



**MECN**  
Media & Entertainment Consulting Network

## Casual Gaming and Gambling on the Internet – 2nd edition

Social Gaming, Skill Gaming, Online Bingo, Online Lotteries, and  
Others

London/Munich, December 2010

Go to <http://www.casual-gaming.mecn.net> to obtain full report

## Summary

Online casual gaming and gambling have been around for some time but have generally kept a low profile. Now this seems about to change, and more and more eyes in the industry look at the casual sectors as new growth areas:

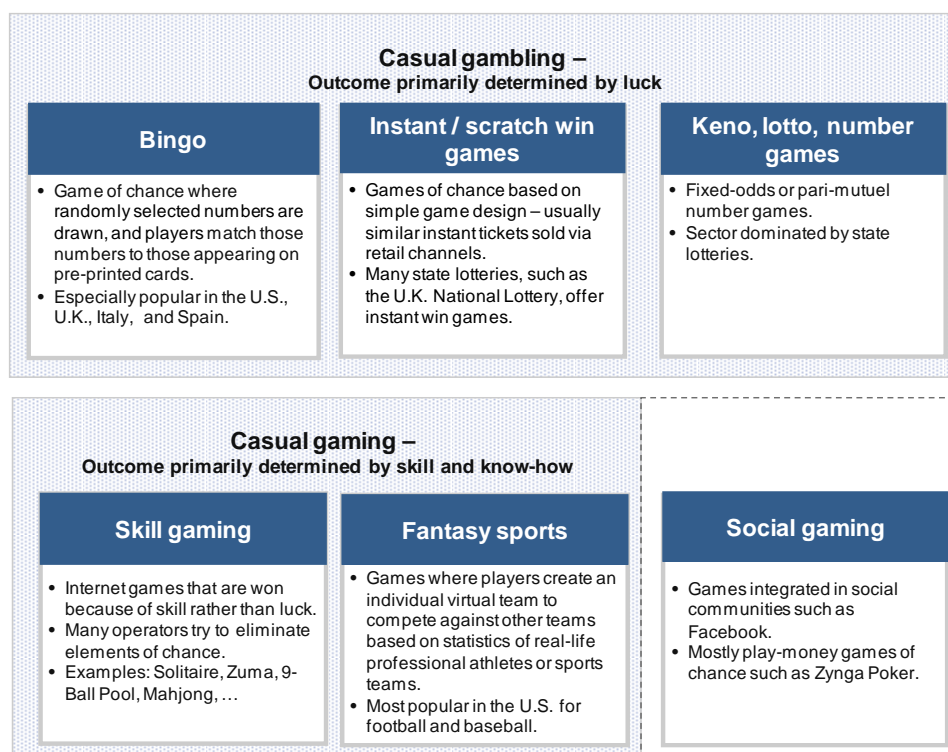
- **Recent heavy investments** by PartyGaming, 888, Playtech, ... in the online bingo industry indicate the casual segment's growing importance.
- **Social gaming** offers, such as Zynga Poker, are currently dominating the strategic discussions in the online gambling industry.
- **Casual players are the primary revenue-generating** segment in liberalised markets, as the example of Italy shows.
- Fantasy sports and skill gaming are more and more used as **strategies to enter markets with legal restrictions** (e.g., U.S.).
- **Online lotteries and number games** have moved into the spotlight as one of the last "untouched" sectors worth USD billions.

As the issues above indicate, the list of relevant developments is long - therefore, we have decided to update our well received report on the casual gaming and gambling market and publish a brand-new second edition.

### Definition - what is casual gaming and gambling?

What distinguishes casual **gaming** from casual **gambling**? **Casual gaming** includes all games where predominantly skill and know-how determine the outcome of the game. On the other hand, in **casual gambling** predominantly luck and chance determine the outcome of the game. This report deals with both gaming and gambling as both target the recreational casual player mainly playing for fun.

*Exhibit: Core sectors of the online casual gaming and gambling market – and how they differ*



Source: IDGA, MECN

## Content of report

The report analyses some of the most relevant topics – such as:

- **Social gaming, communities, and networks** – A first and unique analysis of social gaming from the perspective of gambling operators, including a Zynga Poker case study, online gambling companies following Zynga’s footsteps, operators’ strategies regarding social gaming, overview of Facebook offers of online gambling operators, opportunities and challenges for online gambling, ...
- **Online bingo and skill gaming** – Detailed analyses of the key offers of the casual sector, including breakdown of market figures, regional overview, ...
- **Lotto and number games, instant/scratch, fantasy sports, ...** – Many of these casual offers have long been neglected but are at the brink of becoming key growth sectors for the industry. Our research is the first to dig deeper into these sectors and provide insights regarding market size, forecasts, key market players, ...
- **Business models, revenue sources, success factors, ...** – The report also examines the business and revenue models of casual gaming and gambling including commissions, B2B, advertising, ...
- **Industry outlook and recommendations** – An overview of future growth drivers, key market players in the future, and recommendations for private and state operators.

The report also includes unique insights we gathered from our **survey of ca. 40 market insiders and operators**.

In total, the report has **112 pages** and **94 graphs/exhibits**.

