



# Understanding the iGaming Payment Experience:

What U.S. Bettors Want in the  
Deposit and Withdrawal Process

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# About this survey

This research aimed to examine the payments experience of iGaming bettors in the U.S., particularly as it relates to deposits and withdrawals. For the purpose of this report, iGaming is defined as any activity that involves betting online – for example betting on a live event (e.g. football or horse racing) or a game outcome (e.g. online casino). The objectives included understanding:

- **What's important to bettors when choosing a platform**
- **Bettors' preferred methods of depositing and withdrawing funds**
- **The challenges bettors face when depositing or withdrawing funds today**

The research was conducted online in February 2022 by Sapio Research on behalf of PayNearMe, providers of the MoneyLine™ payments platform for iGaming and sports betting. The sample consisted of 2051 iGaming bettors who bet using real money (not coins or credits).

Surveys took place in 19 U.S. states where at least one form of online betting is currently legal.

At an overall level, results are accurate to  $\pm 2.2\%$  at 95% confidence limits, assuming a result of 50%.

## Key Findings

- **A positive payments experience is the single most important element of making bets online for 49% of frequent bettors (those who place a bet at least once per week)**
- **52% of bettors had issues with declined payments when signing up for new betting applications**
- **17% of bettors who experienced payment trouble when signing up for new applications left and never came back**
- **The biggest pain point of both depositing and withdrawing funds occurs when the process takes too long (29% and 39%)**
- **If they had access to their preferred deposit type, 32% of bettors would make larger deposits more often**
- **The deposit option that's most important for bettors is PayPal (64%)**
- **If they had access to their preferred withdrawal method, 49% of bettors would play more and withdraw more often**
- **Ability to easily make a payment (46%) is just as important as bonus offerings (48%) and access to the respondent's favorite games (47%)**

# Respondent Profile

2051 adult Americans (age 18+) who placed a legal online bet



## Age Ranges



# Frequent Bettor Profile

Placed a legal online bet once per week or more



## Age Ranges



# Casual Bettor Profile

Placed a legal online bet at least once per year or during specific events



## Age Ranges



# Introduction

There is a vast range of iGaming platforms available to U.S. consumers in 2022, so competition among operators to attract new bettors and retain existing ones has never been fiercer. In a world of seemingly limitless choice, bettors can afford to be particularly discerning – they are only ever minutes away from abandoning one platform in favor of another if their needs (or even just their preferences) are not being met.

This leaves platform providers and operators in a precarious position: they're often spending millions on promotion and marketing to acquire new bettors, but aren't giving as much thought to how to

retain them. Optimizing payments (namely deposits and payouts) is one way to encourage both initial conversion and successive play.

The aim of this report is to provide iGaming operators with actionable insights into bettors' attitudes, so they can tailor their payment experience to meet bettor preferences. In turn, this will allow operators to stand out from their competitors and increase market share.

So, what do U.S. bettors look like in 2022, and what exactly do they want from their payment experience?

# Bettor profiles

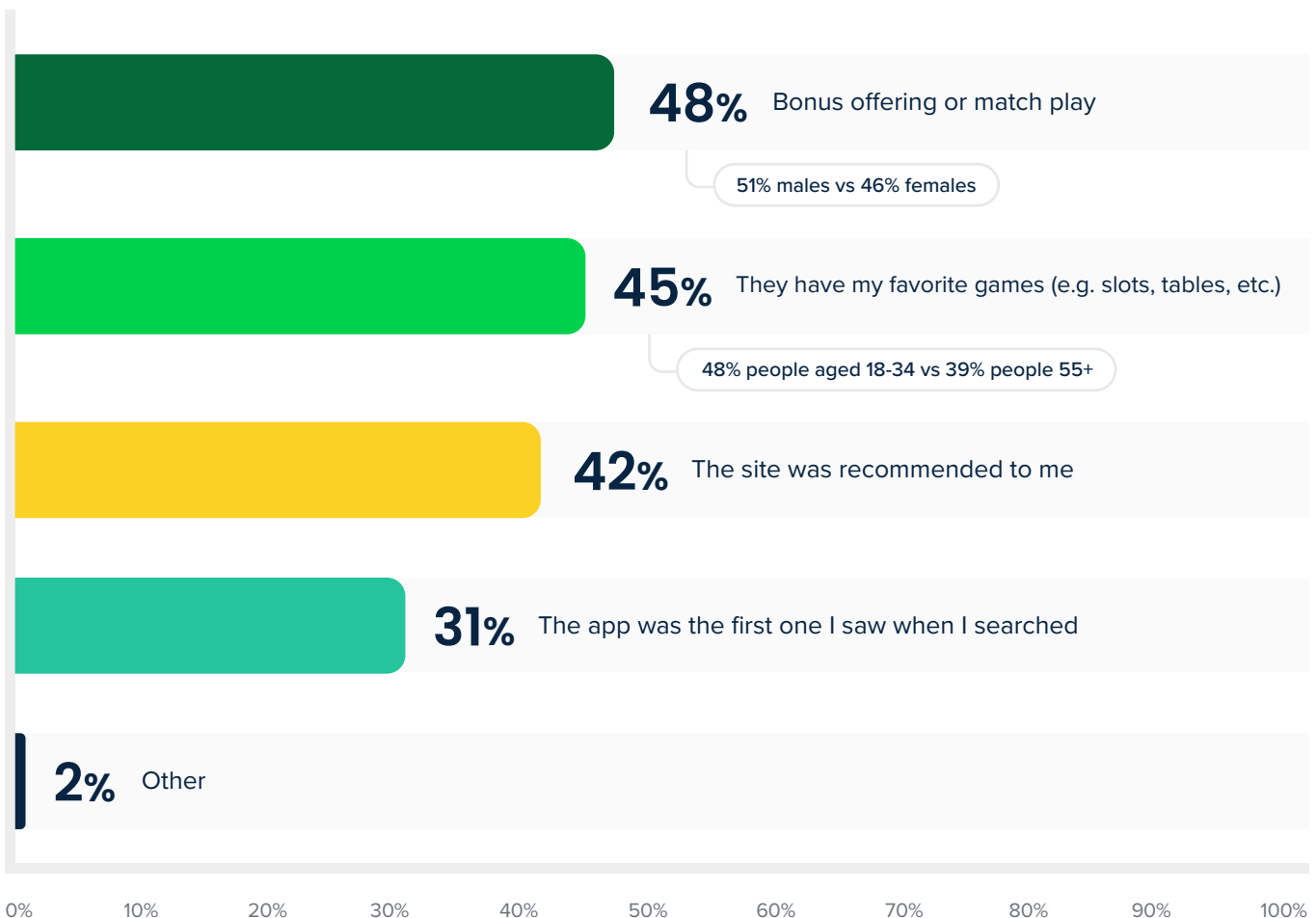
First, let's look at the different types of bettors using iGaming platforms. One of the easiest ways to differentiate between bettor profiles is by analyzing their spending habits. The overall average bet, as reported by respondents, is \$152 per month. This amount rises to \$212 for frequent bettors and drops to \$96 for casual bettors. Men tend to spend more each month than women (\$186 on average vs \$120). And bettors aged 18-34 are the highest spending age group at \$159 per month, compared to \$157 for ages 35-54 and \$91 for those aged 55 and over.

