

Online and landbased gambling: substitutes or complements

The impact of legalization of online gambling

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Introduction

- Wessel Oomens
- Over 11 years with the Ksa
- Economics/Game theory
- Currently at the Analysis & Research Department
- Also part of team that dealt with the EA case



Ksa

- Established in 2012
- Independent supervisor and regulator of gambling services in the Netherlands
- Until October 2021 only landbased gambling legal



Landbased gambling licenses

- State owned lotteries
- Charity lotteries. 2 large and very impactful in political debate
- Monopoly sportsbetting
- Monopoly horserace betting (apparently not a sport)
- Monopoly casino. 14 casinos
- Open system for gambling halls. ~230 halls in 2023

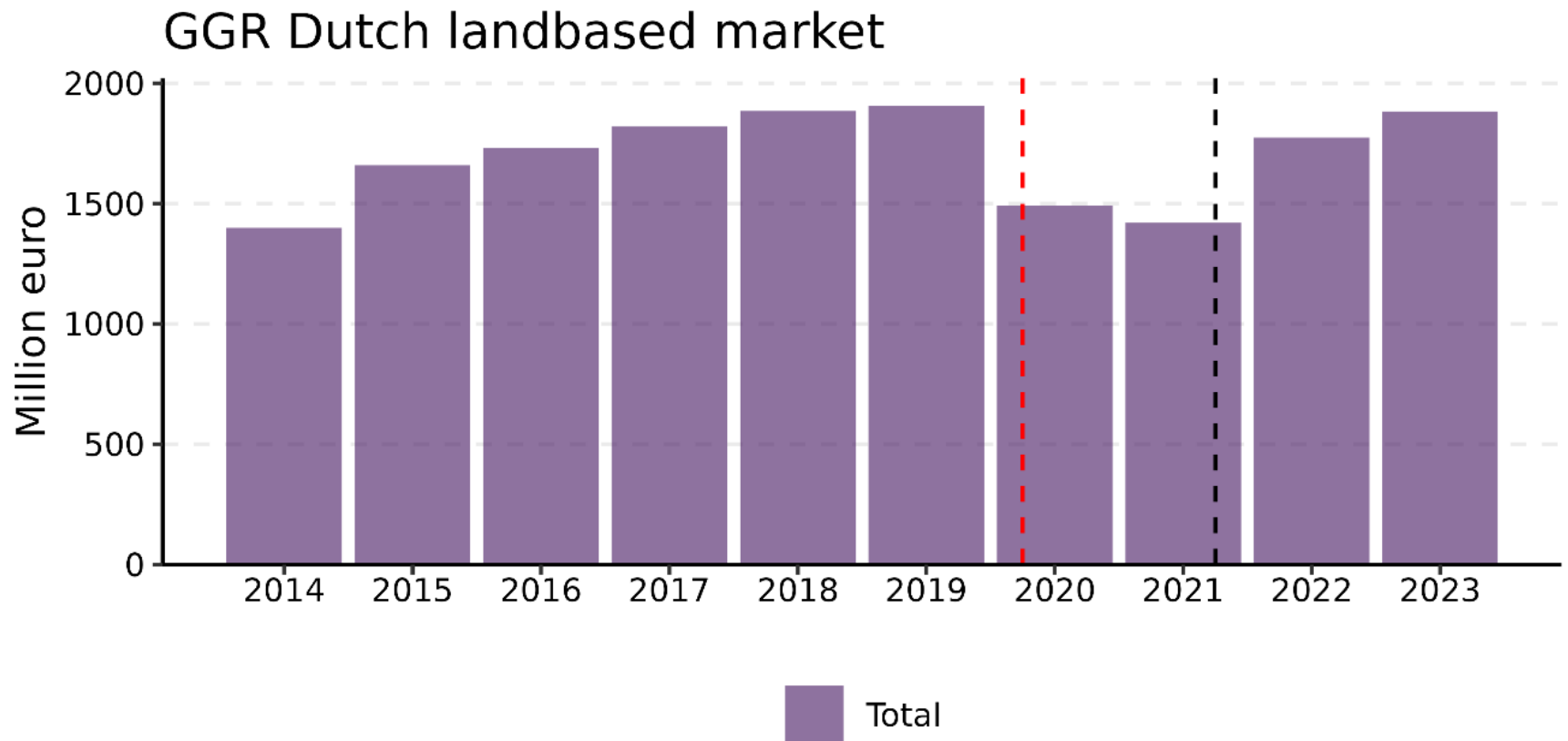


Remote gambling act (October 2021)

