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CHOOSING A POKER SITE – SURVEY AMONG FINNISH ONLINE
POKER PLAYERS

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Choosing a poker site – Survey among Finnish online poker players

Abstract

Online poker is a large industry with different sites offering their services. It has grown quickly after the first poker sites were launched at the turn of the millennium. Finnish legislation allows only Veikkaus Oy to conduct online poker, so it does not have any domestic competitors. This thesis aims to find out on what sites Finnish people play poker, what factors influence these choices and how Veikkaus could increase its player pool.

The global market of online poker has changed many times over the years, with the USA restricting its citizens from playing on several occasions and China completely banning online poker in 2018. Most poker sites are reporting steady annual growth, however, and many have positive expectations for online poker with recent developments in India and Japan. For all these reasons online poker is a relevant topic for research.

This thesis utilized an online survey to gather data about online poker players in Finland. The questionnaire contained eight questions. It was posted on Finnish poker discussion forums and social media, where it was open for two weeks in September 2018. The survey received 95 responses.

Veikkaus was the second most popular site within the sample. It was more popular among non-professional players than professionals. The most important factor for choosing a site where players play was tournament selection. Other important factors in descending order were user friendliness of the poker site, cash game selection and number of cash games.

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Tiivistelmä

Nettipokeri, internetissä pelattava pokeripeli, on tänä päivänä merkittävä ala, jolla on myös paljon palveluntarjoajia. Alan kasvu on ollut nopeaa siitä lähtien, kun ensimmäiset nettipokerisivut avattiin vuosituhaten vaihteessa. Veikkaus Oy:llä on yksinoikeus rahapeliin toimeenpanoon Suomessa, joten Veikkauksella ei ole kansallisia kilpailijoita. Tässä opinnäytetyössä tarkastellaan, millä sivuilla suomalaiset pelaavat nettipokeria ja mitkä tekijät vaikuttavat sivujen valintaan. Lisäksi työssä analysoidaan, kuinka Veikkauksen olisi mahdollista lisätä nettipokerisivustonsa pelaajamäärää.

Globaalissa mittakaavassa nettipokeri alana on kokenut suuria muutoksia viime vuosien aikana. USA on moneen otteeseen rajoittanut nettipokerin pelaamista maassa ja Kiina puolestaan on hiljattain kieltänyt nettipokerin kokonaan. Kaikesta huolimatta valtaosa nettipokerisivustoista on raportoinut tasaista vuosittaista kasvua. Niin ikään pokerin kehityskulku Intiassa ja Japanissa on lupaavaa. Edellä mainituista syistä johtuen nettipokeri on ajankohtainen ja tärkeä aihe tutkimukselle.

Tämän opinnäytetyön aineisto on kerätty sähköisesti kyselytutkimusta hyödyntäen. Tutkimuskohteena ovat suomalaiset nettipokerin pelaajat. Kysely koostuu kahdeksasta kysymyksestä ja siihen oli mahdollista vastata kahden viikon ajan syyskuussa 2018. Kyselyä jaettiin suomenkielisillä pokerifoorumeilla sekä sosiaalisessa mediassa. Kaiken kaikkiaan vastauksia kertyi 95 kappaletta.

Veikkauksen nettipokerisivu on toiseksi suosituin sivu vastanneiden kesken, kysyttäessä millä sivuilla suomalaiset pelaavat eniten. Veikkaus on suosituimpien niiden pelaajien keskuudessa, jotka eivät pelaa ammatikseen. Tärkein tekijä sivujen valinnassa on sivuston turnausvalikoima. Muita tärkeitä tekijöitä alenevassa järjestyksessä ovat sivuston helppokäyttöisyys, käteispelivalikoima sekä käteispelien määrä.

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1 Introduction

1.1 Background

Online poker is still a relatively new industry. While poker has been played for money since the 19th century, online poker started in the late 1990s. According to Newsweek (2005), online poker revenues grew quickly from €67.1 million in 2001 to €1.9 billion in 2005, as many were eager to play online, poker veterans and newcomers alike. The growth continued; in 2011 online poker was estimated to be a €26 billion industry (Committee on Indian Affairs 2011).

Gambling is wagering money or something else of value on the outcome of an uncertain event. Raento (2012, 7) finds it to be a current topic to the society in Finland. It has been in the media, been subject to various law amendments and also been a conversation topic amongst citizens for many years. Raento goes on to mention the cultural significance of various forms of gambling in Finland, as the majority of Finnish citizens regularly gamble one way or another.

There are political issues as well. As the Finnish state has a monopoly in online poker via Veikkaus, it would be in its best interest to make it more appealing for players to play at its site. Considering Veikkaus redirects its profits into the Finnish society, it has good reasons to compete with other sites for the Finnish player pool. Veikkaus also offers help to people with gambling problems (Veikkaus, 2018).

1.2 Aim

This thesis is about online poker in Finland. This study seeks to find out the playing habits of online poker players.

The objectives of the research are:

- Find out what sites Finns play online poker at
- What factors influence the choice of site
- Draw conclusions on how Veikkaus could attract players

This thesis will not cover online poker sites that are unavailable to EU-citizens, as these are not competitors to Veikkaus Oy.

The thesis is based on the author's own pre-understanding of poker as a game, poker as an industry and poker sites, as well as on the critical reading and utilization of previous research literature and on an empirical survey research that the author designed for this thesis. The author's own pre-understanding of poker consists of the facts that the author has been an active poker player for a decade and has done freelancing work for Veikkaus starting in 2018. This sort of hermeneutic pre-understanding or pre-knowledge has, to a considerable extent, helped in the planning of a sensible research arrangement, as well as to present relevant questions to poker players.

1.3 Thesis outline

Veikkaus will be introduced as a company and its online poker site will be described. Secondly, a description will be given of online poker and poker in general by introducing the online poker landscape and the biggest sites. The thesis will then cover the online poker market and tax legislation in Finland. After that the thesis will briefly go over previous research regarding Veikkaus online poker. The thesis then moves on to discuss the research methods utilized, what kind of survey was made and the results that the survey gathered. Finally, the thesis covers the analysis of the data and conclusions that can be made. The currencies in this thesis have been converted by the rate of the European Central Bank on 15.4.2018.