How do these bettors choose the iGaming platforms they use? Almost half (48%) were initially attracted to online betting by a bonus offering or a match play. 45% joined in order to access their favorite game types (slots, tables etc.), while 42% joined a platform based on a recommendation from others.

Operators' ability to ensure their product can be found easily via online search also plays an important role in attracting new bettors, with 31% claiming they signed up to an app because it was the first one they saw on a search engine.

## What initially attracted you to an online sports betting or online casino application?

Almost half (48%) of respondents were initially attracted to online betting by a bonus offering or a match play



# Deposit preferences

Bettors want the process of depositing money into their iGaming accounts to be as easy as possible. Key to this is choice – bettors expect a wide range of payment options, both digitally and in person. After all, the more ways that bettors can get money into their account, the less likely they are to encounter frustrating barriers to playing their favorite games.

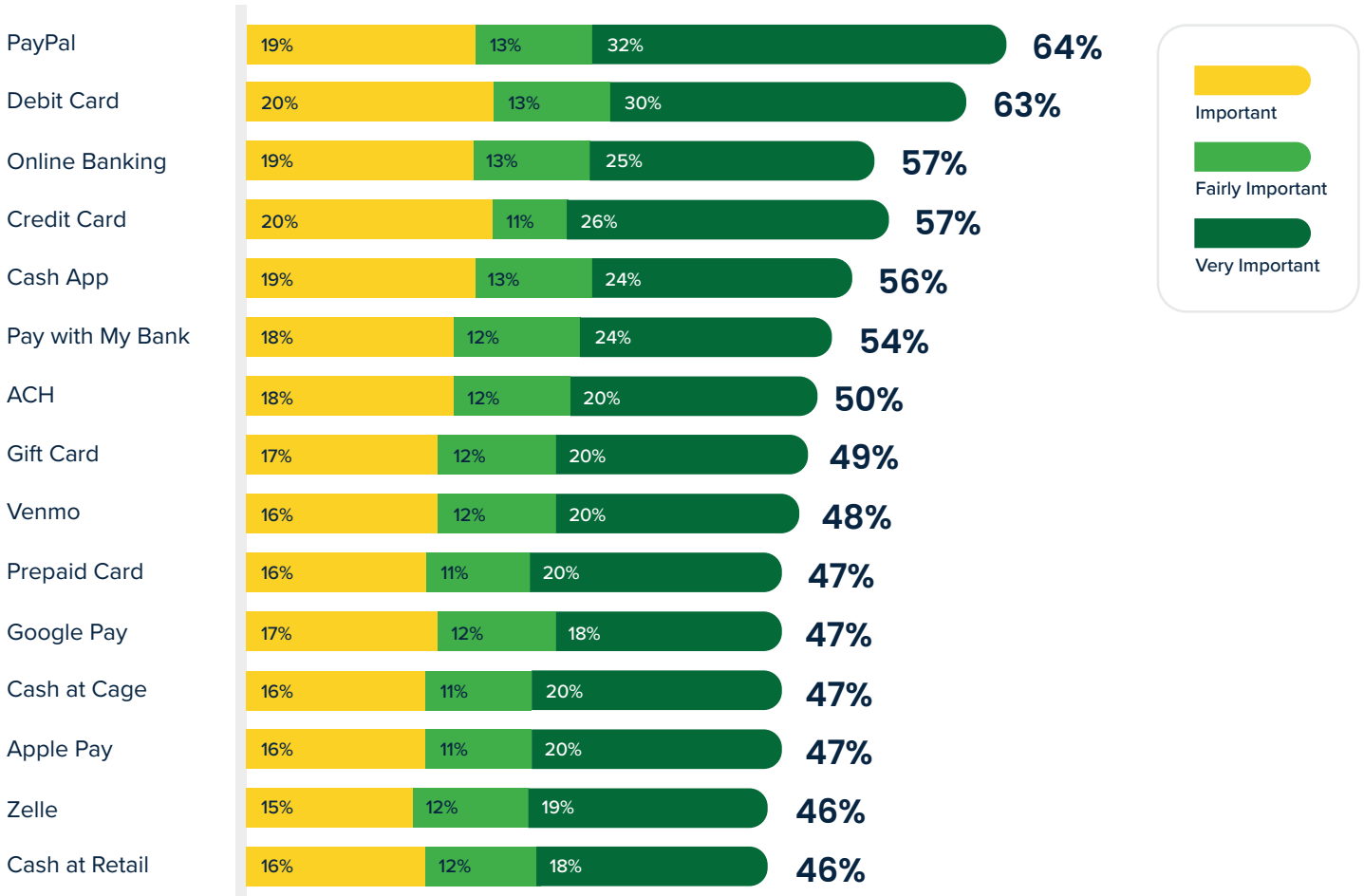
This is reflected in the fact that bettors identified more than 20 different desired methods of making iGaming deposits, including PayPal, debit/credit cards, online banking, Cash App, Venmo and cash at cage deposits.

