regular card declines	33%	32%	23%	7%	4%	65%	12%
Card declines could prevent me from sports betting online as much as I would like to	28%	33%	25%	8%	6%	60%	14%
If I had more confidence that my card transactions wouldn't be declined I would sports bet more often in the future	23%	29%	32%	9%	6%	52%	15%
I am more likely to open an account with an online sportsbook where I don't have to rely on depositing using my bank card	26%	35%	27%	8%	3%	62%	11%
I have changed my preferred online sportsbook due to declined transactions	19%	23%	27%	12%	18%	43%	30%
I do not sports bet online at all due to concerns about my card being declined	17%	23%	27%	14%	18%	40%	32%

When a card transaction is declined, what are players likely to do next?

When a deposit is declined, 19% of players leave the sportsbook to either stop betting altogether or bet on another platform.

Three quarters (73%) of players would continue to attempt making a transaction, of which almost half (35%) would turn to a digital wallet as a next course of action. This is the most common action sports bettors do next when their transactions are declined, ahead of trying to complete the transaction using a different bank card (20%).

Q: If your card payment deposit is declined, what would you most likely do next?



Are sportsbooks underestimating the importance of withdrawal speeds?

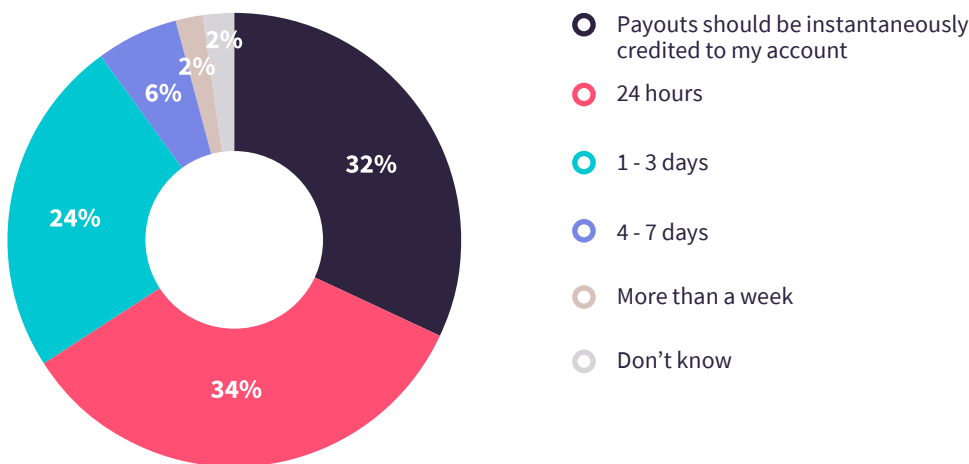
Being able to withdraw funds from an account quickly and efficiently is the number one priority for online bettors when choosing a sportsbook, ahead of promotional offers and even the odds they receive.

How long do players expect to wait to receive a payout?

When withdrawing funds from their online sports betting account, two thirds (66%) of players think it is reasonable to expect to receive their payout within 24 hours, with one third (32%) believing the payment should be instantaneous.

Only 8% of players believe that waiting more than three days to receive their funds is reasonable.

Q: How long do you think is a reasonable waiting time to receive a payout when withdrawing from your online sports betting account?



Players that place more than seven bets per week are even more insistent that withdrawal waiting times should be short, with 41% believing that payouts should be instantaneous.

What happens when these expectations are not met?

When players have to wait longer than they expect to receive their funds after making a withdrawal request, 79% agree this has a negative impact on their overall impression of the sportsbook.

Overall, three quarters (75%) of players say that being able to receive payouts quickly is the most important factor to them when deciding whether to open an account with an online sportsbook. The same percentage say that the length of time they have to wait to receive a payout would impact which payment method they use to deposit into their account. And more than half (52%) would pay a premium fee to receive a payout more quickly.

Q: To what extent do you agree with the following statements?