2 **Veikkaus OY**

Veikkaus Oy is a Finnish company owned by the Finnish state. As such, the government and parliament have control over its principles and policies. Veikkaus has a monopoly on all gambling in Finland including but not limited to equestrian sports, internet and live poker, casino operations, slot machines and lottery. It was created in the beginning of 2017 when Fintoto, RAY and Veikkaus were merged into one company (Veikkaus, 2016). Fintoto was formed in 2001. It was owned by Suomen Hippos, a national organization for equestrian sports and horse breeding. Fintoto had exclusive rights for horse race betting. RAY was formed in 1938 and it was a statutory corporation with the goal of using the money it made from gambling income to aid social and health organizations in Finland. RAY had exclusive rights to slot machines and casino operations. Veikkaus was formed in 1940 by Suomen Valtakunnan Urheiluliitto ry, Työväen Urheiluliitto ry and Suomen Palloliitto ry (Alkio 2015, 29-32). Later on in 1975 it was bought by the Finnish government (Raento 2012, 8). Veikkaus operated in lottery and sports betting. Veikkaus Oy directs all its profits to the government according to the amendments made to Lotteries Act; 53% is directed towards the advancement of sports and physical education, sciences, arts and youth work, 43% towards health and social well-being and 4% towards equestrian sports and horse breeding (Hallituksen esitys 132/2016, 28-29).

Veikkaus Oy is the only company that is allowed to conduct an online poker site in Finland and until 2016 they only accepted people with a Finnish social security number, excluding people from Åland, and who currently reside in Finland, again excluding people living in Åland (Veikkaus 2017). In late 2016 Veikkaus announced the merger of their internet poker site with that of the Austrian gambling company Österreichische Lotterien (Pokeri.fi 2016). The changes took effect in early 2017, and presently Austrians and Finns can play on the same poker site. While Veikkaus Oy is safe from domestic competitors as legislation disallows other Finnish sites, it still has to compete for its customers with bigger international sites with larger player pools. Their website offers the most common poker variants, Texas Hold'em No Limit and Omaha

Pot Limit, along with Omaha Hi-Low Pot Limit and Sökö, a traditional Finnish Stud Poker variant. Veikkaus offers both cash games and tournaments for all of these poker variants. Their tournament selection features mainly micro and small stakes tournaments, lacking high buy-in tournaments and larger Sunday Majors, tournaments that generally have the highest prize pool of the week in the site and are only played on Sundays.

3 Poker and online poker

3.1 Poker as a game

The term poker includes various forms of poker that each share some similarities. The following rules explained in this chapter were found from *Robert's Rules of Poker*, a commonly cited poker book regarding the rules of poker by Robert Ciaffone. All forms of poker include multiple rounds of betting and determine the winner based on the strength of their cards. All games also include blind bets, a bet by a single player that has to be made before cards are dealt, antes, a bet by all players that has to be made before cards are dealt, or a combination of both. These function as an incentive for the players to enter the pot and try to win these blind bets.

Most poker variants fall under one of three categories. Draw poker, stud poker or community card poker. In draw poker variants, each player is dealt their own cards visible only to them. In between rounds of betting players have the option to discard some of their cards and receive, or draw, new ones. Common variants include Five Card Draw and Deuce to Seven Lowball. In stud poker variants, players are dealt some cards face down, only visible to them, and some cards face up, visible to all players. In between rounds of betting players receive new cards, face up or face down depending on the variant. Common variants include Seven Card Stud and Sökö. In community card variants, players are dealt their own cards visible only to them. Community cards are

dealt in between rounds of betting. Players use a combination of their own cards and community cards to make the best possible hand. Common variants include Texas Hold'em and Omaha.

There are three different betting structures in poker. No limit, pot limit and fixed limit. In no limit games there is no maximum limit to the size of the bets and raises. Players are only limited by how many chips they have in play. In pot limit games the players are not allowed to bet or raise more than what is in the pot. In fixed limit games players only have the option to bet and raise incrementally, from one euro to two euros to three euros and so on.

Poker is always played either as a cash game or as a tournament. In tournaments, all players buy the same amount of chips with a predetermined sum of money, and play until only one player remains. The blinds increase at steady intervals in tournaments to speed up the play. The chips do not have monetary value by themselves. In cash games, players can buy chips between the minimum and maximum amount of the table which can be anything from twenty big blinds to five hundred big blinds, for example. The chips in cash games correspond directly to the value with which they were bought at. The blinds also stay the same throughout the cash game, unless players agree to change them.

3.2 History of online poker

This chapter is about the history of online poker and is based on the poker documentary *Bet Raise Fold* released in 2013. The first online poker site opened in 1998, it was called Planet Poker. It was quickly followed by Paradise Poker in 1999 and Partypoker and Pokerstars in 2001. Apart from Planet Poker, all these sites are still offering real money online poker and are currently the three biggest sites, although Paradise Poker has since changed its name to 888Poker.

One of the reasons attributed to the rise in success of online poker was the Moneymaker effect. Chris Moneymaker was a 27-year-old accountant and an amateur poker player who won the World Series of Online Poker Main Event in Las Vegas in 2003 for €2 million. A lot of people could relate to this person, and it encouraged many to start poker as a hobby. This was further increased by the fact he won a seat into the tournament in Las Vegas from a small online tournament.

Another reason why poker became so popular in such a short time can be attributed to the NHL lockout in season 2004-2005 (Asselstine 2006). The entire season was cancelled and TV broadcasting companies had to fill the void with something. So they chose televised poker, which was still a relatively new and small market. The World Poker Tour especially became very popular in this time period. They were the first to try and establish poker as a sport with a tour of tournaments. They televised the final tables of their tournaments so the viewers saw arguably the most viewer-friendly parts of any tournament. They also advertised Partypoker during commercial breaks, a site endorsed by the host of World Poker Tour, Mike Sexton. According to him, the success of World Poker Tour was the main reason Partypoker became the biggest site at the time. Partypoker went public on the London Stock Exchange in 2005 with a €7 billion IPO.

In 2006, the Unlawful Internet Gambling Enforcement Act (UIGEA) was passed in the USA. This made it difficult for Americans to play online poker, as it made it a crime for US banks to process payments to and from online poker sites and American customers. This in turn gave a chance for various e-wallet companies to emerge, enabling many Americans to keep playing.

This all changed in 15.4.2011, known as Black Friday in the poker community. The U.S. Department of Justice stopped online poker in America by seizing control of the two biggest sites at the time, Pokerstars and Full Tilt Poker, as well as a third site called Absolute Poker. €400 million in player funds were seized. The three sites had broken the law by disguising their transactions in an attempt to bypass the UIGEA. It was revealed that Full Tilt Poker had been

paying salaries for their owners and sponsored players from the accounts of their customers and their CEO Ray Bitar was indicted by the US Government. Full Tilt Poker stayed closed until Pokerstars bought them in 2012 agreeing to pay all Full Tilt Poker customers their balances (Chaivarlis, Collson 2012). Everyone eventually got back their money and the sites were opened again, but Americans are not able to play on these sites anymore.