PayPal was highlighted as an important deposit option by 64% of bettors, making it the number one choice for those looking to transfer funds onto a platform. Apple Pay was also high on the list at 47%. However, other options which are highly desired by bettors are not currently widely available: Cash App (56%), Venmo (48%), Google Pay (47%) and Amazon Pay (46%), for example. Based on this level of interest, it may be worth it for operators and payment providers to explore these options.

PayPal and other digital wallets offer the distinct advantage of allowing bettors to store funds in a

## How important is it for you to have access to the following deposit options when depositing funds for online gambling/sports betting?

For respondents it's most important to have access to PayPal as a deposit option for online betting (64%)



separate, trusted account that can be managed outside of their bank accounts, helping bettors to manage their budgets for iGaming. This benefit, along with the brand's trusted reputation in the market, may lend to this funding type's popularity.

Methods such as debit card, credit card and online banking deposits were also considered important by 63%, 57% and 57% of bettors, respectively. This level of popularity is due to ease of use and general comfort level with these traditional tender types.

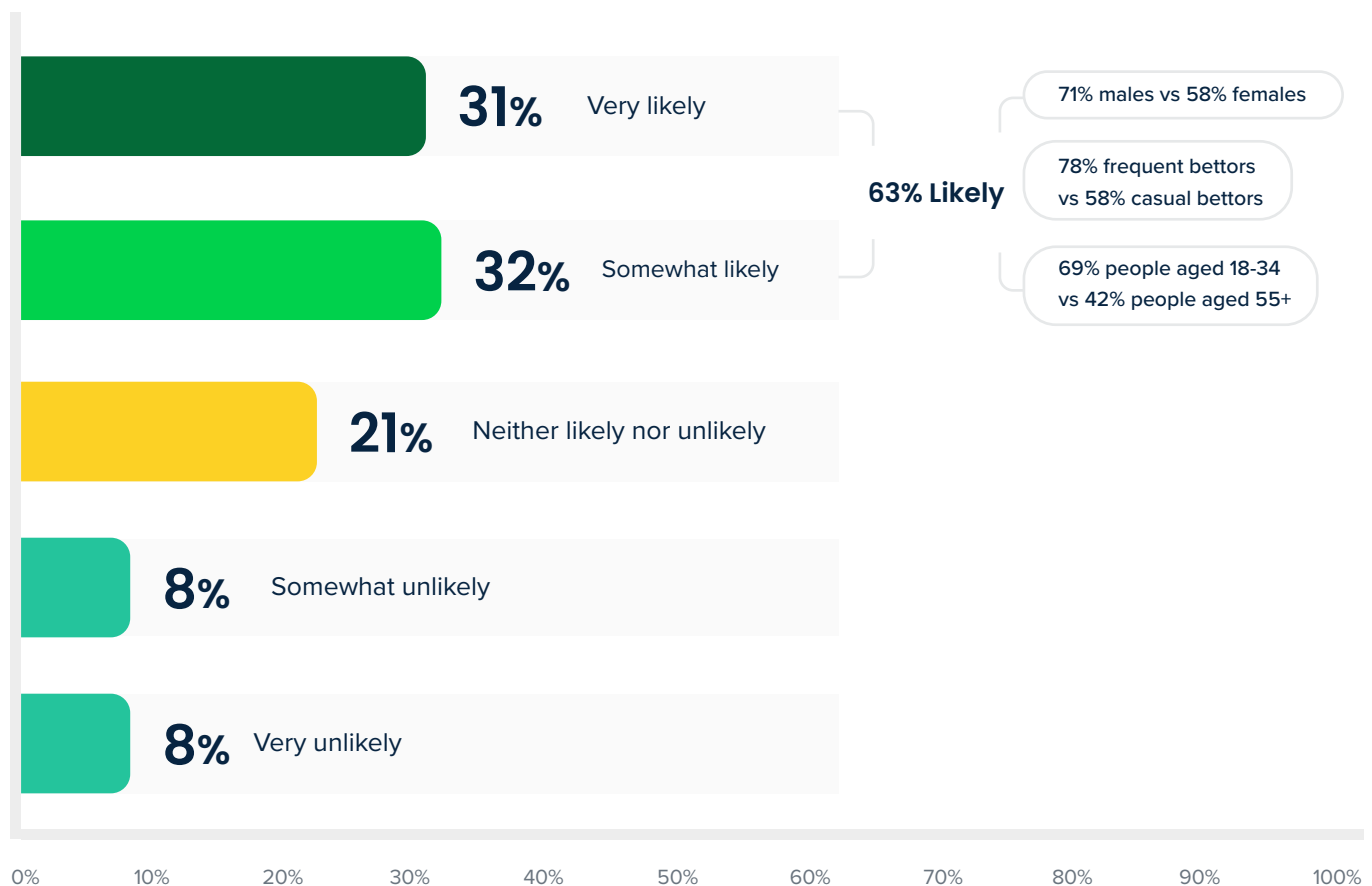
But alongside digital payments, the in-person experience for bettors should not be ignored. 63% of bettors would be likely to deposit cash for online betting if given the opportunity, including 69% of

