

# The Online Poker Difference

Understanding the  
Business of Online Poker



# Table of Contents

Abstract .....	4
Online Poker Today.....	5
A Brief History of Online Poker .....	7
1998 – 2003: The Birth of Online Poker.....	7
2003 – 2006: Moneymaker Years .....	7
2011: Black Friday .....	8
2011 to 2014: Regulation and Stagnation.....	8
2014 to Present: US Regulation and Open Borders.....	9
The Online Poker Advantage.....	10
Poker's Popularity .....	10
Live Poker Crossover .....	11
Poker as a Spectator Sport .....	12
Regulatory Position .....	13
Unique Considerations .....	15
A Peer-to-Peer Game.....	15
The Poker Ecosystem.....	16
Game Variety.....	16
High Stakes Games.....	16
Player Pool Liquidity .....	18
Policing the Game .....	19
Conclusion.....	21
Endnotes.....	22

# The Online Poker Difference

---

## Abstract

On a global basis, online gambling is a thriving industry with its market value estimated at nearly \$50 billion for 2017 and a projected compound annual growth rate (CAGR) of approximately 6% over the next five years, according to data compiled by H2 Gambling Capital.

The sector is comprised of traditional casino games such as roulette, blackjack and slots, along with other gaming genres such as sports betting, fantasy sports, bingo, lotteries and of course, online poker. However, not all online gambling games are created equal.

Online poker accounts for only a small segment of the online gambling market. According to H2 Gambling Capital, online poker is estimated to generate approximately \$3 billion in revenue a year globally, compared to \$13 billion for online casino games and \$26 billion for online sports betting.

As discussed throughout this report, there are a variety of unique concerns and considerations that require an understanding of the industry to operate an online poker room successfully. However, poker is also an essential part of the product offering for most online gaming operators.

The characteristics of online poker provide benefits to gaming operators that are not otherwise realized from other online gaming verticals. The popularity of the game not only attracts customers to the operators' brands where they can cross-sell other gaming products, it also functions as a spectator sport that

captivates and engages audiences on broadcast television and across the internet.

The first online poker room offering real money games opened in 1998. Twenty years later, there are hundreds of regulated and licensed online poker rooms around the world. At least two dozen jurisdictions recognize online poker as a legal, regulated activity.



Poker Industry PRO is the leading data analytics platform  
dedicated to understanding the online poker industry.

[pokerindustrypro.com](https://pokerindustrypro.com)