3.3 Different poker sites

There are many different online sites that offer poker games. Some of the largest sites currently are Pokerstars, 888poker, Partypoker, Winamax and Ippoker, three of which were already mentioned in the previous chapter. A good indicator of their share of the market is how many players they have on their cash game tables on average. Apart from Ippoker, all the other sites mentioned have at least a thousand players in their cash games every hour, according to Pokerscout (2018), a website dedicated to following the traffic of poker sites. Of these sites, Pokerstars is by far the biggest one with more than five times the average number of players on their cash games at any given time than the second biggest site, 888poker. Veikkaus online poker can be found 28th on Pokerscouts list, although under its old name Ray.fi, with 180 players on average during the week (Pokerscout 2018).

3.4 Rake and risk of ruin in poker

Online poker as an industry functions like any other: a site needs paying customers in order to make a profit. While people may deposit any amount of money to a site, the site may get varying amounts of that money depending on what games the player plays. As the site takes its share in the form of rake, it is in the site's interest to have the player play in a way that generates the most rake. At the same time it is important to offer players what they want to play, otherwise they might just go play somewhere else where these needs are met.

The site can increase the rake players generate by offering games where the

risk of ruin (ROR) is low. Investopedia (2018) defines ROR as “the probability of an individual losing substantial trading or gambling money (known as capital base) to the point at which continuing is no longer considered an option to recover losses”. Depending on the games they play and how big of a portion of their bankroll they risk at a time, a player can mitigate their ROR into less than one percent. The factors that affect ROR are skill edge over other players and the amount of their bankroll they risk at a time as is proven by a variance calculator developed by Pokerdope (2018). The first is somewhat self-explanatory; a player who plays games they are not a winner at is eventually going to lose their money if they continue playing. The latter is simple as well, if a player risks only small portions of their money on tournaments or cash games, their ROR is lower than if they were to play proportionally higher buy-in games. The site can affect both to an extent. Offering games where there are smaller attainable skill edges between players naturally makes it so the worse players lose more slowly. If these games also include higher variance than other poker games, worse players can outperform theoretically better players for a surprising amount of time due to getting the better end of the variance.

The more professionals play at a site proportionally to the overall player pool, the faster weaker players lose their money. As previously discussed, that is the opposite of what a site wants, as this means reduced rake for the site and potentially a negative experience for the non-professionals due to a common practice known as “bumhunting”. This practice is found at cash games. It means when professionals refuse to play against each other, instead waiting for at least one less skilled opponent to join the table. During this time, depending on the professionals, no hands might be played. Of course there are professionals who play against each other, but this practice of waiting for preferred opponents is more and more prevalent as the stakes get higher.

4 ONLINE POKER MARKET

The way poker sites make money is by charging rake. In tournaments, this is

usually a 10% fee added on top of the buy-in for the tournament. Tournaments are generally described as buy-in plus rake, 10€+1€ or 50€+5€ for example. In cash games the rake functions a bit differently. Rake is generally not collected for hands that end in the first betting round. For those that proceed to the second betting round, a percentage of the pot is taken by the house. The most common amount is 5% rake. There is also a cap as to how much this amount can be. Depending on the stakes being played this can be anything from 0.1 big blinds to 10 big blinds.

In Finland, poker players must pay taxes on winnings from sites or casinos that operate outside the European Economic Area (EEA). Any winnings from sites or casinos that operate inside the EEA however, are not taxable (Verohallinto 2008). Taxation varies between countries. To give two examples from both ends, in the USA all income from poker is taxed, both online and live, while in UK nothing is taxed (Pokersites 2018).

The online poker market is steadily growing, according to the European countries' government-owned or licensed regulators. Veikkaus had a revenue of 3,230€ million in 2017, an increase of 300€ million from 2014, when Veikkaus, RAY and Fintoto were still separate entities (Veikkaus 2018). Similar trends can be observed in other countries, as Denmark, Portugal, France and Spain all reported growth in 2017 (Stradbrooke 2018). Sweden's Svenska Spel had a declining 2017, but grew faster than its competitors in the first quarter of 2018 (Stradbrooke 2018).

Among the bigger sites, 888poker, iPoker and Partypoker have all reported increases in revenue in their annual reports every year since 2006, 2009 and 2011, respectively.

According to a study by Fiedler and Wilcke (2011) the largest country of active online players before Black Friday was USA, with almost three times as many players as the second largest country, Germany. USA contributed to almost a quarter of all online players. Black Friday had a large impact on the poker market, limiting both its size and growth when it was implemented in 2011. At

the moment online poker is legal in some states, but only on certain sites.

In June 2018, the Chinese government banned online poker apps and all forms of promotion via social media. This has basically removed all hopes of an online poker boom in China for the foreseeable future (Op de Woerd 2018).

Other large countries where players and operators are hoping for an online poker boom are India and Japan. In India online poker is already legal in some areas, and Pokerstars launched their local segregated Pokerstars.IN poker room earlier this year (Cross 2018). India obviously represents significant potential for the growth of online poker simply due to its massive population of 1.3 billion people (Worldometers 2018). Japan is another country that could potentially offer a lot of growth to the industry. Most forms of gambling had been illegal in Japan with the exception of horse racing, lottery and Pachinko to name a few examples, until in July 2018, when Japan legalized casino gambling (Wall Street Journal 2018). Global casino operators are expected to invest in Japan due to these changes in legislation.

5 Previous research regarding Veikkaus online poker

Rautio (2012) conducted a research about the expectations and experiences of RAY's online poker. The aim of the study was to find out what poker players thought about RAY's online poker prior to its launch, what sort of experiences they had while playing there and whether or not those expectations were met considering their playing experiences.

The sample included mainly male people between the ages of 18 to 31 (Rautio 2012, 34). Most of them had played poker in some form for at least two years. The study also aimed to chart the players' current playing habits. The most important factors were the site's rakeback system, deposit bonuses and the ability to use tracking software (Rautio 2012, 36). Tracking software is

commercial software that tracks the hands played at any cash game or tournament. This enables the players to keep track of their play and analyze mistakes, both those that they have made themselves but also those that their opponents have made.