bettors aged 18 to 34, and 78% of frequent bettors. If their preferred casino locations offered a cash at cage solution (the ability to deposit cash at a physical casino to fund their online accounts), 43% of frequent bettors would make larger deposits more often.

This is indicative of a broader trend identified by our research: increasing the choice of deposit options would have a positive effect on revenue for operators. 32% of bettors, including 47% of frequent bettors and 18% of casual bettors, would make larger deposits more often if their favorite method was available. Providers that fail to maximize their capabilities in this regard risk losing out on additional business from frequent bettors in particular.

## If given the opportunity, how likely would you be to deposit cash at physical locations to fund your online gambling/sports betting?

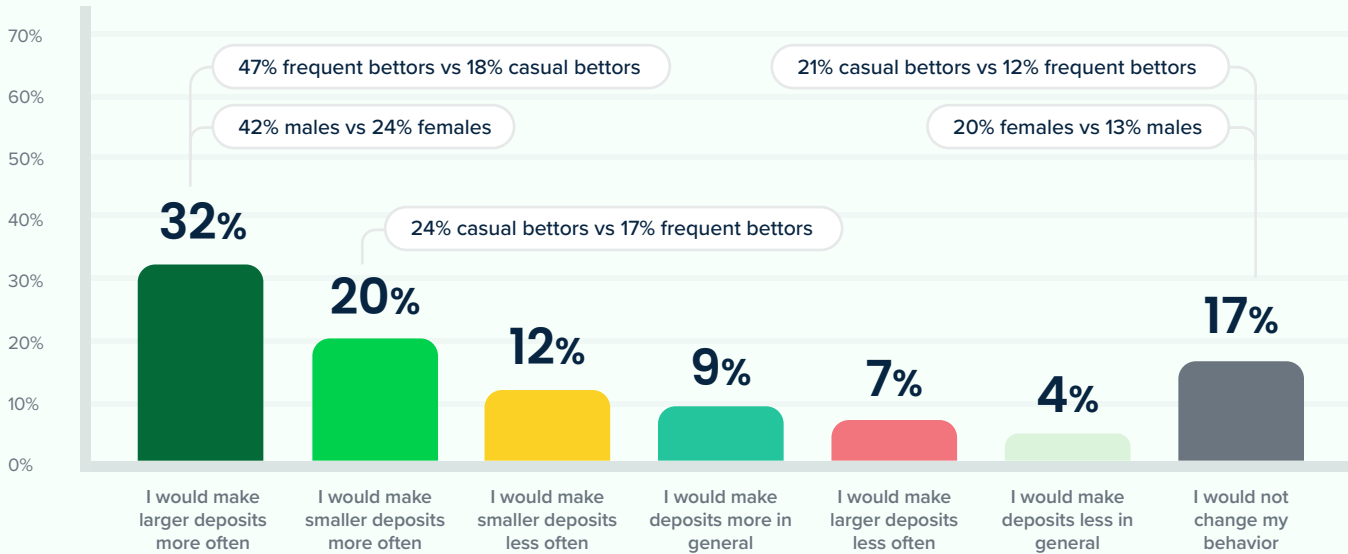
Almost 2 in 3 (63%) are likely to deposit cash at physical locations to fund their online gambling, if given the opportunity





# How would having access to your preferred deposit types affect your deposit behavior?

If they had access to their preferred deposit type, 32% would make larger deposits more often



## Deposit pain points

Another way operators miss out on revenue is declines during the initial payment interaction. Declines are common – more than half (52%) of bettors have experienced them, including 65% of frequent bettors.