	Significantly agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Significantly disagree	% agree	% disagree
The length of time I wait to receive a payout would impact which payment method I use to deposit into my account	36%	40%	18%	5%	2%	75%	7%
When the length of time to receive a payout takes longer than expected, this has a negative impact on my overall impression of the sportsbook operator	41%	38%	15%	4%	2%	79%	6%
I am less likely to open an account with a sportsbook where I have to wait longer to receive a payout	42%	35%	16%	4%	2%	77%	6%
Being able to receive payouts quickly is the most important factor to me when deciding whether to open an account with an online sportsbook	36%	39%	17%	6%	2%	75%	8%
I would pay a premium fee to receive my payouts more quickly	24%	28%	21%	15%	12%	52%	27%

Perhaps even more critical to sportsbooks, overall quick and easy payouts is the most sought-after criteria players consider when choosing between online sportsbooks.

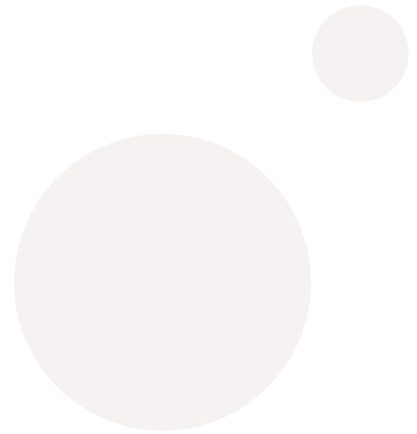
Over a third (37%) of players rated the speed of withdrawals as one of their top priorities when selecting a sportsbook, ahead of trusting the brand (32%), offering good promotional deals (28%), offering market-leading odds (27%), and the ability to deposit and withdraw using their preferred payment method (26%).

Q: When it comes to choosing a sportsbook, which of the following criteria are important? Please select up to three options.

Quick and easy payouts	37%
A brand I trust	32%
Good promotional offers	28%
Good odds	27%
Ability to deposit and withdraw with my preferred payment method	26%
Quick and easy deposits	25%
A better user experience/ease to use	20%
VIP/loyalty rewards	16%
Ability to bet on multiple markets	11%
My deposits are not declined	11%
It is where my friends bet	10%
Ability to bet with the same sportsbook in person	10%
Other	0%
Don't know	3%

The speed of withdrawals not only impacts how players select a sportsbook, it also influences which sportsbooks players with multiple existing accounts use to place bets.

When players that already have more than one active sports betting account are asked, the majority (51%) cite quick and easy withdrawals as a key factor when deciding which account to place a bet with at any given moment, more than any other factor including the odds being offered (36%).



Q: When it comes to deciding which of your sports betting accounts to place a bet with, which of the following would have a significant influence on your decision? Select all that apply.

Quick and easy withdrawals	51%
Promotional offers	44%
Guaranteed accepted deposit	36%
Odds	36%
VIP / Loyalty rewards	35%
Markets on offer	25%
Other	0%
I don't know	3%

Security concerns are still a blocker to growth

Despite growing more comfortable with depositing into online sports betting accounts over the past two years, security of financial data is still front of mind for many players.

Using cash to place bets is seen by the majority as the most secure way to sports bet online.

Do players feel that their deposits are secure?

On a positive note, trust in the security of depositing into online sports betting accounts is growing.

Two thirds (64%) of players say they feel more confident about depositing into an online sports betting account today than they did this time last year, and an almost identical percentage (65%) agree that placing a sports bet online is as secure as placing a sports bet in person, compared to 37% of players who thought this when we asked the same question in 2018.

Q: To what extent do you agree with the following statements?

