

Betting Strategies...How much you should bet?

The Lure of the Exotic

Traditionally, bookmakers offered only Win and Place betting.

Since the introduction of TABs in the mid 1960's, various new so-called exotic products have also become popular.

These include

- Quinellas (where you need to select the first two in any order)
- Exactas (where you need to select the first two in exact order)
- Trifectas (where you need to select the first three in the exact order)
- Quadrellas (where you need to select the winners of four nominated races.).

Some recent additions to the exotics offered include

- All ups (where you decide how many consecutive winners and/or place getters you want to try for on any selected race combination, even across states)
- Duets (where you need to select any two place getters in a nominated race)
- First Four (where you need to select the first 4 place getters in order).

Today, the big corporate bookmakers also offer most of these exotic products, and make no mistake, they are very lucrative products...for the bookmakers!

The lure to the average punter is the promise of the huge dividend for a small outlay. Some of these exotic dividends can pay off at huge prices, but of course these pay offs reflect the degree of difficulty of actually winning.

Before you start throwing money in all directions, you need to first, master Win and Place betting. Mastering Win and Place betting is simply being able to win consistently when betting for a Win and/or a Place. There is no point even looking at exotics until you can do this.

This article shows you how to master the basics of Win and Place betting.

Break Even Price

With all of these investment opportunities, the best strategy is the K.I.S. (Keep It Simple) principle.

The first thing you need to know is how many Wins your selection method throws up over the medium term (at least 12 months) and also the average price of those winners. The most basic understanding any punter needs to know is:

If the Average Price of your selections is not greater than the expected return you CANNOT win at punting.

Let's look at an example.

Historically so called favoured horses have the following average strike rates (approximately):

- Favourites win about 29% of the time
- Either the first or second favourites win about 48% of the time
- One of the first five favourites win on average 70% of the time.

Favourites historically pay on average, at about between \$2.60 and \$2.80.

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If you believe that favourites will continue to win 29% of the time (as they have for the best part of 200 years) then the average price of all winning favourites should be $100/29 = \$3.44$... and that's just to break even!

Or another way of looking at it is that if you like backing favourites you need to secure an average price of at least \$3.44, on average, to break even.

Therefore you simply cannot win in the long term betting favourites in every race!

However you WILL WIN in the long term if you can either improve your strike rate and/or increase the return on investment.

Let's use the same process to analyse the 2023 performance the Hotshot Winners.

	No. of winners	No. of races	Strike rate
	107	293	37%
	\$ Return	\$ Invested (@\$100)	POT
	\$ 68,130.00	\$ 58,600.00	16%
ave. price of winners	\$ 3.18		

Figure 1. 2023 Hotshot Winners Statistics from 1st. January to 31st. October

In 2023 to date we tipped 107 winners from 293 races or 37% strike rate, compared to the average strike rate of favourites of about 29%. AND our average price per winner was better than the average returns of all favourites over many years.

To arrive at the Hotshot Winners breakeven price simply divide 100 by the percentage strike rate. So the breakeven price for Hotshot Winners in 2023 was $100/37 = \$2.70$.

We also achieved an average winning price of \$3.18, which gave us a profit of $\$3.18 - \$2.70 = \$0.48$ on every bet, which equals $\$0.48/\$2.7 = 16\%$ profit on turnover.

Betting Strategy

Calculate your own strike rate and return from your actual bets over at least six months and preferably 12 months. If you do not have these, subscribe to a service such as Hotshot Winners and use their figures.

Of course, you will need to stick with these guys for at least twelve months.

Put together an investment bank that you can afford. Make it at least \$1,000 if you can.

Choose a unit size of between 2 and 5% of your bank.

Bet the same unit size on all selections for the entire year. Do not touch your bank.

Your bank should increase by between 50 and 100%.

At the end of the year, pay yourself a dividend of between 10 and 20% of the bank.

Now you are starting to invest professionally (refer our article on Punting like a professional).