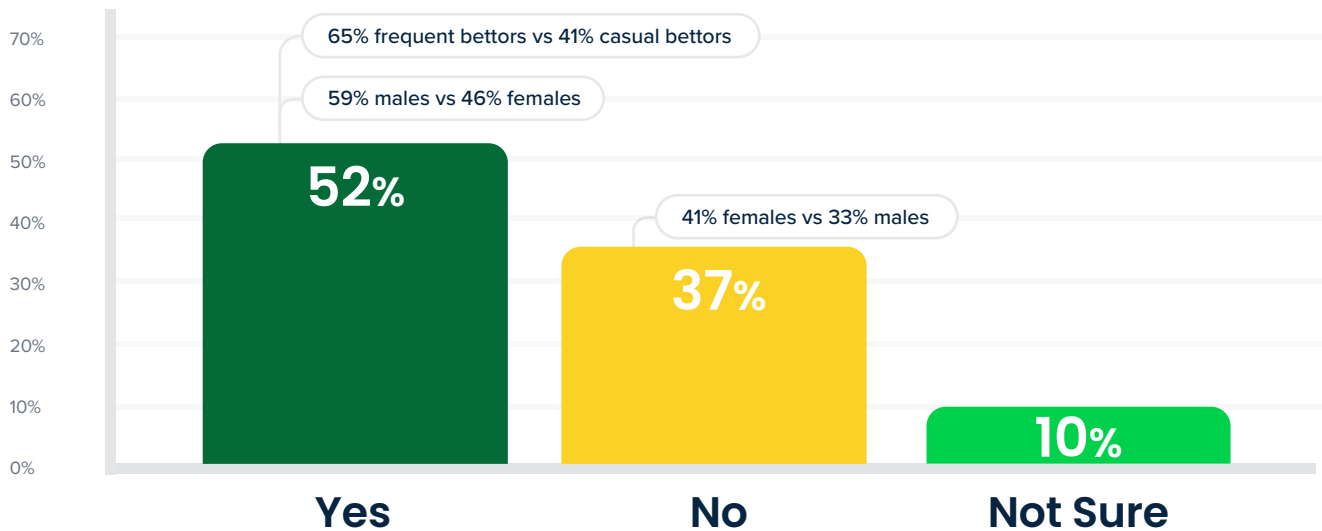
While it's unsurprising that bettors who use platforms frequently are more likely to encounter issues, the consequences for providers can be serious. Regular exposure to failed payments can eventually lead to frustration even among loyal bettors, potentially tempting them to leave the platform in search of a smoother experience elsewhere.

But new users aren't immune to being turned off by declined payment transactions either: 17% of bettors who experienced payment trouble when signing up for new applications left and never came back. However, over half of people that have their deposit denied are likely to try again, either with the same (27%) or another method of payment (34%).

Given the considerable effort and expense involved in acquiring bettors through the marketing funnel, losing them at the deposit stage represents a real problem for operators.

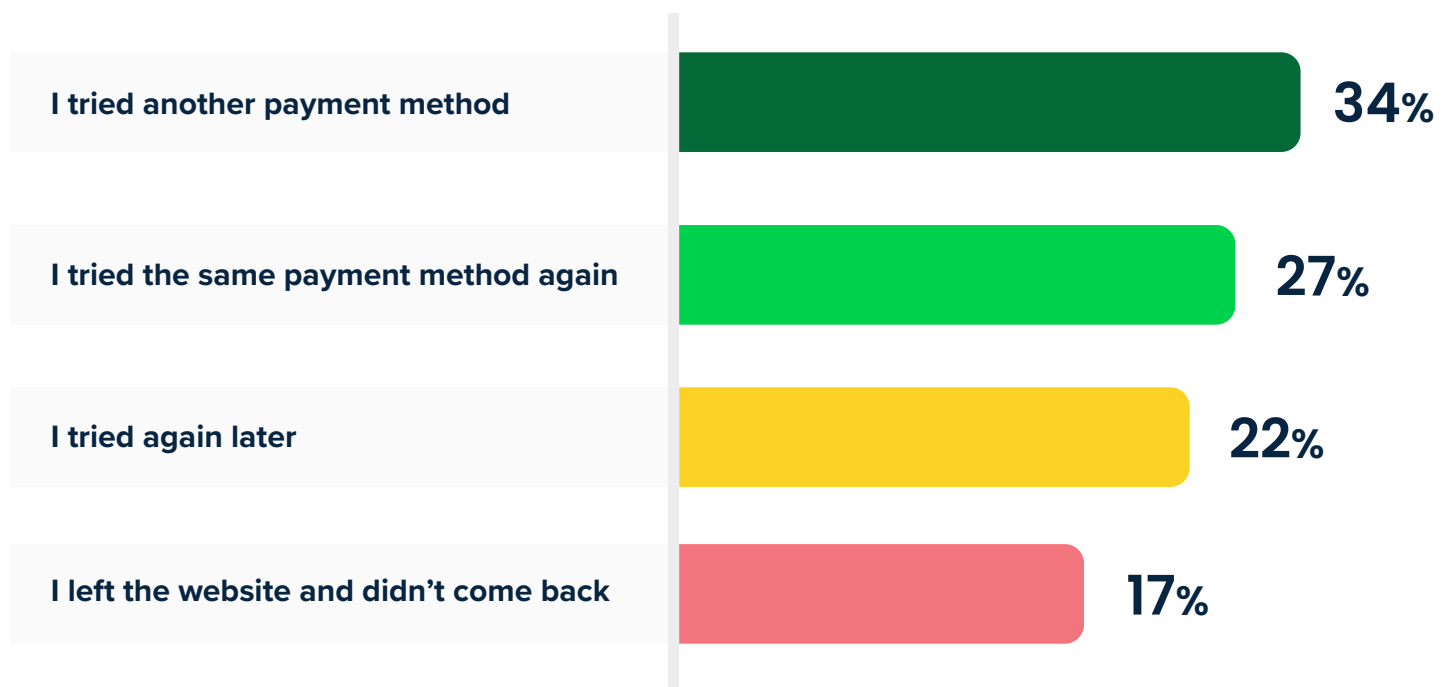
# When signing up for a new online gambling/sports betting application, have you ever encountered issues with declined payment transactions?

Over half (52%) have encountered issues with declined payments when signing up for a new betting application



## Respondents who answered “Yes” to encountering issues with declined payment transactions, what next step did you take?

