

April 2021

COVID-19 caused a decrease in gambling spend in 2020

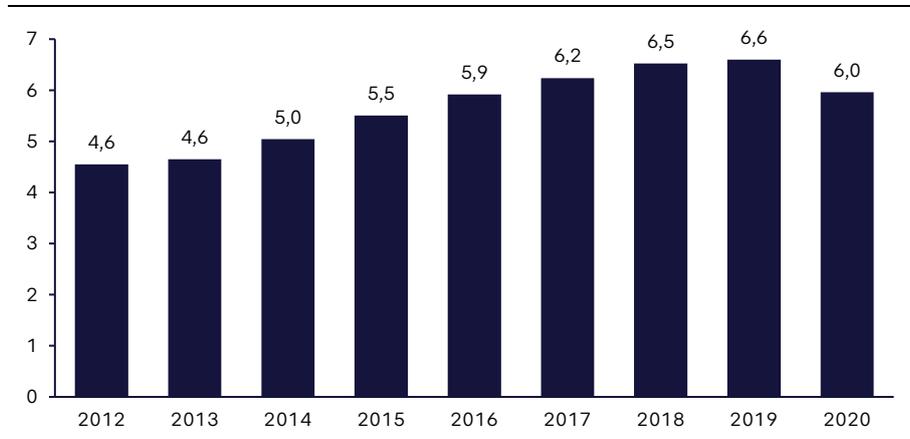
Closed gambling arcades and casinos as well as cancelled sports events impacted Danes' gambling spend in 2020, which decreased by approximately 10 percent compared to 2019. This is the first time since 2012 that the total gambling spend on the liberalised market falls.

Large parts of Danish society have been locked down in 2020 to prevent the spread of COVID-19. Among other things, the lockdown meant that for some periods of time, it was not possible to gamble on gaming machines at restaurants and in gambling arcades or to visit a casino to gamble on for example roulette or blackjack. At the same time, cancelled sports events worldwide meant that there were fewer matches to bet on.

As a result, there has been a natural fall in the total spend on betting, gaming machines, casinos and online casino in 2020. In total, Danes' spend on the liberalised gambling sectors amounted to DKK 6 billion in 2020. This is a fall of approximately DKK 600 million compared to 2019, where Danes spent about DKK 6.6 billion on gambling, *cf. figure 1*. This means that the gambling spend has decreased by 10 percent from 2019 to 2020. Gambling spend is calculated in gross gambling revenue (GGR). See the definition of GGR in *box 1*.

It is the first time since 2012, when betting and online casino were liberalised in Denmark, that the total gambling spend on liberalised gambling sectors has decreased. The gambling spend has increased by approximately DKK 2 billion from DKK 4.6 billion to DKK 6.6 billion between 2012 and 2019, *cf. figure 1*.

Figure 1. Spending on betting, online casino, gaming machine and casinos 2012-2020, million DKK



-10%

Decrease in the gambling market in 2020
Difference in the total gambling spend for betting, online casino, gaming machines and land-based casinos from 2019 to 2020.

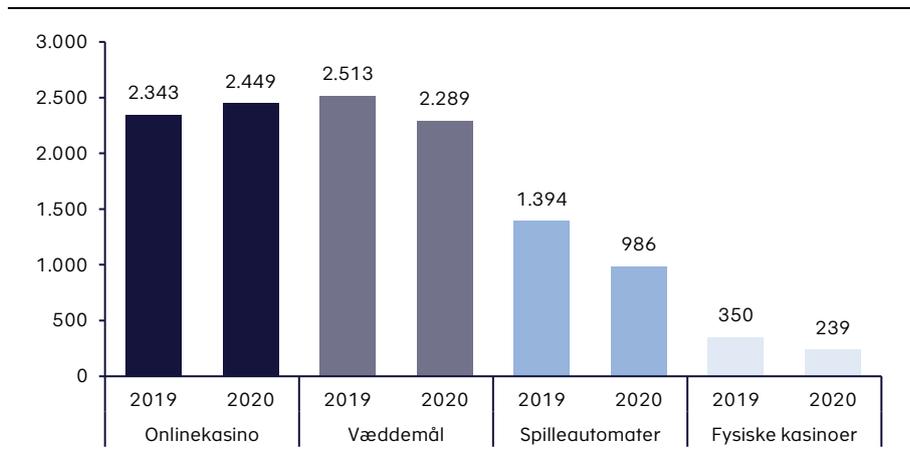
Source: Data on gambling duties submitted by the licence holders to the Danish Tax Agency.

