# Online gambling market set to soar past $213 billion by 2028 as sports cancellations fuel growth



In recent years, the online gaming software industry has experienced unprecedented growth, driven largely by the cancellation of live sporting events. This shift in consumer behaviour has transformed the landscape of entertainment, with many sports fans seeking alternatives during prolonged periods without their favourite games. As a result, the global online gambling market is projected to surge from $58.9 billion in 2023 to an estimated $114.7 billion by 2028, according to a Statista report. This trend underscores the significant influence that sports cancellations have had on consumer engagement and the broader gaming ecosystem.

The rise of online casinos has been part of a larger trend within the gaming industry. Unlike traditional brick-and-mortar establishments, online platforms provide a level of accessibility and convenience that appeals to a growing demographic of players. No longer constrained by time-consuming queues and high-stakes environments, users can explore a diverse array of gaming options—from classic poker and slots to interactive and immersive experiences that simulate the thrills of a physical casino. The integration of live dealer games, which allow players to interact with real dealers via video streams, bridges the gap between online and offline gaming, offering a social element that enhances the overall experience.

Mobile gaming has particularly transformed this landscape, empowering users to partake in casino games from virtually anywhere, whether on a smartphone, tablet, or desktop. This has given online casinos a distinct edge, especially at a time when live sports events have been scarce. The seamless access to entertainment has turned online gaming into a necessity for many, rather than merely an option, effectively capturing the interest of die-hard sports fans craving excitement.

The pandemic, in particular, catalysed a significant shift in entertainment preferences. With numerous live sports events postponed or cancelled, audiences were left searching for new forms of engagement. The dramatic shift in leisure activities has seen many individuals—particularly those who had never previously gambled—dabble in online casino games, as evidenced by a report from the UK Gambling Commission, which noted that 35% of online gamblers had increased their gaming activity during the periods of restricted sports viewership.

The changing dynamics of player engagement have not only revitalised the online gaming industry but also highlighted a demand for competitive experiences. Many players find solace in the competitive nature of casino games, such as poker and blackjack, where they can pit their skills against others rather than merely against a machine. This distinct social aspect, enhanced by multiplayer and live dealer features, has shown to be a compelling substitute for the thrill associated with live sports.

As the landscape continues to evolve, the economic implications are becoming increasingly evident. A comprehensive report from ResearchAndMarkets.com predicts the global online gambling market could reach a staggering $213.58 billion by 2028, buoyed by a compound annual growth rate (CAGR) of 12.56%. This growth trajectory is further supported by the increasing integration of innovative technologies, including augmented and virtual reality, which are set to redefine user engagement in gambling.

Despite numerous opportunities for growth, the online gambling sector is rife with challenges, particularly concerning player protection. An investigation by Reuters indicated that while companies like Flutter and Entain have implemented measures in the UK to safeguard consumers, such as capping betting limits, these practices have been less stringent in markets like the U.S. Compounding the issues, concerns around gambling addiction are rising, prompting calls for clearer regulations to mitigate harm within the rapidly expanding market.

As online casinos continue to redefine the gambling landscape, particularly in the wake of significant disruptions caused by the pandemic, the rate of growth suggests a compelling future for this segment. The convergence of accessibility, social interaction, and innovative technology positions online gambling not just as a temporary alternative, but as a staple in the entertainment industry’s future fabric.

### Reference Map

1. Paragraphs 1, 2, 3, 4, 5
2. Paragraphs 1, 5
3. Paragraph 5
4. Paragraph 4
5. Paragraph 5
6. Paragraph 6
7. Paragraph 5