Most often, respondents who encounter trouble try again, but 17% leave and never come back



# Withdrawal preferences

When it comes to withdrawals, supporting better choice by giving them a wide range of options is just as important for providers. While more than half of bettors (57%) would withdraw funds via PayPal if given the opportunity, direct deposit to a bank account (37%), as well as options that are currently less widely or not available such as Cash App (39%), cash out at an ATM (27%), cash at retail (18%) and cryptocurrency (17%) were also cited as interesting options. The potential popularity of these alternative methods suggests the importance of continuing to evaluate and add new withdrawal choices that are popular with bettors.

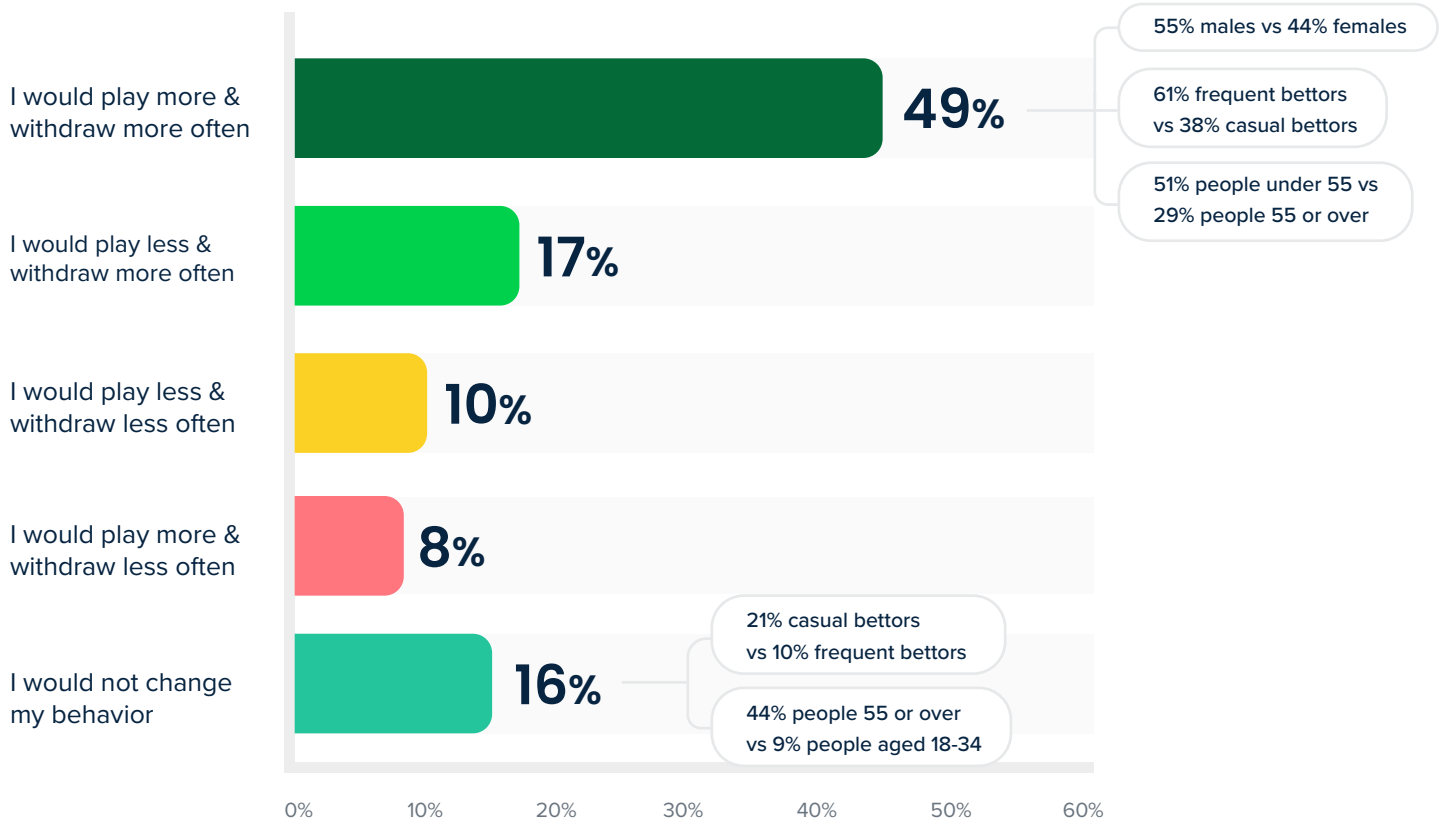
Younger bettors, in particular, prefer alternative methods: 25% of 18-34 year olds express a preference for Venmo compared to just 11% of those aged 55+.

Additionally, while it might initially seem logical for providers to prioritize optimizing the deposits process ahead of withdrawals in order to draw more funds onto the platform, allowing bettors to withdraw funds on their own terms plays a significant role in betting frequency and retention.

49% of bettors said they would play more and withdraw more often if they had access to their preferred withdrawal type. This is an even more significant factor for men (55% of males vs 44% of females), younger people (51% of people under 55, vs 29% of people 55 or over), and frequent bettors (61% of frequent bettors vs 38% of casual bettors). Clearly, it is in a provider's best interest to facilitate withdrawal methods that best suit their bettors' preferences and get them funds quickly.

## How would having access to your preferred withdrawal types affect your withdrawal behavior?

If they had access to their preferred withdrawal type, 49% would play more and withdraw more often



# Withdrawal pain points

So, how else can platform providers improve the withdrawals process for bettors? Bettors rated the withdrawals process 10% less positive than the deposits experience overall. This is likely due, at least in part, to operators' historical focus on ease of deposit over ease of withdrawal. Or, perhaps, operators don't see the importance of improving the process or are simply challenged with competing resources internally to do so.