The most common positive expectation about RAY was the relative abundance of less skilled players (Rautio 2012, 37-38). Many professionals were eager to play there as they were expecting more newcomers to try out the site over less familiar foreign companies. Roughly one-third of the sample was looking forward to playing against weaker opponents. Some respondents had an opposite mindset regarding the skill level; roughly ten percent assumed that the site would have more skilled players relative to the player pool. This was rationalized by the fact that many perceived Finns to be stronger overall than players from other countries. Another common positive expectation was the possibility to get newer players interested in poker without any mention of their skill level. The small size of the player pool was the most commonly stated negative expectation within the sample, with one in four stating this to be a likely possibility.

After the site was launched, players' experiences regarding expectations about the skill level were mixed (Rautio 2012, 39-41). The small player pool was something that the sample mentioned often after the launch. There was varied reasoning in the sample regarding why the player pool was small: some felt that this was due to lack of marketing post-launch. Technical difficulties regarding the software were also mentioned as reasons why they felt that there were not that many active players.

Expectations about RAY as a company were almost entirely positive, with only five percent having a negative outlook (Rautio 2012, 42-44). The most commonly stated positives when it came to RAY were the trustworthiness, security and integrity of the site. The fact that the company is Finnish was also a common reason stated for positive expectations. The few negative ones were related to the site's ability to compete against other sites and the possibility that RAY would control or restrict the players too much.

There were negative assumptions concerning the sites games themselves. One-third of the respondents mentioned missing deposit bonuses or rakeback, and one-fourth stated that the rake was too high (Rautio 2012, 45). Other negative expectations were restrictions implemented on the players, the low amount of poker variants, lack of higher stakes games, bad software, and technical problems within the software. Only one-fourth of the sample had positive expectations about the games.

The most common positive thoughts were the low rake of the site and good software. It is noticeable that rake was considered low by some and high by others. Considering that the lack of rakeback was the most common response given, it is important to understand how rake and rakeback function. Rakeback is a share of the rake paid back to the customer. While it is true that RAY offered no rakeback, their rake was lower than that of the industry standard, which in effect means every player received similar benefits as if they had played on another site.

Conclusions were mixed. Rautio stated that the responses were categorized in three different groups, those where the realization of expectations could be evaluated by directly observing RAYs site, those where the evaluation required player interviews and those that could not be evaluated (Rautio 2012, 55-56). Starting from the first category, Rautio uses the lack of rakeback and deposit bonuses as examples of negative expectations that were met. The lack of these was clear by observing RAYs online poker site. For the second category of expectations, Rautio conducted interviews between several players. Both positive and negative ones could be seen to have realized to some extent, for example the small size of the player pool and both positive and negative expectations regarding the overall skill level of the player pool. Finally, Rautio mentioned some questions that could not be evaluated whether or not they were realized, for example if the launch of Ray's site had a positive impact on the overall popularity of poker in Finland.

6 Research methods

This thesis aims to find out how Finnish people play online poker.

6.1 Survey

A survey is a traditional way to gather research data (Valli 2007, 102). This study has also utilized an online survey. According to Valli (2007, 102) the form of the survey should match its goals and target audience. As the target audience for this thesis is Finnish online poker players, the survey was conducted as an online survey in Finnish.

The survey was conducted using SurveyMonkey, a free website where users can create their own surveys. The survey was open from 5.9.2018 to 23.9.2018. The survey was posted in various Finnish poker discussion forums as well as social media sites. The poker forums in question were Pokeritieto and Pokerimania. The survey was also posted on Facebook and on Reddit, a social discussion website under the subreddit "Suomi". The reason for choosing the forums was that they have a lot of members who are poker enthusiasts. The reason for choosing Facebook and Reddit was to reach people who do play poker but might not use the forums. The "Suomi" subreddit for example has over 80,000 subscribers.

6.2 Design of the questionnaire

Usually surveys start with background information such as age and gender (Valli 2007, 103), which were used as background information questions in this survey as well. The rest of the topics are related to poker. Valli (2007, 104) recommends to keep in mind the number of questions and the length of the survey, as people might not answer the survey if they deem it too long. For these reasons the aim was to keep the survey quite short with only multiple choice questions. The questions in the questionnaire were also designed to be

as unambiguous as possible to make them easier for the audience to understand and for the answers to be analyzed. Valli (2007, 123) underlines the importance that the respondents can always find a suitable or right answer among the answer choices. For this reason the option to choose an “other” response in a few questions was given. The questionnaire will also be found at the end of the thesis in Appendix 1 in Finnish and Appendix 2 translated into English.

The questions in the survey are the following:

1. How old are you? *“Minkä ikäinen olet?”*
2. Your gender? *“Sukupuolesi?”*
3. How much do you estimate playing online poker in a week on average? *“Kuinka paljon arvioit keskimäärin pelaavasi nettipokeria viikossa?”*
4. How long have you been playing online poker? *“Kuinka pitkään olet pelannut nettipokeria?”*
5. Is online poker your main source of income? *“Onko nettipokeri pääsääntöinen tulonlähteesi?”*
6. What sites/networks do you play at the most? Choose up to three. *“Millä sivuilla/verkoilla pelaat eniten? Valitse enintään kolme.”*
7. What factors influence where you play at the most? Choose two most important factors. *“Mitkä asiat vaikuttavat siihen millä sivuilla pelaat eniten? Valitse sinulle kaksi tärkeintä.”*
8. Do you play on a mobile device or a computer? *“Pelaatko mobiililaitteella vai tietokoneella?”*

Questions 3-5 are meant to find out if the player plays more as a hobby or for entertainment or if they are either more serious about poker or already a professional. Some assumptions can be made based on the combination of answers someone gives to these questions. For example, if they play 21-40 hours a week, have played more than one year and poker is their main income they can be considered a full time professional. Another example is if they play 3-10 hours a week, have played less than one year and do not have poker as

their main income, they can be considered a recreational player.

Questions six and seven are meant to find out what sites/networks they play at and what factors influence their choice of sites/networks. From this, potential patterns can be seen emerging between player types. For example if there is a clear lack of high volume tournament professionals playing on Veikkaus, it can be seen what factors might bring them to Veikkaus. Question 8 is also a question about preferences, as more and more sites are optimizing their user-experience for mobile devices.

7 Results

7.1 Sample

There were 95 respondents in total. The vast majority was relatively young; almost half of the sample was between 18 to 29 years old, and 40% were between 30 to 39 years old. The sample was predominantly male. These results are not very surprising, as similar conclusions can be drawn by anyone by simply watching any poker show on television or the internet, or visiting a local casino or card room.

