

Internet gaming market in the Netherlands 2002

At the request of the Netherlands gaming control board, Motivaction International analysed the Dutch Internet gaming market. The main goal of this analysis is to gain insight into this upcoming market.

This report is the second of its kind and as such a follow up and enhancement of the analysis made of the Dutch Internet gaming market in 2001 by NIPO. As the NIPO report was the first of its kind, it contained a significant amount of new and relevant information. The NIPO research methodology was experimental and as such contained several methodological inconsistencies such as a poorly defined difference between e-gaming and e-commerce. This resulted in a less than optimal starting point or knowledge base for the current conducted research. Nevertheless through a thorough and accurate questioning methodology this problem could be overcome.

In total 11.143 Dutch Internet users between the ages 15 and 55 years old were interviewed using an Internet based questionnaire. Of these 11.143 respondents, 72% or 8.095 respondents mentioned that they participated in gaming activities. Of these 8.095 respondents, 28% or 2.283 respondents mentioned that they participated in Internet gaming activities. In turn, of these 2.283 respondents, 29% participated in e-commerce Internet gaming activities, 40% participated in e-gaming Internet activities and a further 10% participated in both.

3% of the total Dutch Internet population participated in paid e-gaming activities. This amounts to around 220.000 Dutch citizens between the ages of 15 and 55 years old.

The yearly turnover of the Dutch Internet gaming market is around 105 million euro. On average a Dutch Internet gamer spends 41 euro per month on his Internet gaming activities. This average however masks large differences in spending patterns. More than half of the Dutch Internet gamers spends no more than about 10 euro per month. While the top 13% of the spenders are responsible for almost 70% of the entire turnover. This amounts to around 70 million euro.

The research shows that a large part of the Dutch population (35%) thinks that it is spending its e-gaming money on Dutch e-gaming sites. This is a remarkable conclusion, as Dutch interactive gaming for money is not allowed under the Dutch gambling law. The specific targeting of Dutch population by international Internet gaming organisations could explain this discrepancy.

Two third of all e-gamers spend less than 15 euro per month. The group of light spenders mostly consists of women and young adults under 26 years old. The heavy spenders spend on average more than 50 euro per month and tend to be older males. The heavy spenders visit e-gaming sites more often and stay on these e-gaming sites longer than the light and medium spenders.

Most of the e-gaming activities concentrate on e-gaming sites offered in the Dutch language. Foreign gaming sites are more often visited by Dutch older males. There is a strong correlation between the heavy spenders and foreign e-gaming sites. The most popular e-gaming activity is the playing of casino games. Of these casino games, the virtual slot machines are the most preferred.

Almost one third of the Dutch Internet population that does not participate in e-gaming has considered using e-gaming opportunities. This suggests a large potential market. The main disadvantages of e-gaming are the perceived unreliability or insecurity internet in general and of credit card payments via Internet in particular.

The main advantages of e-gaming are directly related to the main advantages of Internet: its accessibility from the private home at any time of the day.

The participation in online gaming hardly has an effect on offline gaming. Only 8% of the Dutch e-gamers say that their offline gaming behaviour has changed. Under the e-gamers with a lower income however this figure is much higher, almost 20% of this group says that there gaming activities has changed. To discover in which manner or to what extent these gaming activities have changed, further research is necessary.

In general Dutch citizens of all ages participate in interactive gaming. Also under-age gaming occurs. 4% of the total Dutch e-gaming population is under 18 years old (15-17 years).