Compliance processes and regulatory requirements, such as anti-money laundering due diligence, delay withdrawals as well. Operators are often restricted in terms of options available to them to disburse money to the bettor quickly and efficiently. This challenge results in a limit to disbursement options available for the bettor and a delay from when a bettor initiates a withdrawal and when those funds appear in the bettor's external account.

If dissatisfaction over withdrawals is due to impatience, this would explain why the process is rated

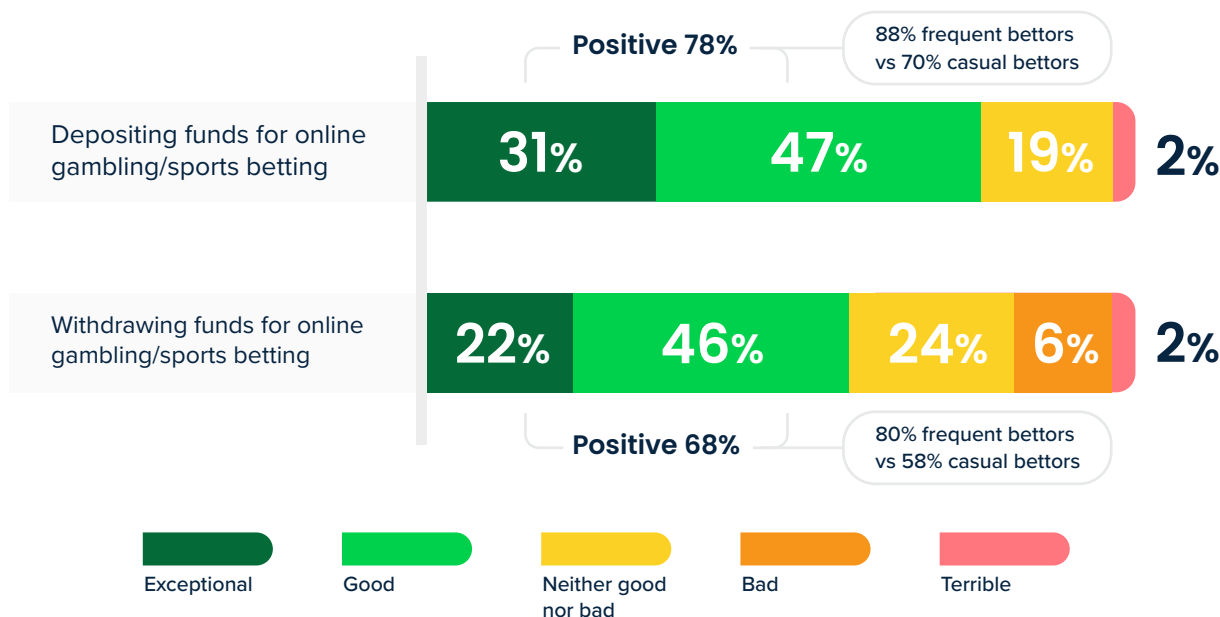
less positively by casual bettors than frequent bettors. Frequent bettors reported receiving their funds more quickly, with 43% being paid within a few minutes, compared to just 21% of casual bettors.

48% of casual bettors have to wait more than 24 hours for their money vs only 31% of frequent bettors, and 11% typically wait up to a week, where only 6% of frequent bettors do the same.

This suggests that operators are expediting withdrawals for frequent bettors, who are more likely to have been vetted previously and are therefore able to satisfy certain risk and compliance controls faster. It is also possible that seasoned bettors are seeking out platforms with quicker withdrawal times. If this is the case, platform providers must ensure they offer speedy withdrawals for everyone, or risk losing new and experienced bettors alike to competitors with superior processes in place.

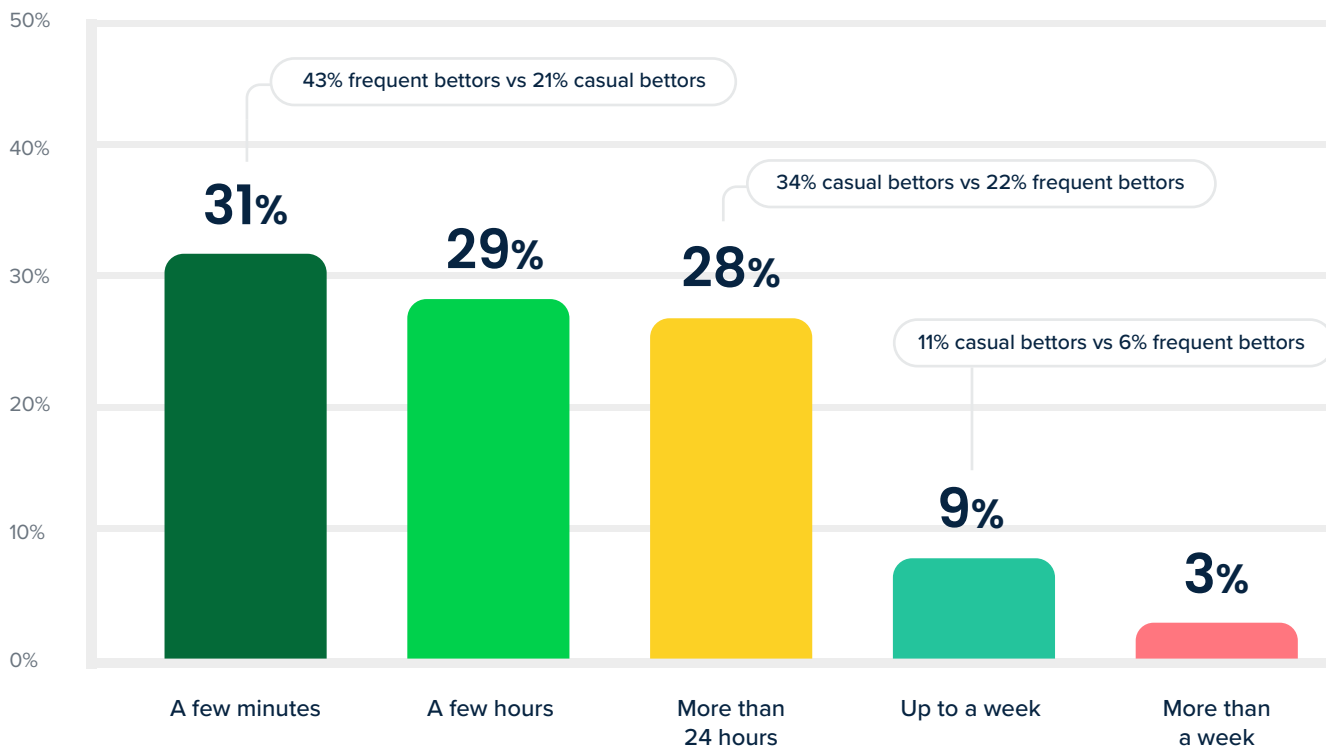
## How would you rate your typical user experience when...