7.2 Online poker playing behavior

The respondents play quite a lot online poker overall. While the most common estimation was up to 2 hours a week, almost 40% play at least 11 hours a week (Figure 1). Many estimated that they play up to 10 hours, which is indicative of a poker enthusiast, since that is a lot of time for a simple hobby.

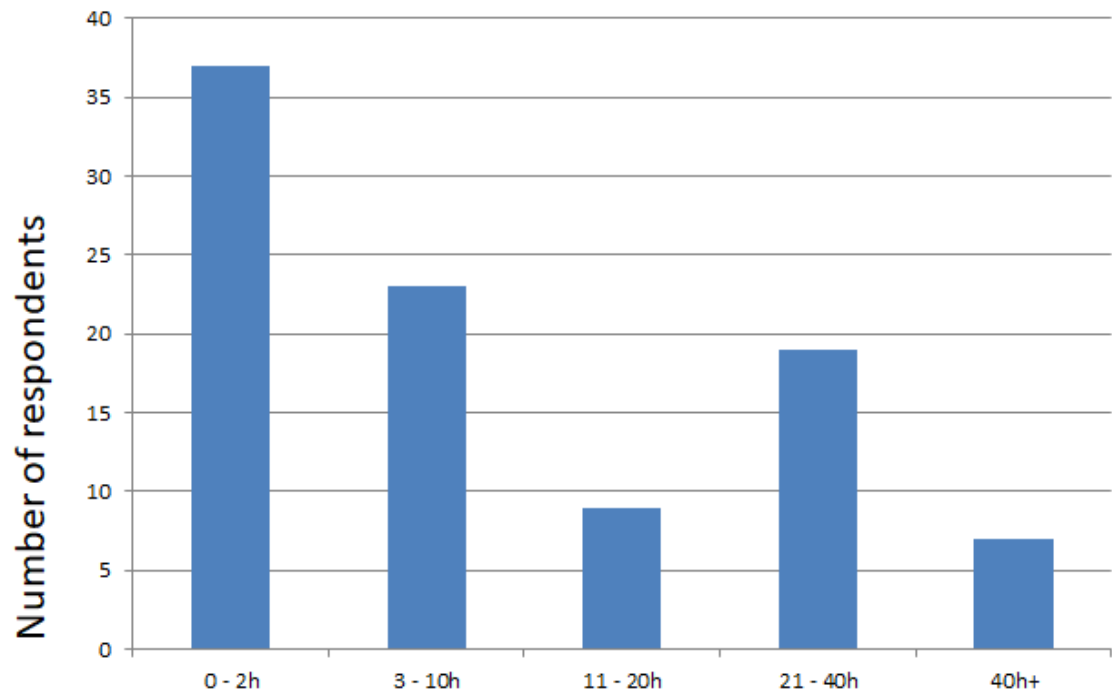


Figure 1. Amount of time spent playing online poker in a week.

Regardless of how much they estimate that they play in a week, most people have played online poker for a long time, with almost 70% stating that they have played at least six years. There were very few who have played less than a year. The conclusion is that there has not been a recent influx of new poker players (Figure 2).

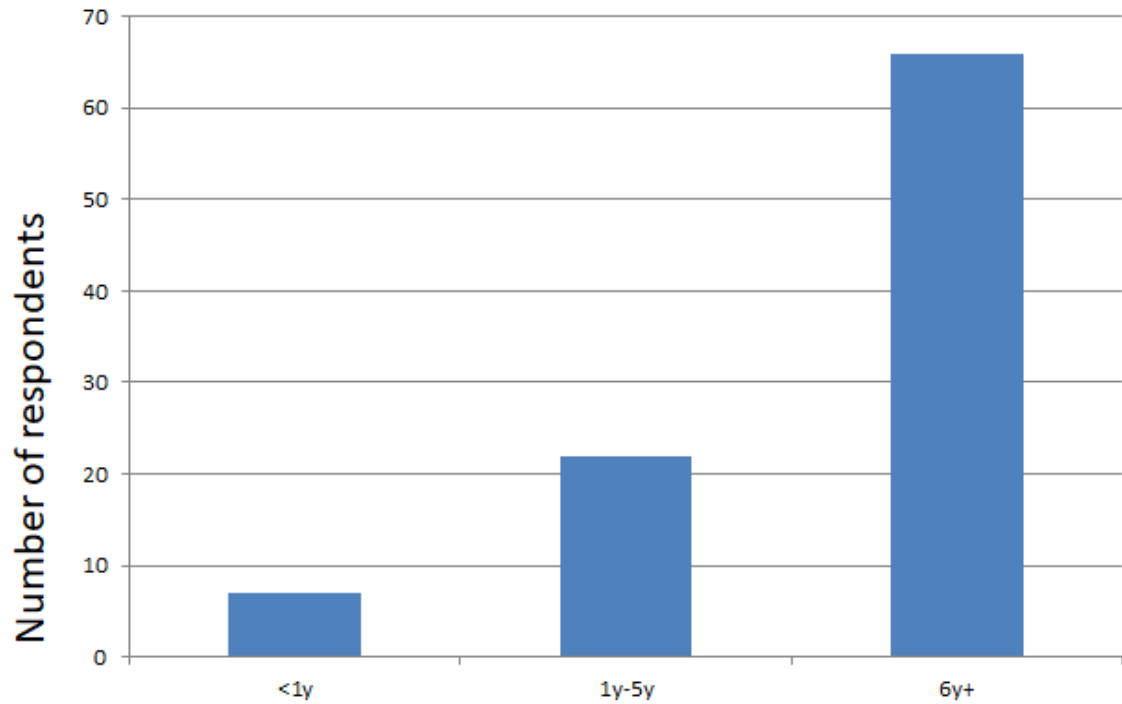


Figure 2. Years of playing online poker.

Roughly 30% of the sample stated that poker is their main source of income.

A little over 70% of the sample picked Pokerstars as one of the sites they play at, which is not surprising as it is the largest site internationally (Pokerscout 2018). Veikkaus was the second most popular site, with almost 30% playing there. Third place in popularity went to Partypoker, where roughly 25% play (Figure 3).