- Fear of substitution from landbased to online gambling
- Online gambling might reduce turnover lotteries -> less money for charity
- Compensation January 2020: minimum contribution rate to charity from 50% to 40% based on turnover
- Papers/lobby reports in this period. Some showed that these markets are substitutes and others showed that they are complements
- This is a good time to reflect on this debate

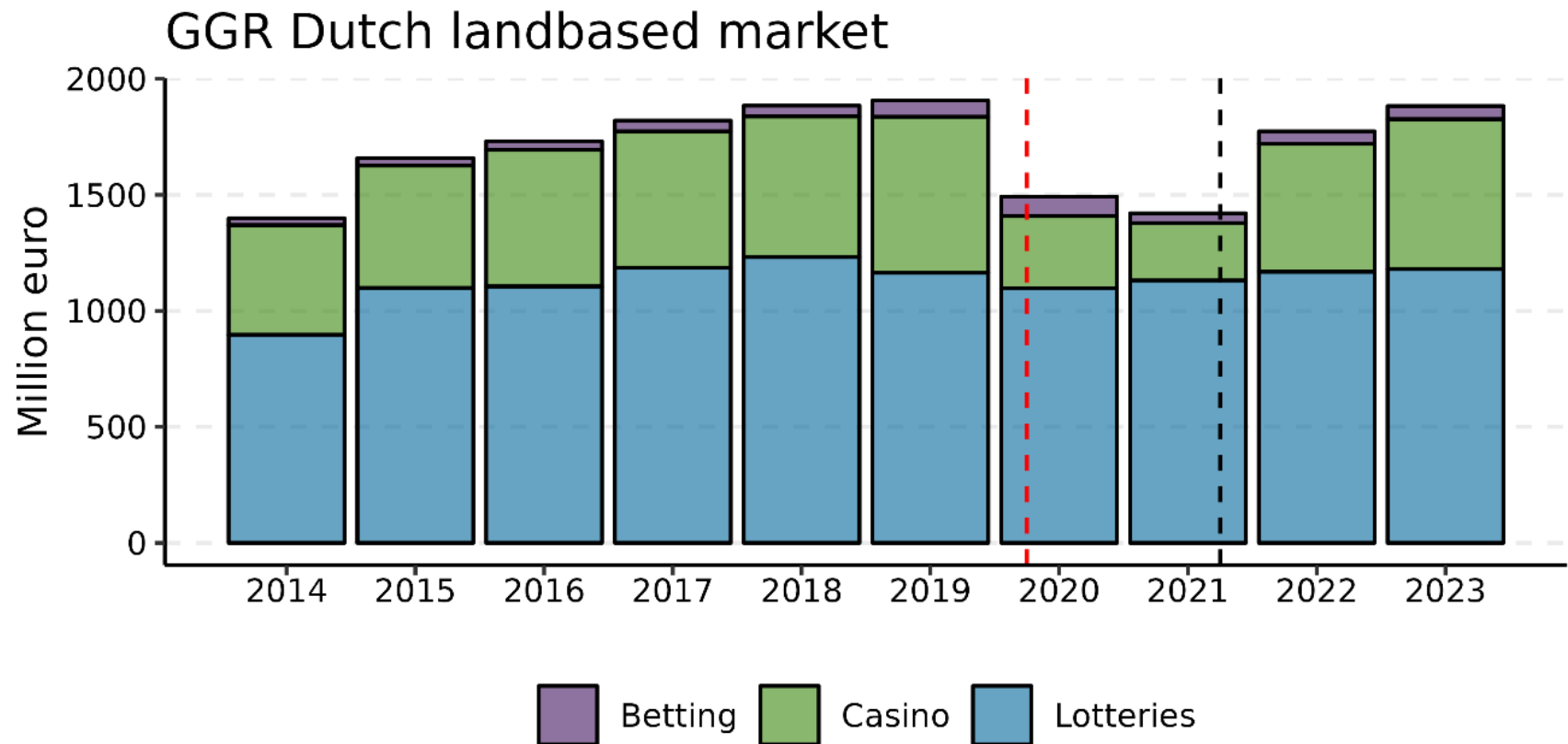


