18. BETTING MARKET AS A PART OF IT INDUSTRY AND "GAMBLING" PHENOMENON

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The paper is devoted to the world-wide development of sports betting market. The importance of IT technologies for its profound transformation is pointed out. The "gambling" influence on IT industry, international economics and consumer society are also presented.

The online gambling and betting market has witnessed an unprecedented surge in popularity, reshaping the global gaming landscape. The convergence of advanced technology, widespread Internet access, and evolving regulatory frameworks have propelled this industry to remarkable heights. With a myriad of virtual casinos, sportsbooks, and interactive platforms, players now enjoy unparalleled convenience and variety in their betting experiences. From classic casino games to innovative sports wagering, the online gambling sphere caters to diverse preferences. However, this rapid expansion has also sparked debates about responsible gambling, data security, and regulatory oversight.

Online gambling is typically betting on casino or sports-type games over the Internet. The online gambling market is segmented by game type, end user and geography. Online betting market refers to the market of the online gambling industry that involves placing bets on various events over the Internet, preferably connected to sport competitions. Based on game type, the market is segmented into sports betting, casino, and lottery. Sports betting is further segmented into football, horse racing, tennis, and other sports. This also includes a wide range of e-sports such as DOTA 2, Counter-Strike 2 and many others. Online sports betting allows customers to place bets on the outcome of sporting events in real time, either before or during the event. These bets can be placed via special online platforms, including websites and mobile apps, which are often managed by licensed online sportsbook operators.

The expanding impact of technologies, including blockchain, virtual reality and AI, notably machine self-learning tools, plays the core role in the sports betting market development [1]. Leading companies in the sports betting sector are progressively focusing a substantial amount of their efforts on machine learning tools and approaches that have shown promising outcomes in prediction. Annually several thousands of data servers are hold in order to provide stable connection between a customer and a bookmaker **- a person or organisation that offers betting odds on certain events.**

According to Technavio, the sports betting market is gearing up for an exhilarating ride, with a projected Compound Annual Growth Rate (CAGR) of 10.68 % between 2023 and 2027 [2]. This spirited ascent is expected to result in a remarkable increase of USD 143.73 million in market size. The sports betting industry is undergoing a profound transformation, primarily influenced by the global digital revolution. This revolution is significantly altering the sports betting landscape, leading to a surge in online and virtual betting applications and platforms. The digital factor is driving the remarkable growth of the sports betting market. The global Internet penetration rate has ushered in an era where cloud platforms are becoming the preferred choice for data storage, and online transactions and payments have witnessed a substantial upswing among both commercial and retail users. The growing adoption of smartphones (improved graphics and expandable storage capacity), along with the 5G Internet technology, is driving the market's growth. This extensive digitalisation has brought about a change in the sports betting arena, propelling the global sports betting market towards online and virtual platforms. With easy Internet access and the availability of a multitude of mobile apps and online platforms, modern consumers can now gradually engage in sports betting. Online sports betting platforms come equipped with advanced statistics and cutting-edge graphics that effortlessly attract users. The digital revolution is set to propel the popularity of sports betting to new heights, creating a thriving global sports betting market.

The total amount of money wagered by bettors is known as a handle, while the amount of money earned by a bookmaker after paying out the winners is revenue [3]. Statista, which is a global data and business intelligence platform, provides the data depicted in Figure 1, that includes Gross Gambling Revenue (GGR), which is a key metric used by gambling and betting companies. It reflects the difference between the amount of money players wager minus the amount that they win. Figure 1 demonstrates a predicted increase in betting markets revenue, arising from growing customers' demand for placing bets in the coming years. Formula 1 is widely used by betting companies to calculate Gross Gambling Revenue [4]:

$$\text{Gross Gaming Revenue} = \text{Amount Wagered} - \text{Winning Payouts} \qquad (1),$$

where **Amount wagered** is the amount of money collected from gambling and/or betting transactions, **Winning payouts** is the amount of money that has been paid out to customers for winning. Gross Gambling Revenue has a positive value due to the main concept of casino, based on a mathematical probability to win.
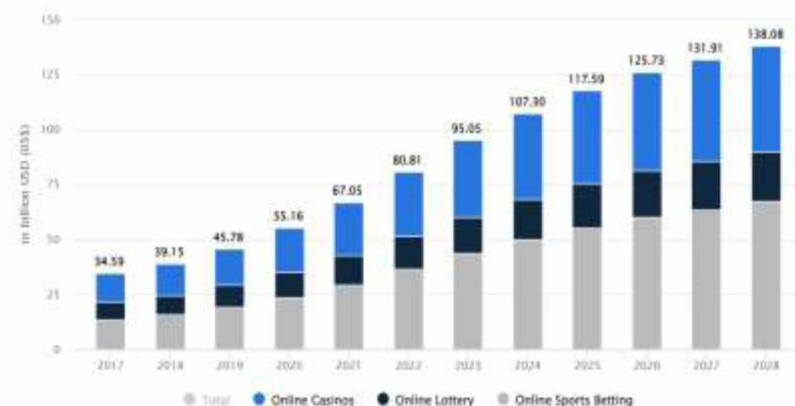

Figure 1 – Gross Gambling Revenue (GGR)

Regardless of the fact that betting markets stay "legal fraud" in many counties due to their sustainable revenue, the tendency to wager is hyped by customers as a rational source of income. In relation to rapidly evolving technological capabilities betting markets go online, enabling their users to be anywhere and anytime ready to wager. Moreover, digitalisation of bookmakers led to decreased and weak age-related control [5]. Nowadays, adolescents strive for the easiest way to immediately gain money. There are following factors that motivate newcomers to become a part of gambling community: the convenience factor, variety of games and innovative features, bonuses and promotions, global accessibility and cross-cultural appeal. Moreover, the days of placing bets pre-match and watching in frustration as events on the field conspired against you are gone. Nowadays IT technologies give players the chance to either not place a bet pre-game or bet once the game has started. Live betting even allows you to change your view of how a contest will play out. Early interactions or injuries can change the expected outcome. The ability to make decisions in real time affords certain bettors a great advantage – one not available before online sports betting began. Among the advantages of online sports betting are dynamic and exciting betting, real-time adjustments, additional betting opportunities and the satisfaction of placing fun bet. Nevertheless, there are also some downsides of gambling at in-play betting sites which players should be aware. It can encourage reckless gambling due to chasing losses and it also gives customers less time to study and analyse.

As for legitimacy of betting markets, most of the countries have a relaxed approach to it. For instance, nearly every form of gambling is permitted in Belarus: poker, slots, sports betting, and live versions of the traditional games broadcast over the Internet. To legally work in Belarus, an online gambling enterprise has to operate from a local domain, .by. The Belarusian government is clearly taking iGaming more seriously as a potential source of tax revenue. On the other hand, in a number of countries gambling has been banned (Singapore) or the authorities enforce strict restrictions on online gambling (Japan). There IT industry presents an intriguing driving force for the sports betting market in the form of fantasy sports platforms like Dream 11 (a homegrown Indian brand) which is the world's largest fantasy sports platform with more than 200 million users playing fantasy cricket, football, basketball, hockey, volleyball, American football and baseball there.

The sports betting market is on the brink of an exhilarating growth phase, driven by the ongoing digital revolution and the growing influence of technology, particularly machine learning. While challenges such as security and illegal practices persist, the digital age has breathed new life into the world of sports betting, marking a promising future. With technology at the helm, the sports betting market continues to evolve, offering an enticing game for enthusiasts worldwide.

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