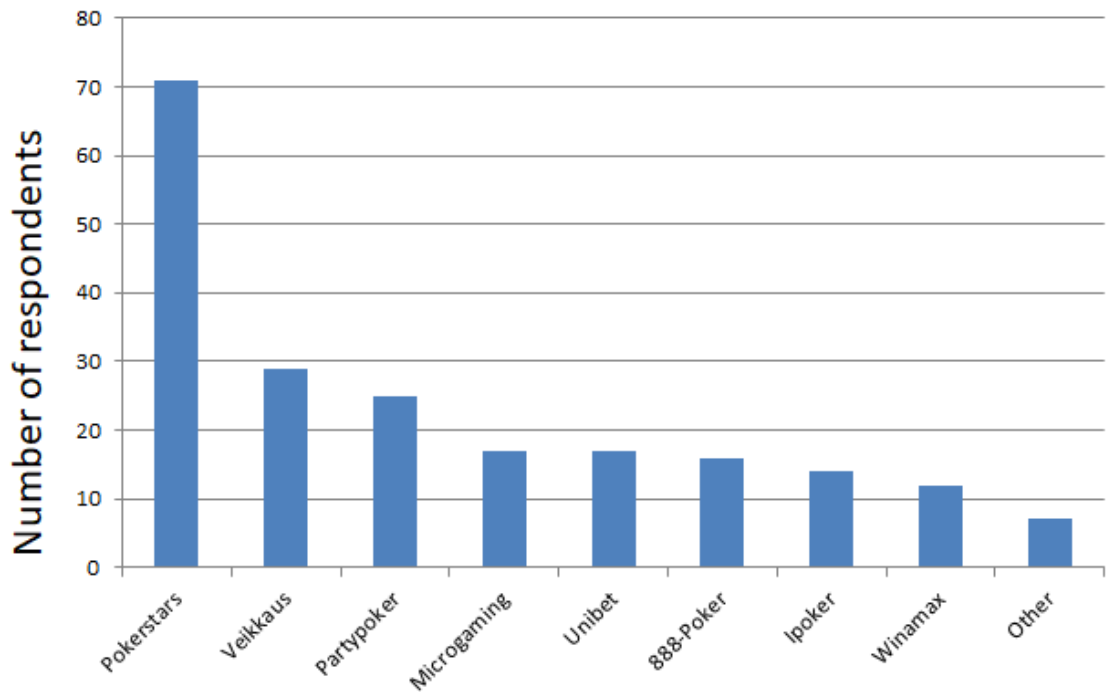


Figure 3. Main sites of online poker playing (multiple choices were allowed, which is why they add up to more than the number of respondents).

When it comes to what factors the sample considers when they choose the sites they play at, the site's tournament selection was the most popular option, with almost half picking it as one of their reasons. The user friendliness, number and selection of cash games were all very popular as well, with roughly 33% each. The least important factors were the interface of the site and its rakeback or VIP system (Figure 4).

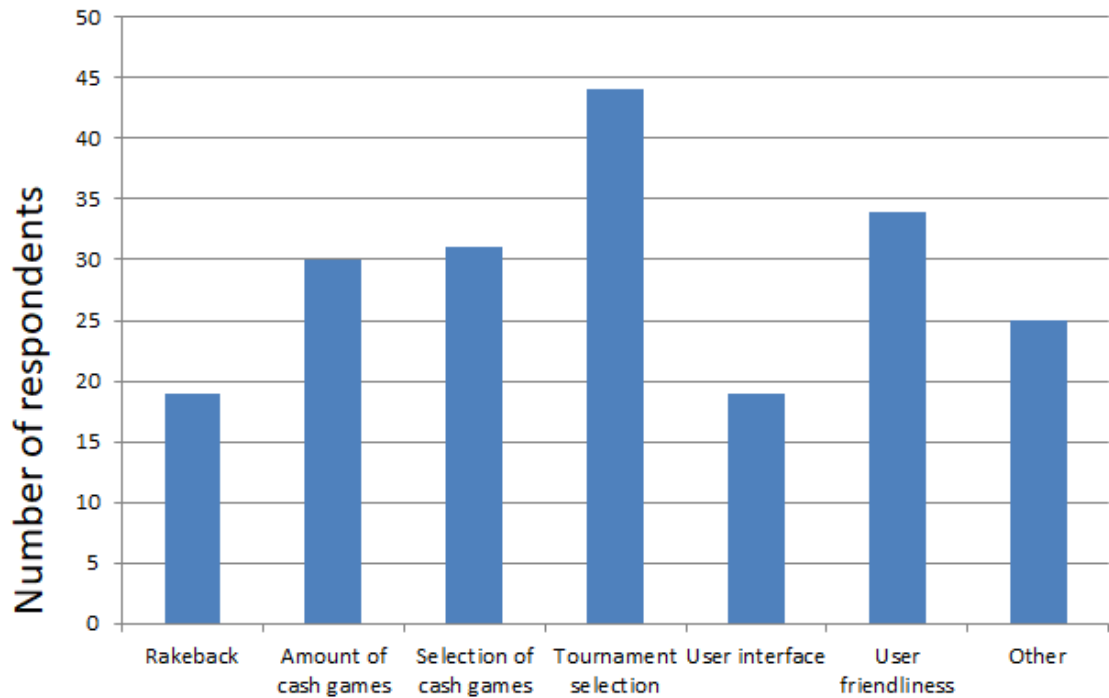


Figure 4. Factors influencing site choice (multiple choices were allowed, which is why they add up to more than the number of respondents).

Regarding playing device preferences, 66% stated they play only on a computer, while 25% state they play on both a computer and a mobile device. Very few only play on a mobile device (Figure 5).