Total landbased market over time





Landbased market per segment

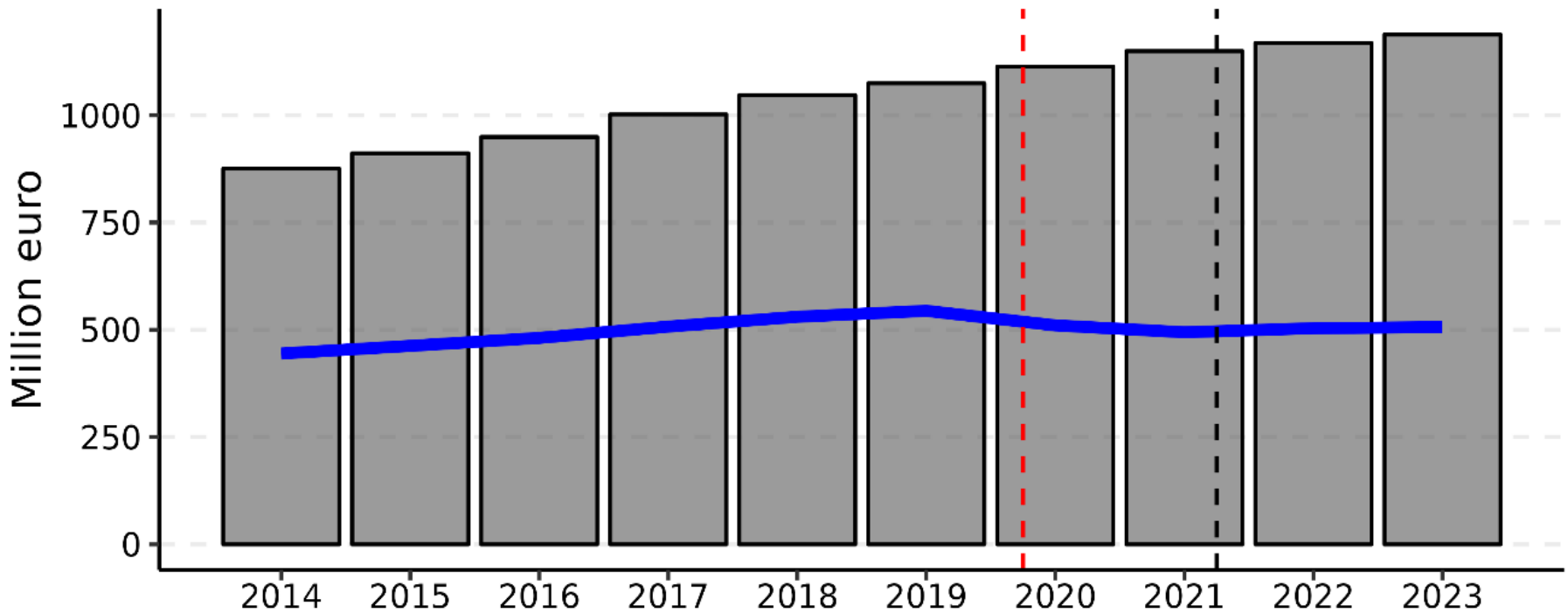




Charity lotteries

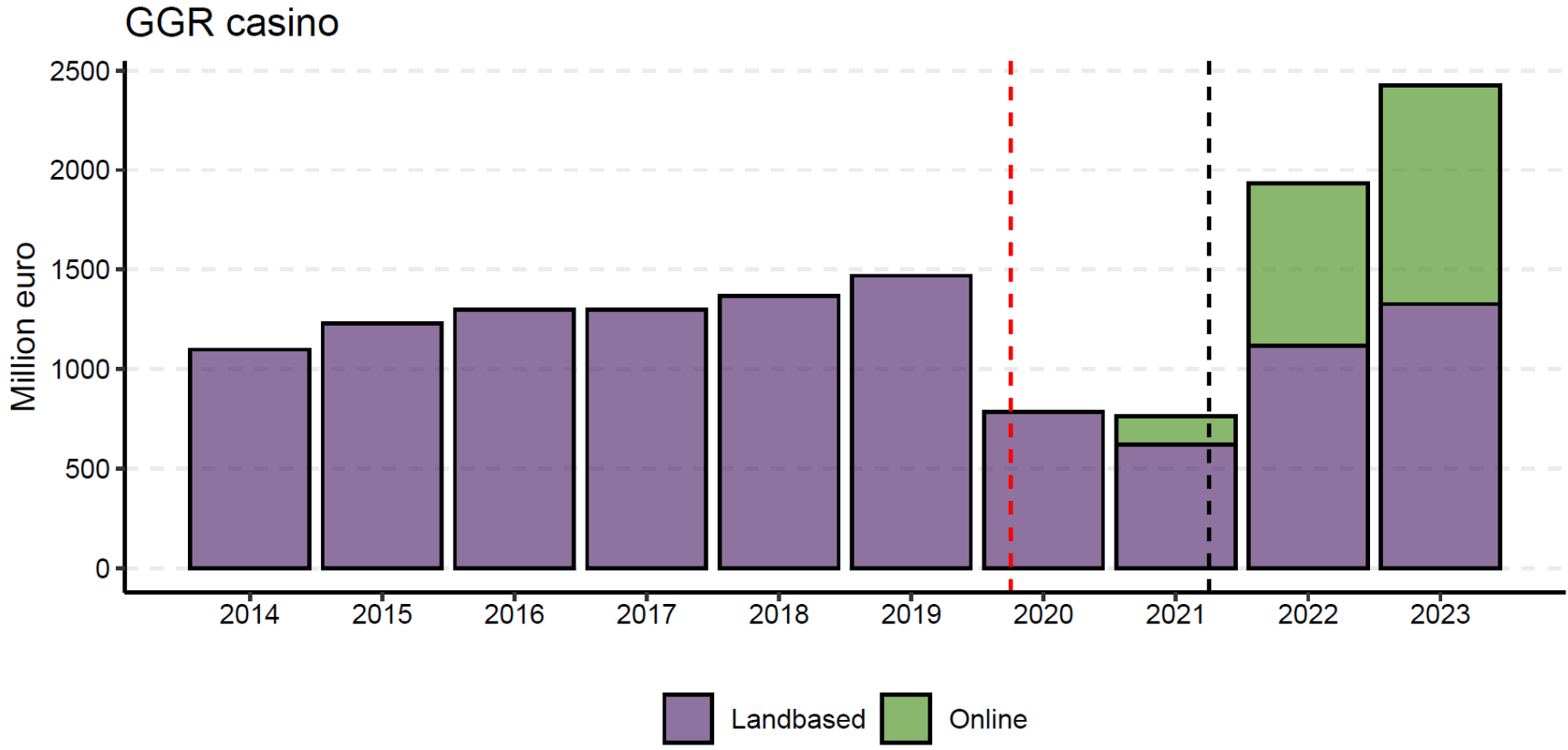
Turnover landbased charity lotteries

Blue line: contribution to charity