Note: The gross gaming revenue (GGR) is stated in 2020-prices. Data on monopoly lotteries and charity lotteries in 2020 is not yet available and therefore not included in figure 1.

COVID-19 affects gambling sectors differently

The fall in the total gambling spend covers different developments in the four gambling sectors. The greatest fall happened to gaming machines and casinos, since it was not possible at all to gamble on these types of games during some periods of 2020. For gaming machines and casinos, the gambling spend has decreased by about DKK 400 million and DKK 110 million, respectively, *cf. figure 2*. This equals a fall of about 30 percent for each of the gambling sectors compared to 2019.

Figur 2. Spilforbrug for onlinekasino, væddemål, spilleautomater og fysiske kasinoer 2019-2020, mio. kr.



Source: Data on gambling duties submitted by the licence holders to the Danish Tax Agency.

Note: The gross gaming revenue (GGR) is stated in 2020-prices. Data on monopoly lotteries and charity lotteries in 2020 is not yet available and therefore not included in figure 2.

The spending on betting fell significantly in spring 2020, when many sports matches were cancelled or postponed. When sports events were resumed in summer, the spending increased again, and even more so during autumn, when a closely packed European football programme provided many matches to bet on. Nevertheless, there was a fall in the total spend on betting over the year, which amounted to just under DKK 2.3 billion. This is a fall of more than DKK 200 million compared to 2019, which equals about 9 percent, *cf. figure 2*.

Online casino gambling increased less than previous years

The spend on online casino was the only one of the four gambling sectors that grew in 2020. In this sector, the spend increased by just over DKK 100 million equalling just under 5 percent compared to 2019, *cf. figure 2*. Thus, the gambling spend amounted to almost DKK 2.5 billion in 2020, which was more than the gambling spend on betting. Previous years, betting has constituted the largest gambling spend of the four liberalised sectors.

The DKK 100 million increase in gambling spend on online casino does not counterbalance the fall in the other three gambling sectors, which totaled about DKK 740 million. This indicates that Danes did not move their spending to online gambling activities, where it has been possible to gamble throughout 2020, and that online casino does not necessarily work as a substitute for e.g. betting.

At the same time, the increase in online casino must be seen through the light of the average growth of 13 percent per year in this gambling sector since 2012. The increase of 5 percent in

2020 is thus less usual and actually the smallest increase in percent on the online casino market in one year since the liberalisation of the sector in 2012.

Box 1. Definition of gross gaming revenue (GGR)

The term gross gaming revenue is used to measure the size of the gambling market and is calculated based on the players' stakes (including bonuses) minus the winnings and plus the commission that players pay for participation in a game.

Find more statistics on [Spillemyndigheden.dk/en](https://spillemyndigheden.dk/en)

In the quarterly statistics on the Danish Gambling Authority's website is the complete overview of the development on the gambling market since 2012. You may also find statistics of the Danish Gambling Authority's helpline StopSpillet that provides guidance to players and their relatives about responsible gambling, and ROFUS, which is the national register of self-excluded players, where players can exclude themselves from gambling either temporarily or permanently.

It is a central task for the Danish Gambling Authority to monitor the newest trends in the gambling market on an ongoing basis. This is a prerequisite for efficiently and effectively monitoring the gambling operators to ensure that gambling in Denmark takes place in a fair and responsible manner.