The typical user experience for withdrawals is rated 10% less positively than the deposits experience



# How long does it typically take for you to receive funds from your online gaming account after initiating a withdrawal?

40% say it takes more than a day for them to receive their funds after initiating the withdrawal process



## Personal information and privacy preferences

Many of the positives and negatives of the iGaming experience remain the same for frequent and casual bettors, but a significant difference lies in their willingness to share personal information.

For frequent bettors, the biggest pain point (33%) and potential reason they abandon a betting app (29%) is when the deposit process takes too long. But casual bettors are much more concerned about having to share their personal information – 28% find it a pain point, and it would drive 26% to leave a betting app.

This indicates another reason why alternative payment methods such as PayPal are in such high demand. Some bettors (particularly casual bettors) don't want to share bank details or debit card info until brand trust is established. PayPal usage is one way of bridging this 'trust gap' until strong customer relationships are established.

Many bettors also prefer to keep their payment transactions separate and/or maintain a level of privacy to their activity. The ability to have segregated funds, whether that be with a popular wallet or cash, enable a level of both privacy and protection of personal information.

For both frequent and casual bettors, operators should be mindful of payment mechanisms that require a lengthy registration during the deposit process. In some cases, such as setting up a new wallet or signing up for a prepaid card, these processes can also require the bettor to provide additional personal information beyond what the operator has already requested. Popular payment types such as PayPal and Cash App help address both speed and financial privacy concerns as bettors have established accounts before visiting the app and can use their stored balances for quick funding.

# Conclusion

It's no secret that bettors use iGaming platforms for fun, but a poor payment experience can be an unnecessary barrier and cause of dissatisfaction – so it makes sense that payments are important for a significant amount (46%) of bettors. After all, bettors want to spend more time betting and playing their favorite games and less time depositing and withdrawing funds. This means it's up to providers to make the purely functional aspects of iGaming platforms (such as depositing and withdrawing funds) as quick, easy and painless as possible.

The less time that bettors have to consciously focus on financial processes, the more time they are able to spend playing and building positive perceptions of the platform they are using.

There is an opportunity for a positive deposit and withdrawal experience to improve bettors' satisfaction and retention rates that shouldn't be

ignored. This is particularly true of retaining frequent bettors – aside from sharing personal information, they tend to be more severely affected by pain points, such as slow processes and access to their preferred deposit and withdrawal methods, than their casual counterparts.

Our research has shown that, when bettors have access to their preferred payment types, they will interact with iGaming platforms more often. In order to improve the bettor experience and stay ahead of the competition, providers must give payment innovation as much weight as bonus offerings and access to industry leading content, or risk becoming irrelevant.

# About PayNearMe

PayNearMe develops technology to facilitate the end-to-end customer payment experience, making it easy for businesses to manage and accept payments. Our modern, flexible and reliable platforms are built from the ground up to increase engagement, improve operational efficiency, and drive down the total cost of accepting payments.

MoneyLine™, powered by PayNearMe, simplifies end-to-end money movement for iGaming and iGaming operators. It delivers the most reliable payment experience across key touch points with bettors, including cashiering, deposits, payouts, cash at cage, engagements and more. With one platform and one integration for key deposit and payout types, operators can reduce costs, get to market faster, and make the entire payment experience seamless for their bettors.

PayNearMe has been servicing the iGaming market since 2013, and is currently active in 19 regulated gaming markets in the US. The company processes cash deposits for 9 of the 10 largest U.S. operators and 16 of the 17 largest online casinos in the U.S., including BetMGM, TVG, PointsBet, FanDuel and Caesars Sportsbook.

PayNearMe has enabled cash payments through our proprietary electronic cash network since 2009, and today is accepted at over 40,000 retail locations in the U.S.

To learn more about PayNearMe, please visit [www.paynearme.com](http://www.paynearme.com). Follow PayNearMe on Twitter, LinkedIn and Facebook. The PayNearMe service is operated by PayNearMe MT, Inc., a licensed money transmitter.

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For press inquiries, contact [insights@paynearme.com](mailto:insights@paynearme.com)