	Significantly agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Significantly disagree	% agree	% disagree
Placing sports bets with an operator that I am familiar with gives me confidence that my financial data is secure	34%	39%	21%	5%	2%	72%	7%
I am more confident of the security of depositing to an online sports betting account now than this time last year	29%	35%	27%	6%	3%	64%	9%
Placing a sports bet online is just as secure as placing a sports bet in person	31%	34%	24%	8%	2%	65%	10%
I feel more comfortable making online deposits using a payment method where my financial details are not shared with the operator	38%	36%	19%	5%	2%	75%	7%
I often choose to place a bet at short notice	25%	34%	26%	10%	4%	59%	15%
I often decline to place a wager if my online sportsbook isn't offering the best odds available	23%	35%	31%	9%	2%	58%	11%
It is important to me to be able to move finances between my sports betting accounts quickly and efficiently	38%	35%	20%	5%	2%	73%	7%

65%

of players agree that placing a sports bet online is as secure as placing a sports bet in person

What impacts player confidence in the security of their deposits?

But confidence in the security of online sportsbooks isn't equal for all operators in the minds of players. Significantly, both brand recognition of the sportsbook and the payment method used significantly impacts how comfortable players feel about the security of their deposits.

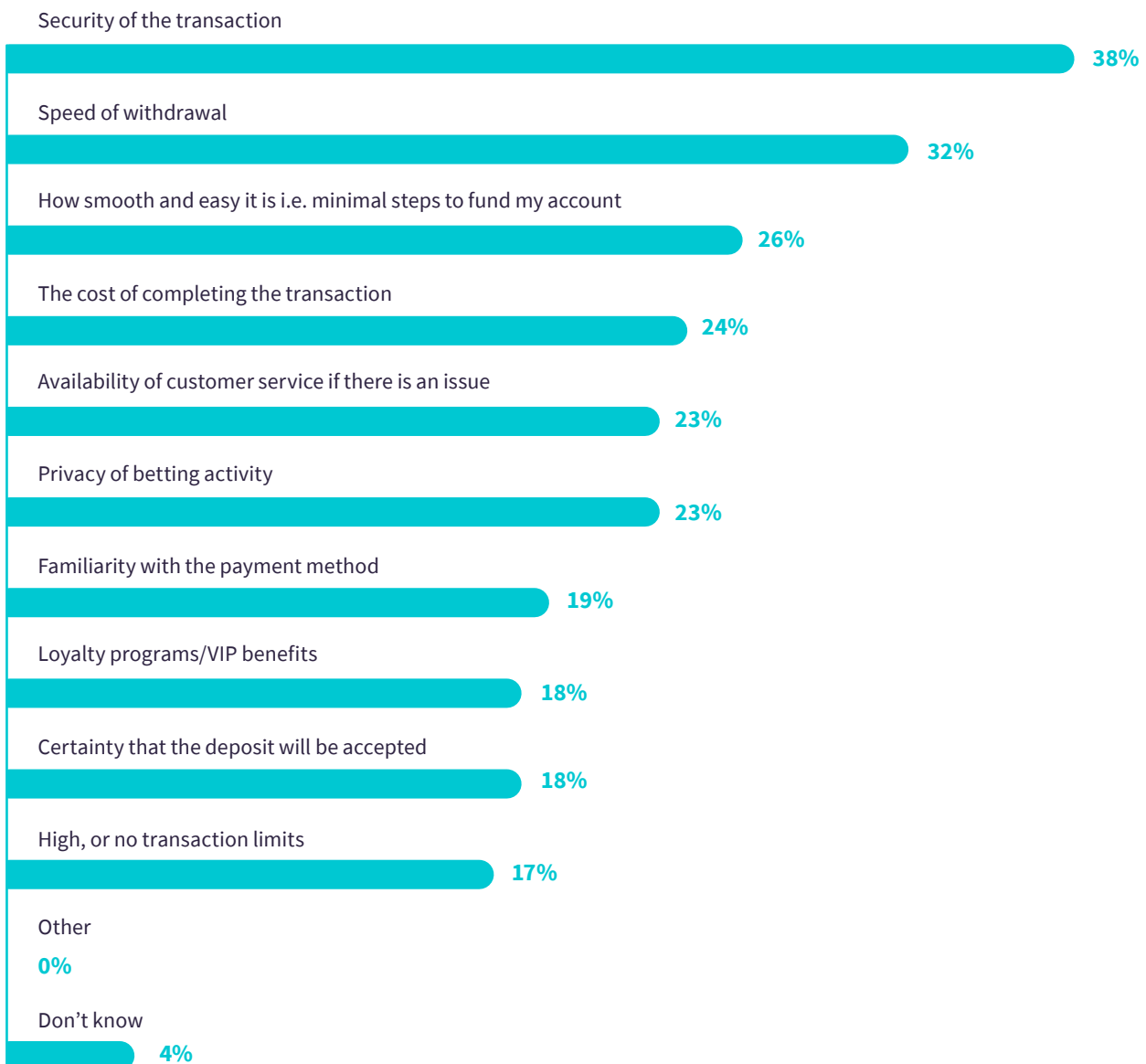
Almost three quarters (72%) of players agree that placing sports bets with an operator that they are familiar with gives them confidence that their financial data is secure, and an even greater percentage (75%) say that they feel more comfortable making online deposits using a payment method where their financial details are not shared with the operator.