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://fantasyfootball247.co.uk/the-growing-popularity-of-online-casino-games-amid-sports-cancellations/> - Please view link - unable to able to access data
2. <https://www.businesswire.com/news/home/20230607005675/en/Global-Online-Gambling-Market-Outlook-Report-2023-A-213-Billion-Market-by-2028-from-105-Billion-in-2022-with-Bet365-Entain-Kindred-Flutter-Entertainment-William-Hill-Dominating---ResearchAndMarkets.com/> - This report from ResearchAndMarkets.com provides an outlook on the global online gambling market, projecting it to reach $213.58 billion by 2028, up from $105 billion in 2022, with a compound annual growth rate (CAGR) of 12.56%. The report highlights the growing adoption of augmented reality and virtual reality in gambling, increased betting on esports, and the inclusion of digital/cryptocurrency as standard money as significant trends. It also notes that Europe held the largest market share in 2022, accounting for over 46%, driven by the increasing number of online gambling websites and mobile applications in the region. Key players in the market include Bet365, Entain, Kindred, Flutter Entertainment, and William Hill.
3. <https://www.reuters.com/investigations/online-gambling-giants-conquer-us-with-tactics-deemed-too-tough-for-britain-2024-07-03/> - This Reuters investigation examines how online gambling companies, particularly Flutter and Entain, have adjusted their practices in the U.S. market, often forgoing safeguards they established in the UK. In Britain, these companies have adopted measures such as limiting VIP programs and placing betting caps to protect customers from problem gambling, due to regulatory scrutiny and public pressure. Conversely, in the U.S., where regulations and oversight are less stringent, these firms have not implemented similar safeguards. Instances include the failure to monitor the affordability of customer bets and the use of practices like automated slots that are no longer permitted in the UK. The booming American market has seen rapid growth in online gambling, driven by the legalization of sports betting, but this growth has been accompanied by concerns over customer protection and the firms' responsibility. Despite the evidence of harmful effects and predatory practices, U.S. regulation remains relatively lenient, focusing more on potential tax revenue than on curbing industry practices.
4. <https://www.apnews.com/article/80aa825385521da18dec01cec7db7276> - This Associated Press article reports that in November, New Jersey’s internet gambling market hit a new record-high, generating over $214 million in revenue, slightly surpassing the previous $213 million record set in October. While online gaming and sports betting have significantly boosted total gaming revenues, hitting $556 million in November—a 15.4% increase from the previous year—physical casino revenues remain below pre-pandemic levels for most Atlantic City casinos. Only three of the nine casinos (Hard Rock, Ocean, and Resorts) exceed their in-person winnings compared to November 2019. The surge in internet gambling, driven initially by the pandemic, continues to grow, with internet revenue up nearly 25% year-over-year. While internet and sportsbook earnings enhance overall revenue, casinos prioritize in-person gambling profits. November's data also show varied performance across casinos, with Borgata leading in both combined and in-person revenues. Notably, sports betting revenue also contributed significantly, with the Meadowlands Racetrack and Resorts Casino, in partnership with DraftKings, seeing substantial contributions.
5. <https://www.apnews.com/article/b4ffd4f1abad68709ce46d520551e2b5> - This Associated Press article discusses how internet casino gambling is viewed as the future of betting by industry executives, despite it being legal in only seven U.S. states. Speaking at the SBC Summit North America, executives acknowledged the industry's future lies online, even though sports betting has rapidly expanded to 38 states since being legalized in 2018. Challenges include concerns about gambling addiction and potential revenue loss for physical casinos. Some executives argue online and physical casinos complement each other, while others see online gambling as detrimental to brick-and-mortar casino revenues. There is an ongoing effort to educate lawmakers on the benefits of regulated online gambling, especially as states seek new revenue without increasing taxes. The industry emphasizes customer protections offered by legal sites and plans to continue promoting the benefits of online casino gambling.
6. <https://www.businesswire.com/news/home/20230419005575/en/Global-Online-Gambling-Market-Report-2023-Increasing-Availability-of-High-speed-Internet-Drives-Growth---ResearchAndMarkets.com> - This Business Wire report highlights the rapid growth of the online gambling market, driven by the increasing availability of high-speed internet and the growing adoption of smartphones and tablets. The market is expected to reach a size of over USD 179 billion, up from USD 94.17 billion in 2022, with a compound annual growth rate (CAGR) of 11.64% from 2023 to 2028. The report attributes this growth to factors such as the convenience of playing from anywhere at any time, the globalization of the industry, and advancements in technology. Online gambling platforms can be accessed from anywhere in the world, making it easier for players to access a wide variety of games and betting options from different regions.
7. <https://www.globenewswire.com/en/news-release/2024/06/10/2896158/28124/en/Online-Gambling-Global-Market-Report-2024-2033-with-Key-Player-Profiles-for-Flutter-Entertainment-Bet365-Group-Entain-Kindred-Group-and-Betfred.html> - This GlobeNewswire report provides an analysis of the global online gambling market, which reached a value of nearly $88.7 billion in 2023, having grown at a compound annual growth rate (CAGR) of 10.4% since 2018. The market is expected to grow from $88.7 billion in 2023 to $151.9 billion in 2028 at a rate of 11.4%. The report attributes growth to factors such as the legalization of gambling, adoption of cryptocurrency, increasing adoption of online gaming, and strong economic growth. It also notes that high taxation on casinos negatively affected growth in the historic period. Key players in the market include Flutter Entertainment, Bet365 Group, Entain, Kindred Group, and Betfred.