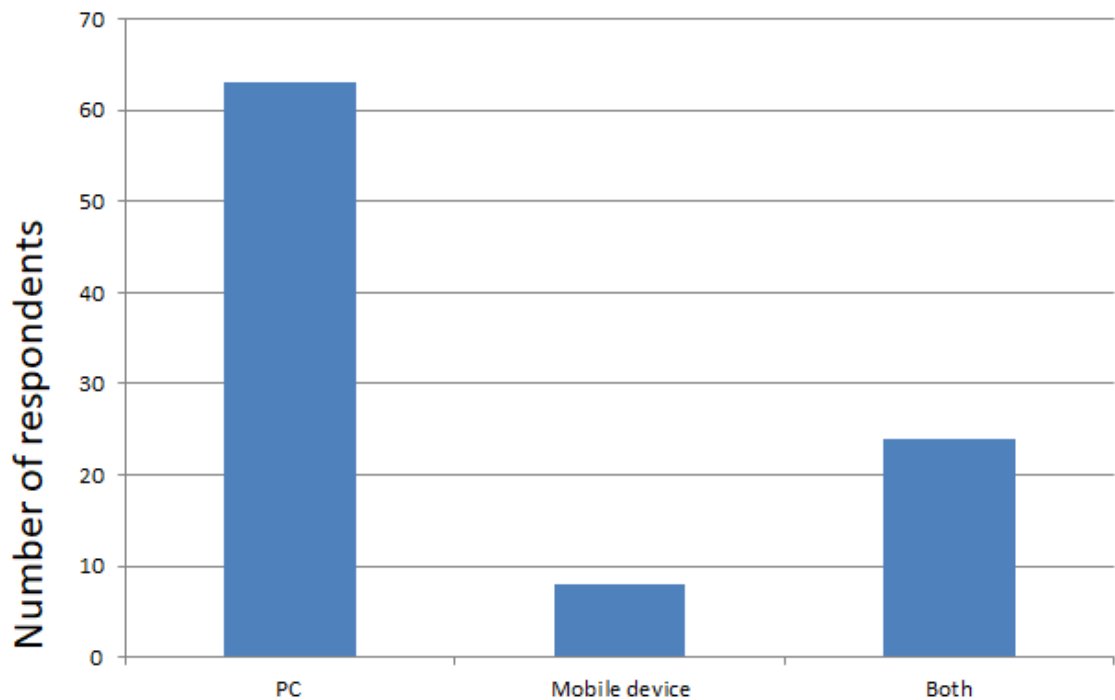


Figure 5. Playing device.

7.3 Analysis of player groups

Based on the survey the online poker players can be first categorized into two groups, professionals and non-professionals, and further into two additional groups, those that play on Veikkaus and those that play elsewhere.

The population of the respondents that plays professionally is largely young and entirely male players. The group of non-professionals is similar but somewhat older with a larger portion of 30-39 and 40-49 year old players.

Professionals play a lot in a week. The vast majority play at least 20 hours a week, and roughly 20% play more than 40 hours a week. Non-professionals play less poker, with over half playing two hours a week at most. Roughly 33% plays between three and ten hours, and only 10% percent of this group plays

more than eleven hours a week on average.

Roughly 75% of the professionals have played more than six years, none have played less than a year. Non-professionals have not played as long overall, with 66% having played longer than six years.

The three most picked sites among professionals were Pokerstars, Partypoker and Microgaming and Unibet tied at third. For non-professionals the sites were Pokerstars, Veikkaus and Partypoker (Table 1). The most picked sites overall were, similarly, Pokerstars, Veikkaus and Partypoker.

Table 1. Differences in popularity between professionals and non-professionals (Numbers do not add up to 100% since respondents were able to pick multiple sites).

	Professionals	Non-professionals
Pokerstars	66 %	76 %
Veikkaus	18 %	32 %
Partypoker	37 %	19 %

The top three factors influencing choice of site for professionals were the number and selection of cash games and the sites tournament selection. For non-professionals the factors were tournament selection, user friendliness and “other” (Table 2).

Table 2. Differences in factors influencing choice of a site between professionals and non-professionals (Numbers do not add up to 100% since respondents were able to pick multiple factors).

	Professionals	Non-professionals
Tournament schedule	33 %	51 %
Cash game amount	37 %	29 %
Cash game selection	51 %	22 %
Rakeback	25 %	15 %
Other	22 %	40 %
User friendliness	18 %	40 %
User interface	14 %	21 %

Dividing the sample between those who play on Veikkaus and those that play on other sites shows differences in factors as well. Cash game selection and number is slightly more important for those that do not play at Veikkaus, while tournament selection is slightly less important. There was a large difference in how big of a factor rakeback was; it was more important for those that do not play at Veikkaus (Table 3).

Table 3. Differences in factors influencing choice of a site between Veikkaus players and others (Numbers do not add up to 100% since respondents were able to pick multiple factors).

	Plays on Veikkaus	Plays on other sites
Tournament schedule	50 %	45 %
Cash game amount	27 %	34 %
Cash game selection	27 %	33 %
Rakeback	7 %	22 %
Other	35 %	22 %
User friendliness	50 %	30 %
User interface	19 %	18 %

Regarding the device of play, most professionals only play on a PC, and very few play on both a PC and a mobile device, whereas non-professionals clearly play more on mobile devices (Figure 9).

	Professionals	Non-professionals
PC	85 %	61 %
Mobile device	0 %	12 %
Both	15 %	27 %

Figure 9. Playing device.

7.4 Comparing results to earlier study

The demographics of poker players in Finland has not changed. The majority is still young men.

In Rautio's study, the biggest factor for poker players was the rakeback offered by the site (Rautio 2012, 36). For the sample of this study rakeback was not as important. However, it is more important for those who do not play on Veikkaus; 22% of them mentioned rakeback as one of the important factors while only 7% of those that play on Veikkaus did.

8 Conclusions and suggestions

Conclusions on how to attract more players will be made for both professionals and non-professionals, since the groups have different factors that are

important to them. Furthermore, suggestions will be made as to how the site can attract both player groups without hurting its own income, which is what will happen if the site has too low of a ratio between professionals and non-professionals. The conclusions and suggestions will be based on the results of the survey and the author's pre-understanding of poker.

Poker players in Finland tend to be between the ages of 18 to 39 and almost entirely male. The majority of the sample has been playing poker for many years.

Considering professional players first, while Veikkaus was the second most popular choice in the survey overall, it is much lower among professional players. As this group of players generates a lot of rake due to high playing hours, it should be considered whether or not it is beneficial to try and attract these players to the site. As mentioned earlier, when the number of professionals increases in proportion to non-professionals, the non-professionals lose their money quicker due to there being more players on average that have a skill edge over them. The most important factors for professionals were related to the selection and number of cash games, tournament selection and rakeback.

Attracting professionals that are interested in cash games can backfire for Veikkaus as bumhunting is a problem in cash games. As mentioned earlier, bumhunting is the practice of waiting for weaker opponents and refusing to join a table that has no such perceived players. Bumhunting causes weaker players to get targeted and lose their money more quickly. This can possibly result in a more negative playing experience especially if they see that the other players at the table immediately stop playing after they do, a practice which is not uncommon among professionals. Such a predatory environment is more of a problem in cash games where players can choose their own table freely. Pokerstars has recently introduced a system for their cash games in their network for Spanish, French and Portuguese players where players are put in a waiting list and assigned a random table (Rasset 2018). Refusing to play at that table forces the player to wait until joining the waitlist again, increasing in time

with more refusals to play at the assigned table. While this does not completely remove bumhunting in cash games, it certainly makes it more difficult to only play against preferred opponents as the bumhunters would have to wait longer to get a table. Adopting a similar method of joining cash games would certainly reduce the amount of bumhunting players could realistically do. Veikkaus already allows its players to change their screen names, the name displayed to opponents at the table, once a month. This makes it harder to bumhunt compared to a site where changing screen names is not possible, but does not remove the problem completely since people can choose to keep their screen name for a longer time. And even if everyone were to change it every month, it takes a relatively small sample size for players to make educated guesses regarding the relative skill differences between them and then they can keep playing in case their opposition seems weaker, or stop playing if they seem to be close enough to their own skill level. For these reasons the ability to change screen names alone is not enough to reduce bumhunting.

