

GI FRIDAY

WEEK 5

FRIDAY 30 JAN 2015

THIS WEEK

- Special ICE 2015 preview edition
- Updates and interviews ahead of the show
- Latest from California and New Jersey
- Columnist: Marc Kenigsberg on Bitcoin

Sponsored by

STEADYLOGIC

TOP STORY

INDUSTRY HEADS FOR ICE 2015

Up to 25,000 delegates expected at ExCel London



ICE Totally Gaming 2015 will look to follow in the successful footsteps of last year's event

The gaming industry is gearing up for the latest edition of the ICE Totally Gaming show in London next week. The event takes place between 3 and 5 February at the ExCel London Exhibition and Convention Centre where up to 25,000 visitors are expected to attend over the three days. A total of 23,500 visited the show last year, where gaming professionals travelled from over 100 jurisdictions.

ICE is the only B2B gaming show that brings together both the online and offline sectors, as conferences cover land-based, online, mobile and social gaming topics in the form of presentations, roundtables and panel discussions.

Conferences

The ICE programme is made up of eight conference streams plus seminars, with the seminars being free to attend. Full details of the conferences can be found at icetotallygaming.com/conferences.

On Monday before the official opening day of the show comes the International Casino Conference, where speakers include Simon Thomas, CEO of hosts the Hippodrome Casino, and Ron Goudsmit, chairman of the European Casino Association. Topics on the agenda include

CONTINUED ON NEXT PAGE ►

BROUGHT TO YOU BY:

GAMBLINGINSIDER

FROM FRONT PAGE ►

the newly elected European Commission, a progress review of resorts-style gaming in Europe and the results of a mystery visits project to various London casinos.

With the recent implementation of the UK's point-of-consumption tax, delegates will be interested to hear what UK Gambling Commission chief executive Jenny Williams has to say on the matter at the World Regulatory Briefing stream on Tuesday. The conferences will also include analyses of new markets including Japan, India, USA and Latin America.

Developers should note the Game Design and Development stream on Tuesday and Wednesday as a point of interest, where they will be able to find out how to manage the overlap between freemium and real-money across online, mobile and brick-and-mortar channels. Simon Hammon, CPO of provider NetEnt, will be among the speakers, along with Katherine Hurst, senior insights manager of bookmaker Paddy Power and Akamon Entertainment's CPO Alex Cohen.



Elsewhere, the Tribal Gaming: US Indian Country Open for Business seminar, which takes place on Tuesday, boasts one of the biggest names in the online gaming industry. David Baazov, CEO of Amaya Gaming, the company which owns online poker operator PokerStars, will be speaking about how to do business in Indian country as part of a panel which

also features games testing firm Gaming Laboratories International's president James Maida.

Looking across to Asia, with Shinzo Abe having recently been re-elected as Prime Minister of Japan, a bill that would legalise integrated casino resorts in the country has been resubmitted as part of his plans for economic growth in the country.

That is why the Japan Breakfast Briefing seminar on Thursday morning will be an insightful discussion, where the political status of the bill, conclusions from the government's research and the construction of similar venues will all form part of the session.

Networking

Attendees will have plenty of opportunities to hold meetings and network throughout the event, with the Racing Post Cafe Bar, ICE Bar & Bistro, and PlanetWin 365's Sports Betting Bar all featuring on the ICE floor.

Networking events include two sports-betting tours of the exhibition floor, which will be provided by the Sports Betting

VISIT US AT ICE, BOOTH#N6-240
EXCEL LONDON, FEB 3rd - 5th



INNOVATION FOR GROWTH
data-driven performance across all channels

By combining the power of Playtech's existing IMS platform and our BIT technology we are changing the face of gaming forever - providing new and existing licensees with superior innovation for their next stage of growth.



stake logic®

NOVOMATIC INTERACTIVE

We change the way
online players play!

Visit us at
ICE
Totally Gaming

Curious how we can take your business to the next level?
Make an appointment at ICE '15 and let us introduce ourselves!
You won't regret it. Send an email to: sales@stakelogic.com

Company as part of its partnership with ICE. The tours are linked to the Betmarkets conference stream and will give delegates the opportunity to mix with industry experts while discovering the products that are on offer to them.

In addition, there will be various forms of entertainment available, with exclusive offers provided by ICE's casino partners the Hippodrome, Aspers and Grosvenor.

Part of the ICE networking programme will also include the second Game to Watch Competition, which includes presentations from four international developers who will reveal their latest games, before a judging panel decides the winner and declares the 'Game to Watch' in 2015.

ICE Mobile App

A new feature introduced for this year is the ICE mobile app, available for iOS, Android and HTML5. App users can create and edit their own official app profile and also view their personal schedule for the event. They can also view a session agenda, bookmark

speakers or exhibitors and share photos and comments. Additionally, an activity feed allows them to find trending sessions and topics, while an interactive map of the show floor is also available.

Other information

ICE is organised by Clarion Gaming, which acquired previous organiser



Amusement Trade Exhibitions (ATE) in 2005, while the event was moved to the ExCel from its original home of Earl's Court for the 2013 show. A link to this year's floorplan can be found at icetotallygaming.com/ice-floorplan.

