

SPORTS

With increased spending on sports betting, will luxury go all in?

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Online sports betting is becoming a crowded space. Image credit: MGM Grand

By KATIE TAMOLA

Sports betting is booming in the United States, with more consumers taking their chances in a landscape that seemingly has plenty of room for luxury.

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Several apps are gifting consumers both the excitement and entertainment of sports betting but with an added bonus: convenience. As more U.S. states legalize sports betting, luxury suddenly has an opportunity to make a splash in carving itself a vast advertising space as high-net-worth individuals also gravitate towards the outlet.

"I believe luxury brands will buy up advertising space in this industry, and in some cases, they have already done just that," said Todd Kobrin, CEO of betting app **Oddsium**, Las Vegas.

"The legalization and growth of online sports betting across the U.S. will only expand opportunity to more geographic areas [than before]," he said. "High-net-worth individuals will gravitate toward sports betting for more engagement while they are watching a sporting event."

Lucky in luxury

In 2018, the U.S. Supreme Court overturned a 1992 federal law from the Professional and Amateur Sports Protection Act which prohibited states from permitting sports gambling.

The ruling opened the door for any state to legalize sports betting. According to **ESPN**, sports betting is now legal in 27 states and Washington D.C.

Which team would you place a \$10 bet on to win the NBA Championship?

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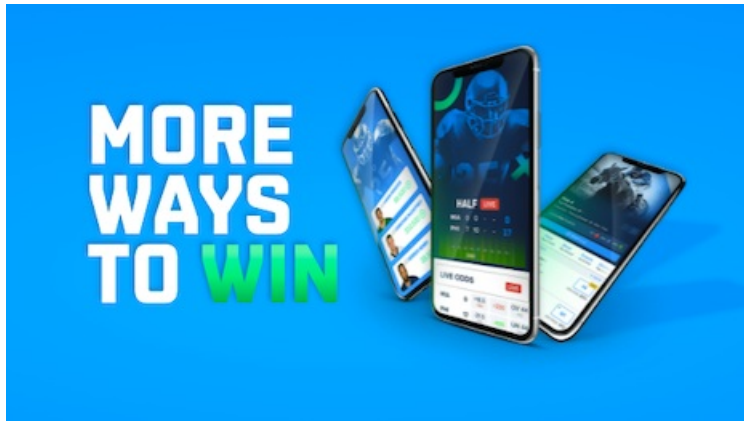
BetMGM (@BetMGM) **February 28, 2022**

There is a surplus of betting apps for consumers, including BetMGM, FanDuel, Caesars Sportsbook, bet365 and

DraftKings. These apps offer convenience as well as a wide range of sports to bet on, including, but not limited to, MLB, MLS, NBA, NHL and collegiate games.

And if the numbers are any indication, Americans enjoy betting quite a bit.

According to [Morning Consult](#), in 2021, Americans spent an impressive \$57.2 billion on sports betting.



FanDuel is one of several apps that allow consumers to conveniently place sports bets. Image credit: FanDuel

Software company [Playgon Games Inc.](#) also forecasts total gambling revenue worldwide to reach \$525 billion in 2023, with online gambling expected to reach \$92.9 billion.

A 2021 [AdWeek](#) article anticipated that sports betting advertising would experience an "explosive" boom, predicting that sports betting apps will advertise their own services. In addition to increased revenue, there may also be room for these apps to begin collaborating with luxury brands on advertising.

Already, there are clear overlaps between luxury and sports betting.

Caesars Rewards currently lists Four Seasons Hotel St. Louis as an affiliate, which may seem a small connection, but could be an indication of the mammoth overlap that is to come.

Caesars Sportsbook spent millions on a Super Bowl ad

Sports betting took center stage at this year's Super Bowl, with a 30-second spot reportedly coming in at a price tag of around \$7 million. Caesars Sportsbook delivered a star-studded spot, featuring actor Halle Berry and former NFL quarterbacks Eli and Peyton Manning.

With such affluent public figures providing faces for sports betting organizations and generating excitement, high-net-worth individuals may grow increasingly intrigued and attracted to sports gambling.

"The sport of testing, trying and winning on one's luck and the high risk-reward factor has always been part of HNW's personality," said Humphrey Ho, managing partner at [Hylink Digital Solutions](#), Beijing.

Carving luxury space

As technology advances and affluents diversify their investments, the worlds of sports and luxury become more enmeshed.

From luxury automakers to retailers, marketers aimed to capture consumers' attention ahead of this year's Super Bowl.

German automaker BMW landed a coveted commercial spot during the game, while several fashion labels and retailers celebrated the championship with sportswear-inspired capsule collections. With the biggest television audience of the year, the Super Bowl remains a major opportunity for brands and marketers do not hesitate to enlist big names to stand out with entertaining campaigns ([see story](#)).

Fendi anticipated the 2022 Beijing Winter Olympics with a sporty capsule collection.

The skiwear-inspired capsule was made available on Fendi's Chinese ecommerce site and select boutiques worldwide. To promote the new offerings, the brand tapped longtime ambassador, Hong Kong-born recording artist Jackson Wang ([see story](#)).

There is a place for luxury in sports betting, now all that is left is to foster it.

"Online sports betting and online casino gaming have always been seen as a luxurious pastime," Alex Windsor, CEO of [Gamble USA](#), New York.

"Many people think of a high roller in a casino, or getting dressed up to go to the racetrack and bet on the horses," he said. "Sports betting does appeal to people from all walks of life, but it has always been seen as an elitist luxury.

"Brands such as WynnBET (Wynn resorts), Caesars Sportsbook (Caesars Entertainment) and BetMGM (MGM resorts) have already established themselves as the luxury brands in the sports betting market, especially when compared to FanDuel and DraftKings, who are seen more as 'sporty' brands."

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