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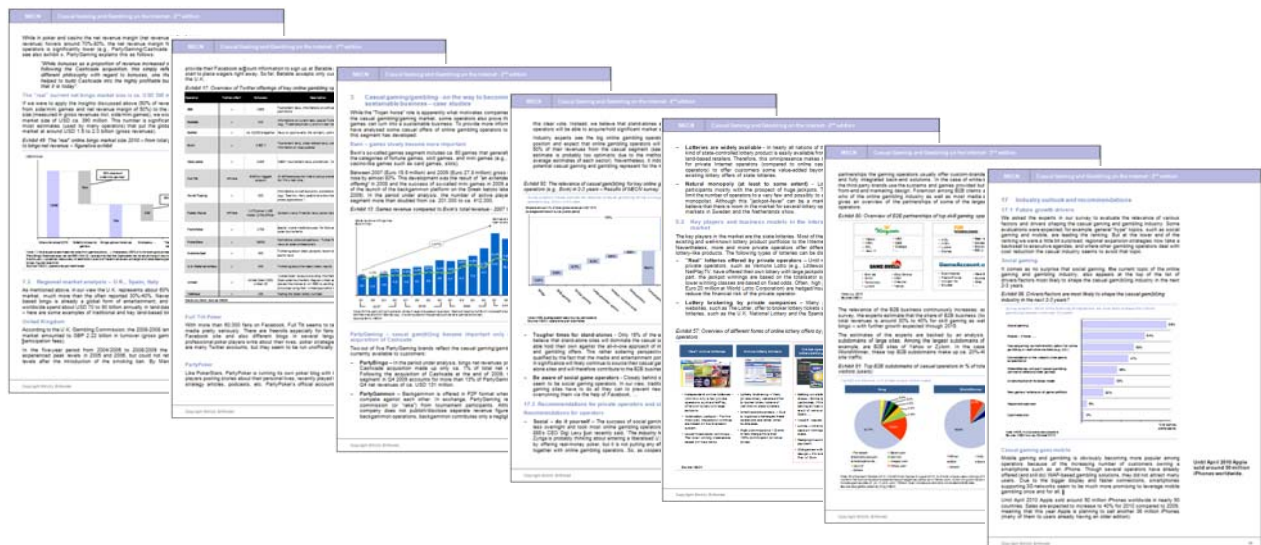
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## Companies mentioned in this report

888	Folkspel	Pacific Poker
123 Bingo Online	Founders Fund	Paddy Power
32RedBingo.com	Foundry Group	Palaceofbingo
Accel Partners	Foxy Bingo	Parlay Entertainment
Acclaim	Foxy Flutter	PartyBingo
Admiral Sportwetten	Fralis International	PartyGaming
Altos Ventures	Free Bingo	PartyGammon
Amazon	Fremantle Media	PartyPoker
Ambient Sound Investments	Fresh Games	Piper Jaffray
Andreessen Horowitz	Friendster	PKR
Anteup Magazine	Fueps	Play89
Apax Partners	Full Tilt	Playdom
Atac Media	Fun Time Bingo	Playfish
Austrian Lotteries	Gala Bingo	Playtech
Avalon Ventures	Gala Coral	Pogo
Balderton Capital	GameAccount	PokerStars
Baseline Ventures	GameColony	PokerStrategy
Beast Gaming	Gamedek	Pool Empire
BeatYa	GameDuell	Poolsharks
Bella Bingo	GamesGrid	PrimeScratchCards
Bet365	Gamesville	Product Madness
Betable	General Catalyst Partners	Publishers Clearing House
Betdaq	Global Gaming Entertainment	Real Time Fantasy Sports
Betfair	Go Girl	Red Bus Bingo
Betsson	Google	Reddit
Big Box Bingo	Greentube	Redpoint Ventures
Big City Bingo	Greylock Partners	Rollover Bingo
Big Fish	Happy Bingo.com	Salmon River Capital
BingLotto	Hi5	Sandbox
Bingo Cabin	Hitwise	Satum Bingo
Bingo Café	Holtzbrinck Networkx	Scratch2Cash
Bingo Day	Hopa	ScratchcardHeaven
Bingo Funland	Hubdub	Second Life
Bingo Gratis	I-Mahjong.com	Sega
Bingo Liner	Imperial E-Club Limited	Shanda Interactive Entertainment
Bingo Mania	Interwetten	Sharon's Bingo
Bingo Port	ITV Bingo	Silent Gaming
Bingo.com	iWin	Skill Games
Bingolotto.se	Jackpot City	Skill7
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Cash for Skills	Magnetise Media	Tiger Global Management
Cashball	Mahjong Time	Tiki Bingo
Cashcade	Mahjongclub	Tombola
Cheeky Bingo	Mapau Bingo	Top Fox
Clarium Capital	Maria Bingo	Tournament Games
CostaBingo	Maria Poker	Twitter
Cozy Games	Mecca Bingo	U.K. Gambling Commission
Credisplay	Midasplayer	U.K. National Lottery
Cryptologic	Miniclip	Unibet
Cyber Bingo	Minxy Bingo	Union Square Ventures
DafaGames	MirrorBingo	United Games
Daub Limited	MLB.com Fantasy	Uproar
DCM	Money Gaming	Veikkaus
Digital Sky Technologies	Moon Bingo	Virtual Sports
Dominoes Stars	MSN Games	Virtue Fusion
Doubleclick	Myspace	Walt Disney
Dragonfish	Mytopia	Watercooler/Kabam
EI Cartonazo	Napster	WeightWatchers
EiBingo	NBC	William Hill
Electronic Arts	NeoGames	Wink Bingo
Endemol	NetColletions	World Mahjong Championship
ESPN Fantasy and Games	NetPlay TV	World Series of Mahjong
Euro Gaming	New Bingo Billy	WorldWinner
Everest Poker	Nintendo	WoWBingo
Expekt	Norsk Tipping	Yahoo
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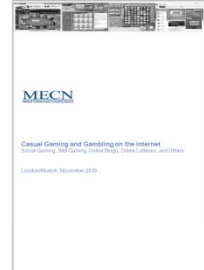
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