of players agreed that placing a sports bet online is as secure as placing a sports bet in person in 2018

37%

Confirming this, when players are asked to identify which criteria are most important to them when selecting a payment method for depositing funds, more players cited the security of the transaction than any other characteristic.

Q: What do you care about most when thinking about depositing into a sports betting account? Please select up to three options.



So it is not surprising that consumers are increasingly thinking about how they can make deposits to their online account without sharing their financial details, particularly when exploring whether or not to open an account with a sportsbook where they have no personal relationship with the brand.

One solution players view as a more secure alternative when depositing online is eCash such as paysafecard. More than half (54%) of players believe that eCash (a prepaid payment method that enables consumers to purchase a PIN/voucher with cash that can then be used to complete a transaction in an online checkout) is the most secure way of placing a sports bet online.

Overall, nearly two thirds (63%) of players say they would like to use cash to place to place bets online if it were easy to do so, and 58% of players say it is likely that they would bet online more frequently if they could do so using cash.

Q: To what extent do you agree with the following statements?

	Significantly agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Significantly disagree	% agree	% disagree
If it were easy to do so, I would like to place sports bets online using cash	29%	34%	24%	9%	4%	63%	13%
I would sports bet online more frequently if I was able to use cash	27%	31%	26%	11%	5%	58%	16%
eCash is the most secure way of placing a bet with an online sportsbook	24%	29%	38%	6%	3%	54%	8%
I have no interest in sports betting online using eCash an online sportsbook	22%	26%	29%	15%	8%	48%	23%
I would recommend eCash to a sports bettor who hasn't deposited using this method before	27%	29%	35%	6%	3%	56%	9%

58%

of players would sports bet online more frequently if they could use cash

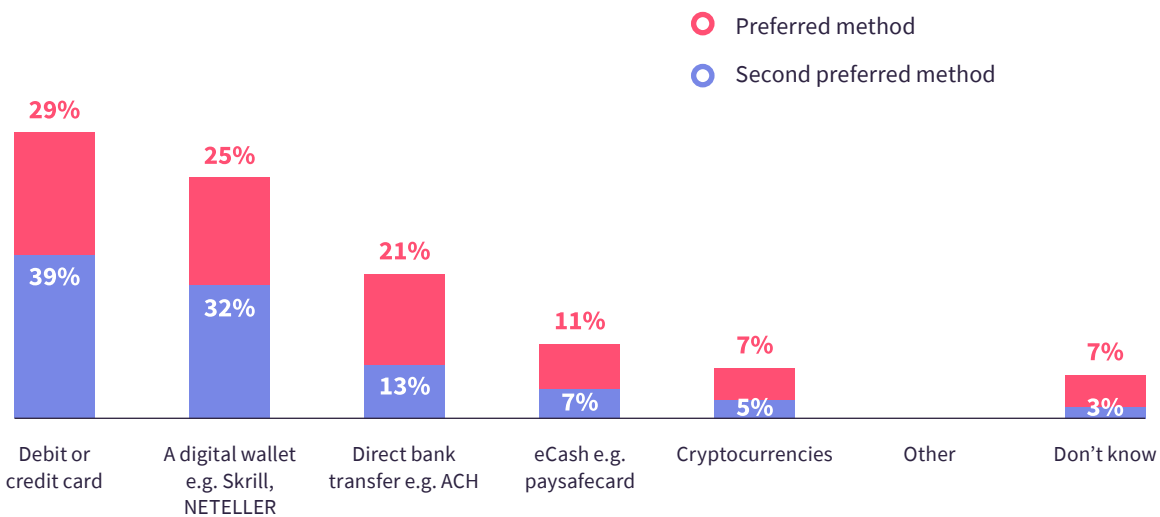
Why high-volume players prefer digital wallets