While the previously mentioned change to how players join tables would reduce bumhunting, the site would certainly benefit most by having high volume professionals playing against each other. One way to accomplish this is to attract those who value rakeback highly. While Veikkaus currently does not provide rakeback, their rake at cash games is lower than the industry standard at other sites. According to the websites of Pokerstars and Partypoker, the most popular and third most popular sites within the sample, the rake at most No Limit Hold'Em stakes is 5% (Pokerstars) (Partypoker). Comparing this to 3% at Veikkaus, players effectively have a 40% rakeback compared to the previously mentioned sites. For a high volume player this difference can amount to several thousand euros in a month. This fact should be brought up more as it seems like people are either not aware of the lower rake at Veikkaus or then they do not understand how much lower it actually is. Another option to have the professionals play more against each other could be to increase the incentive to play higher volume on Veikkaus via a leaderboard system for example. This would reward some of those players who play the most hands in a month at certain games and stakes. As long as the rewards do not outweigh the rake generated by having professionals play against each other, this would be a net

gain for the site.

For non-professionals, Veikkaus was the second most picked site. The most important factor for choosing a site for non-professionals was tournament selection, after which was user friendliness and other. Compared to professionals, number and selection of cash games and rakeback were all much lower. There were noticeable differences between non-professionals who already play on Veikkaus and those who do not. Rakeback and tournament selection were higher for those that do not play at Veikkaus. For these reasons it seems that the earlier suggestion of promoting Veikkaus as a lower raked site would also attract some of the non-professionals who do not play at Veikkaus. The biggest method to attract non-professionals, however, would be to improve the tournament selection.

Tournament selection was the most common factor among both non-professionals and those who do not play on Veikkaus, thus it makes sense to focus on that. Attracting more non-professionals is good for the player pool, as their skill differences are unlikely to be as large. This results in players playing for longer and generating more rake. While tournament selection was also a major factor among professionals as well, it is proportionally higher for non-professionals. By improving tournament selection, Veikkaus would increase its player pool and keep the ratio of non-professionals higher, decreasing their ROR and increasing the rake generated. This is due to the fundamental differences in how cash games and tournaments operate. Predatory behavior is not nearly as big of a problem in tournaments, since while a player can choose in which tournaments they play, they cannot choose which table they get assigned into. Tournaments also have higher variance and arguably a lower skill edge for better players as blinds get larger, meaning it is not always a professional who wins a tournament. This also means that in theory, the ROR is lower for worse players if they play tournaments compared to cash games. These reasons play a part in why tournaments are so popular among non-professionals. All of these reasons point to increasing the number of tournaments at various stakes to attract more players. Due to the fact that tournament selection seems to be more important for non-professionals,

increasing the number of tournament should increase the player pool and keep the ratio of non-professionals to professionals high.

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The questionnaire used in the survey in Finnish.

Tämän kyselyn tarkoitus on saada selville, millä sivuilla suomalaiset pelaavat nettipokeria ja millä perusteella he valitsevat sivut, joilla pelaavat.

Kysely on osa opinnäytetyötäni Karelia-ammattikorkeakoulun kansainvälisen liiketalouden koulutusohjelmassa.

Koska nettipokeri on Suomessa kielletty alaikäisiltä, kyselyyn vastaaminen edellyttää 18 vuoden ikää.

Kysely on auki sunnuntaihin 23.9.2018 saakka.

Tuukka Sevänen - tuukka.sevanen@edu.karelia.fi

1. Minkä ikäinen olet?

- 18-29
- 30-39
- 40-49
- 50+

2. Sukupuolesi?

- Mies
- Nainen
- Muu

3. Kuinka paljon arvioit keskimäärin pelaavasi nettipokeria viikossa?

- 0-2h
- 3-10h
- 11-20h
- 21-40h
- 40h+

4. Kuinka pitkään olet pelannut nettipokeria?

- <1y
- 1-5y
- 6y+

5. Onko nettipokeri pääsääntöinen tulonlähteesi?

6. Millä sivuilla/verkoilla pelaat eniten? Valitse enintään kolme.
888 Poker
Ipoker-verkko
Microgaming-verkko
Partypoker
Pokerstars
Unibet
Veikkaus
Winamax
Joku muu

7. Mitkä asiat vaikuttavat siihen millä sivuilla pelaat eniten? Valitse sinulle kaksi tärkeintä.

Rakeback/VIP bonukset
Käteispelien valikoima
Käteispelien lukumäärä
Turnausvalikoima
Sivun ulkoasu
Sivun helppokäyttöisyys
Muu vaihtoehto

8. Pelaatko mobiililaitteella vai tietokoneella?
Mobiililaitteella
Tietokoneella
Molemmilla

The questionnaire used in the survey in English.

The aim of this questionnaire is to gather data on where Finnish people play online poker and which factors are important for them when choosing the sites they play at.

The questionnaire is part of my thesis in International Business for Karelia University of Applied Sciences. As online poker is illegal in Finland for underaged, it is a requirement to be 18 years old to answer the questionnaire.

The questionnaire is open until Sunday 23.9.2018.

Tuukka Sevänen - tuukka.sevanen@edu.karelia.fi

1. How old are you?

- 18-29
- 30-39
- 40-49
- 50+

2. Your gender?

- Male
- Female
- Other

3. How many hours do you estimate you play online poker in a week?

- 0-2h
- 3-10h
- 11-20h
- 21-40h
- 40h+

4. How long have you played online poker?

- <1y
- 1-5y
- 6y+

5. Is online poker your main source of income?
6. What sites/networks do you play on the most? Choose up to three.
 - 888 Poker
 - Ipoker-network
 - Microgaming-network
 - Partypoker
 - Pokerstars
 - Unibet
 - Veikkaus
 - Winamax
 - Other
7. What factors influence your choice of a site the most? Choose up to two.
 - Rakeback/VIP bonuses
 - Selection of cash games
 - Number of cash games
 - Tournament selection
 - User interface
 - User friendliness
 - Other
8. Do you play on a mobile device or personal computer?
 - Mobile device
 - PC
 - Both