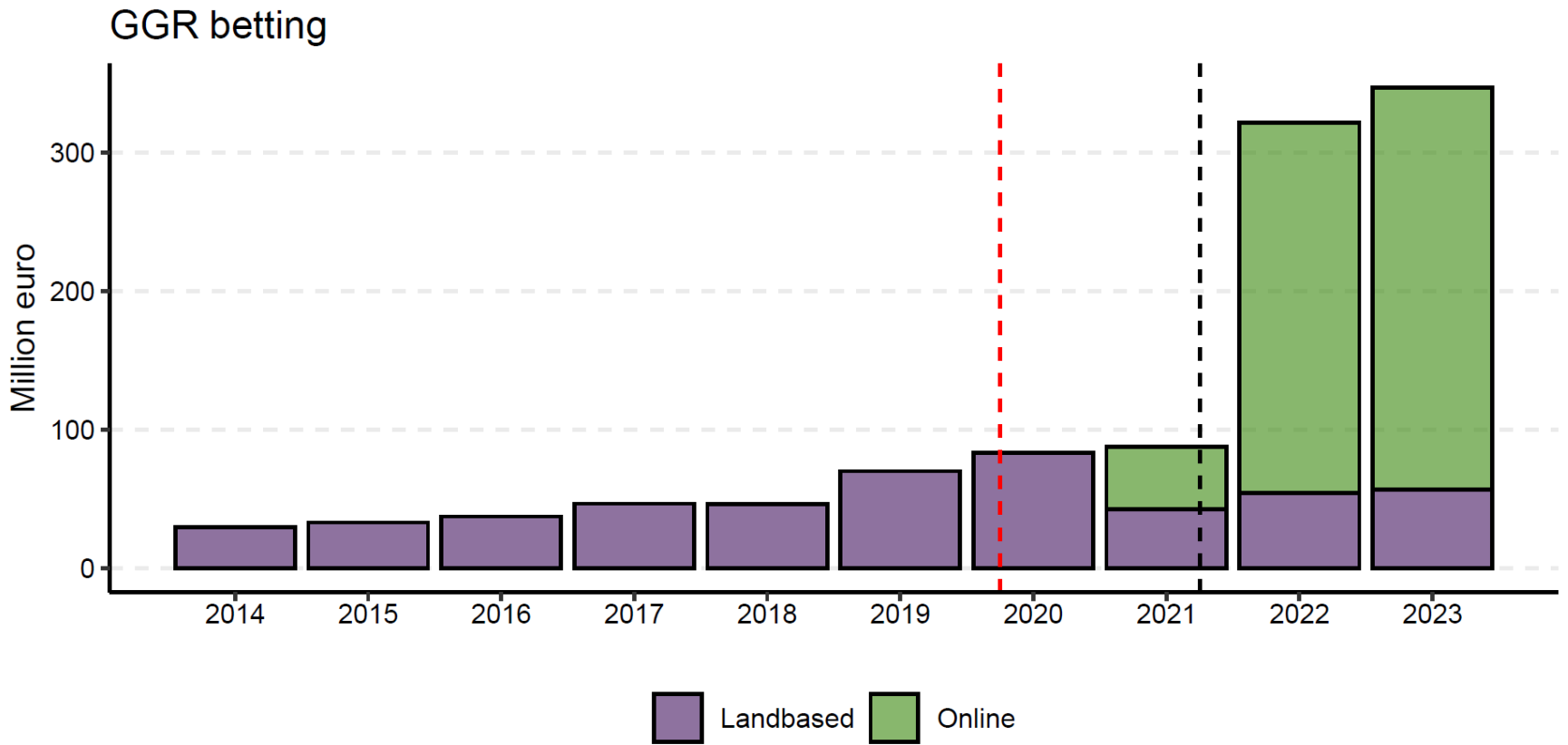


Casino



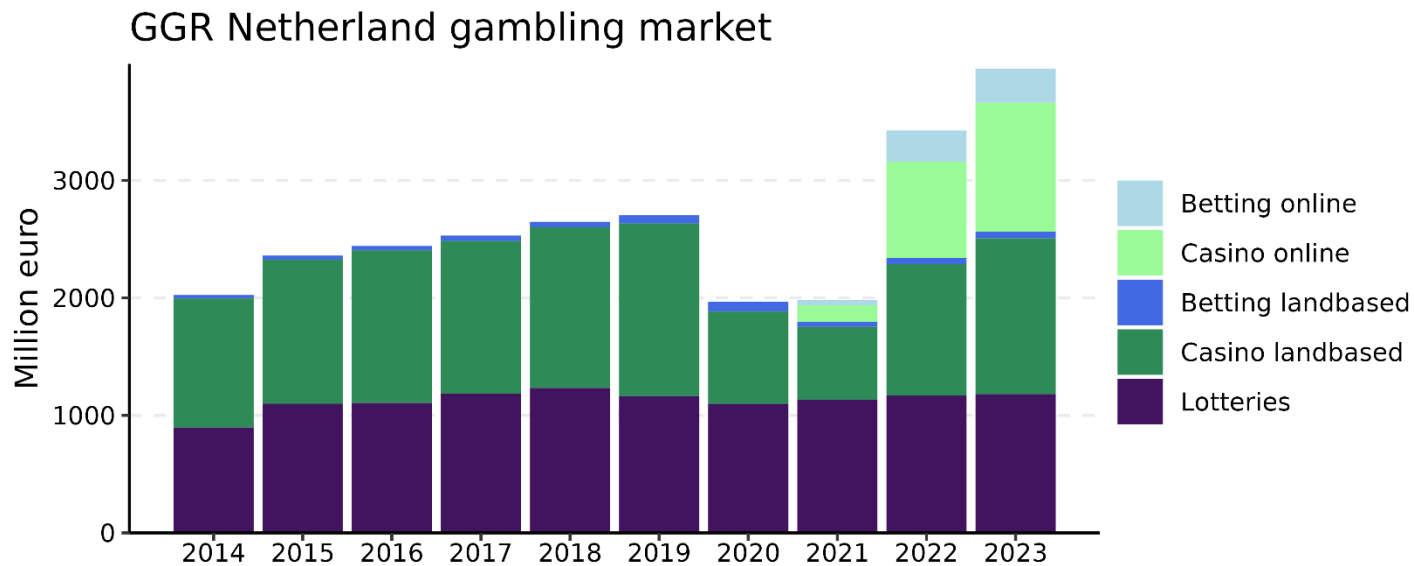


Betting





Conclusions



- Total market increased
- Some substitution
- Not with lotteries
- Not the main reason for increase -> channelization