For the majority of players, being able to deposit funds using a digital wallet such as Skrill is a critical component to their sports betting experience. And among high volume players, digital wallets are the most popular deposit method. Being able to move funds between accounts quickly and efficiently is one reason for this.

When asked directly about the payment methods they currently use to deposit in their online accounts, over two thirds (68%) of players say that credit and debit cards are either their first or second preferred method.

The majority of players also state that depositing via a digital wallet is either their first or second preferred payment method, with one third (32%) stating that it is their current payment method of choice.

Q: Which of the following are your preferred and second preferred payment methods when depositing into your online sports betting account?

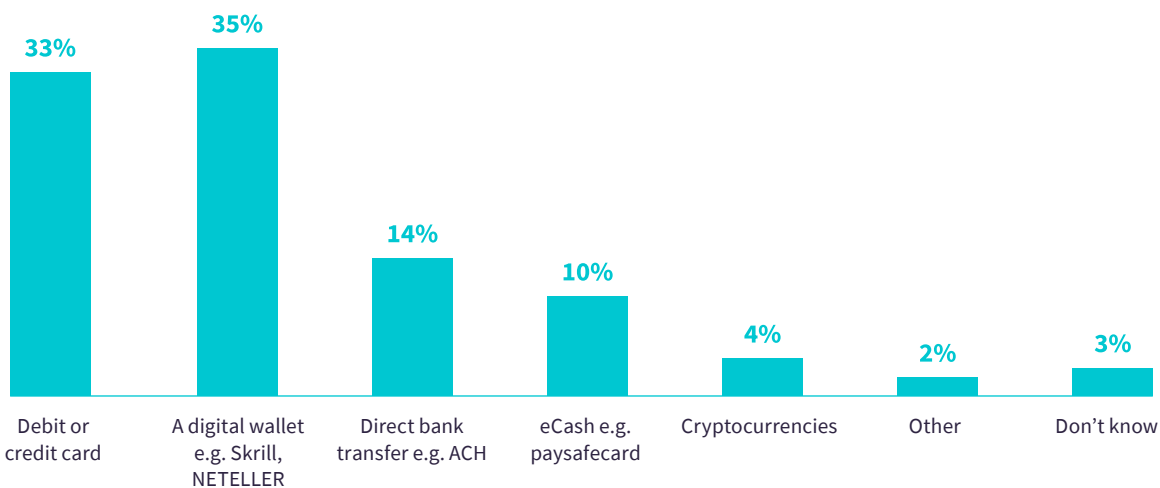


However, when we look at the highest-volume players, we can see a clear shift away from a preference for debit and credit cards.

Only 33% of players that place more than seven bets per week on average prefer depositing using a bank card, compared to 39% of all players and 44% of players that place between one and seven bets per week on average.

High-volume players have a stronger propensity to prefer all alternative payment methods including direct bank transfer (14%) and eCash (10%), but the preferred payment method for the greatest percentage of players (35%) is digital wallets.

Q: Which of the following is your preferred payment method when depositing into your online sports betting account? - *Players that place more than seven bets per week on average*



One reason for this preference may be the need to move funds between sports betting accounts. Players that typically place more than seven bets per week have 3.1 active online sports betting accounts on average, compared to an average of 1.9 for all players currently placing bets online less regularly. And 22% of players that place more than seven bets per week on average have five or more active online sports betting accounts, compared to just 2% of all other active players.

