

What Software do Sports Betting Companies Use to Calculate Odds

Sports betting operators strive to find the best software available in order to offer the best possible betting experience to its customers, and over time the business will attract more custom and therefore more profit.

To provide a service that goes above and beyond its competition, the software must be up-to-date and generate as much real-time data as possible. However, a sports betting operator must be able to offer realistic odds for the eventuality of an event. It is critical to the long-term future of the business. We are going to look into the software that a sports betting company uses, and find out what the key algorithms are.

Sports betting is not legal in all US states, and many other ways to gamble are also illegal. If you want to know more about what kind of betting activity is legal in the US, then the legal betting states displayed in this website will tell you all you need to know.

Picture 1 of What Software do Sports Betting Companies Use to Calculate Odds

Determining True Odds

To be a successful bookmaker, margins must be built into odds, and the bookmaker must balance the book to guarantee to make a profit regardless of the outcome of an event. Odds are not just set to reflect the probabilities of an outcome they also reflect the bookmaker's own exposure.

What a bookmaker does not want to do when setting its odds for an event, is to gamble on a particular outcome – pretty ironic. The odds that the bookmaker offers are variance reducing, which ensures profit, but also still roughly reflects the true probability of the outcome. The bookmaker has to find the balance of making odds attractive to a customer, but still making a profit.

For starters, a bookmaker will have a margin set out (5% for instance), and then it will set odds for the various outcomes it offers by taking this commission into consideration. The sportsbook will calculate the odds of an outcome, and then take off the margin. For example, if the true probability of an outcome is 2/1 (3.00), then the sportsbook will subtract its 5% margin, which will show the final odds it offers a punter, which in this example would be 19/10 (2.90). From there, punters will be able to bet using cash, or perhaps crypto if they invest in cryptocurrency.

Betradar

Betradar is one of the most widely used betting service providers in the industry. Betradar currently has partnerships with over 900 sports betting operators across the globe, with footprints in 120 different countries.

Betradar prides itself on being able to offer a sports operator all it needs to be able to provide the best sports betting experience to its customers.

Using the Betradar product, a sports betting operator will be able to provide customers with pre-match odds, live-odds, live data services, eSports betting, numbers betting, simulated reality, and so much more.

Betradar will use its comprehensive statistics analysis to generate odds to determine the likelihood of an event. The fully automated and integrated service is ready for direct customer use. It uses Betradar's team of experts to administer the whole match in real-time. Betradar has a leading-edge mathematical live odds model which it uses for the purpose of profit maximisation. Having such a customised software can bring benefits to your business.

Algorithms for the Player

In contrast, a player is able to use software to find betting opportunities. A betting algorithm is a computer program that is designed specifically to find a sports betting opportunity that has the potential to lead to profit. The algorithm can identify a pattern using data from a previous sports match to calculate the probability of an outcome, you can also use an online bet calculator to do this for you. Usually, a betting algorithm can compare the probability of an eventuality and compare its findings to the odds being offered by a sportsbook. In doing this, it is easier to identify which bets are worth investing money in.

Not so Straightforward

In the past, bookmakers would have offered odds with much less data available to them, and the real odds it would have offered would have factored in a large amount of opinion. Which would have been fairly straightforward providing you know enough about the industry. These days, data collection is invaluable to a business. There is so much data readily available that deciphering true odds is far more complicated, as the logic goes a lot deeper. That is why having a software provider is priceless for a sports bookmaker, and especially when the software will provide the interface as well as a range of other services.

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