Overall, 74% of all players agree it would be important to them to be able to move funds quickly and efficiently between multiple accounts. And unsurprisingly there is a strong correlation between having more active accounts and needing to move funds quickly and efficiently between accounts, with players that bet three to four times per week (2.3 accounts on average), five to seven times per week (2.75 accounts on average) and more than seven times per week (3.1 accounts on average) all strongly agreeing with this.

Q: To what extent do you do agree with the following statement? It is important to me to be able to move money quickly and securely between online sports betting accounts.

	I have never bet but I am considering it	None in the last 6 months	Less than 1 per month	Less than 1 per week	1-2 per week	3-4 per week	5-7 per week	More than 7 per week
Significantly agree	32%	32%	34%	32%	38%	51%	60%	59%
Somewhat agree	31%	37%	38%	38%	40%	32%	27%	25%
Neither agree nor disagree	29%	20%	21%	22%	17%	11%	9%	11%
Somewhat disagree	5%	7%	5%	6%	4%	5%	1%	2%
Significantly disagree	3%	4%	2%	2%	1%	1%	3%	2%
% Agree	63%	69%	73%	70%	78%	84%	87%	84%
% Disagree	8%	11%	7%	8%	5%	5%	4%	5%

With digital wallets being viewed as the most convenient method for shifting funds quickly between accounts, the correlation between betting more frequently and preferring to deposit via a digital wallet can be explained.

Conclusion

The next 12 months are going to present exciting opportunities for growth in the US online sports betting industry. Legislation will likely open new markets, but there is also significant scope for growth in markets that are already active. We know that there is not only a substantial pool of target customers that are yet to open an online sports betting account, but also those that already have are planning to place more sports bets overall and place a greater percentage of those bets with online sportsbooks in 2021.

But to fully capitalize on this potential revenue opportunity, and to boost market share, it is becoming increasingly clear that sportsbooks' primary focus must be players' experience at the checkout.

The payment methods that are available to make deposits, and specifically the perceived security of those methods, is critical for players when evaluating or comparing sportsbooks. As important is the speed and ease with which players receive their funds when they wish to cash out.

When players' expectations relating to cash out speeds are not met, this inflicts huge reputational damage on the operator. So do consistent card declines. The compound nature of having a poor reputation among players that they share with others may prove to be the single most significant impairment to growth for some sportsbooks in the next 12 months.

And in addition to concerns about the security of financial data, there are other reasons giving players more payment methods to deposit and withdraw funds is essential. Players that bet more often, and that deposit more funds per month on average, are more likely to prefer depositing via alternative payment methods, most notably digital wallets.

The online sportsbooks that best adapt to these player demands will position themselves well to grow significantly in 2021.

Methodology

The survey was conducted among 2,022 consumers who have been involved in, or have a serious interest in, sports betting across eight states (Nevada, New Jersey, Pennsylvania, Colorado, West Virginia, Indiana, Iowa, Illinois) in the US.

The interviews were conducted online by Sapio Research in December 2020 using an email invitation and an online survey.

Results of any sample are subject to sampling variation. The magnitude of the variation is measurable and is affected by the number of interviews and the level of the percentages expressing the results. In this particular study, the chances are 95 in 100 that a survey result does not vary, plus or minus, by more than 2.2 percentage points from the result that would be obtained if interviews had been conducted with all persons in the universe represented by the sample.

The sample was selected from online partner samples.



About Paysafe Group

Paysafe Group (Paysafe) is a leading integrated payments platform. Its core purpose is to enable businesses and consumers to connect and transact seamlessly through industry-leading capabilities in payment processing, digital wallet, and online cash solutions. With over 20 years of online payment experience, an annualized transactional volume of over US \$98 billion in 2019, and approximately 3,000 employees located in 12+ global locations, Paysafe connects businesses and consumers across 70 payment types in over 40 currencies around the world. Delivered through an integrated platform, Paysafe solutions are geared toward mobile-initiated transactions, real-time analytics and the convergence between brick-and-mortar and online payments.

Further information is available at

www.paysafe.com

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