ExCel London is located in London's Royal Docks and is a short walk from Royal Victoria, Custom House and Prince Regent Docklands Light Railway (DLR) stations, while London City Airport is just a five minute walk away.

Oyster cards and travelcards can be used for London's travel network, including buses as well as overground, underground and DLR trains, with travelcards lasting for one, three or seven days.

Those staying in London could consider the Britannia International Hotel, located ten minutes away by car and seven stops on the DLR (one change), while the Ibis Styles Hotel is just a three minute walk from the venue.

KEY POINT

- ICE Totally Gaming 2015 is set for the ExCel London between Tuesday 3rd and Thursday 5th February

ICE PREVIEW

"IT'S ABOUT GIVING THE MARKET WHAT THEY NEED AND WANT"**Kate Chambers**

Portfolio Director –
Clarion Events

In order to give a fuller flavour of what this year's ICE Totally Gaming is all about, GI Friday spoke to some of the main players involved in the organisation of the industry-leading show. We began by chatting to Kate Chambers, who sits proudly atop the ICE tree, to get her thoughts on the forthcoming event

Could you give a brief overview of your involvement with ICE.

My involvement is to ensure that the events I'm responsible for are serving the needs of the market. How I do that is to ensure we have a strong brand voice, a strong brand image and that the content we push out into the sector enables people to do their business better. They can engage with each other for debate. I look at myself as a brand custodian. It's about ensuring that the work we do here works for the market and gives the market something that they need and want. If they all do their job better, then theoretically, their business will grow. That's the name of the game, isn't it?

How has ICE evolved in the time that you've been involved?

I joined Clarion in February 2009 and my first ICE was in 2010. I was brought in to save the ICE brand, give it a voice and give the market someone that they could connect to. To be frank, it was just a product in a market that had just evolved without a plan. Once ATE (Amusement Trade Exhibitions) had gone, I think ICE was adrift. I thought it needed an anchor point. We're on a journey which hopefully

is never-ending and I'm just looking after it for a certain period of time.

What has feedback from delegates told you about the show?

I think the way in which people learn and gather information has changed. Even over the last four years, it's changed dramatically. With digital information coming at us thick and fast, by us all using tablets, phones and mobile devices, the way in which we consume and connect with people has changed. That change is one thing that the conference industry has generally struggled to pick up on. I spend a lot of time talking to people, asking how they learn, what they learn and what they are interested in. How do they connect with their markets?

How important is it to provide delegates with a fully rounded experience?

It's hugely important. If you think of a group of about 20 people, no two people in that group will make business acquaintances in the same way. Some people like to do it with a drink in their hand, some like to do it over a coffee, some through being spoken to in a more formal setting, some in an office environment. If you put people in their comfort zone, you will get more out of them and they will buy more.

How do you cater to the needs of all gaming sectors?

The most important thing is to actually go out and talk to the sectors – to find out what they are doing and how they connect to their audiences. We look at adverts, pick up magazines, go online, talk to associations and talk to operators and suppliers in the market, both big and small. We use about seven to ten different campaigns around ICE. This year, you're seeing the airship move through the landscape. There are subtle differences between all the adverts and communications, using different tones of voice, so that we

connect to that audience. They are very distinctive.

The theme for this year's ICE is 'Discovery'. What was your thinking behind that choice?

Creative campaigns which aim to engage are so much easier if you can hang them on something. The word 'Discover', just like 'Sensational' last year, is a very positive and uplifting word. We're prompting a call to action and the action here is to come to ICE and discover a world of new things. If we just push the campaign out without hanging it on something, it would be very hard to interpret. Coming to ICE is all about discovering new things and thousands of new products, some of which get lost because there are so many. This year, we're particularly looking at the new things that the exhibitors are putting out.

What are you personally looking forward to at ICE this year?

ICE celebrates its 21st birthday this year, so I've ordered a cake from Choccywoccydoodah. We're going to cut that at 10:30am on the opening morning. I'm looking forward to that because, like all girls, I like chocolate!

For an exhibition organiser, the look on people's faces as they come in and then the look on their face when they exit is hugely satisfying if we've got it right. I went to the 2009 event at Earl's Court as part of my interview process and to look at the change in expectations from that event right through to last year is difficult to put into words.

How do you intend to continue developing ICE in the coming years?

The most important thing is to stay engaged with the market. As a team, we get together for a couple of days once a year to talk about each sector in depth and the challenges they have. If we understand the market, ICE should continue to develop and respond to the needs of its market.



There's no probability here...

As a leading European service provider to the online gaming industry, we pride ourselves in being part of the success story of a good number of leading online gaming operators. We are exclusively focused on providing personalised and value services through our datacentres, including:

Data Centre Services • Cloud Services • Managed Services

We also lend our many years' experience in providing solutions, support and facilities to new gaming operators seeking to optimize their online business.

All our services are supported 24x7 by an expert and highly-trained team of industry professionals.

Get in touch for more information about our services.



BMIT Ltd., 54/55, Triq Manuel Borg Gauci, Handaq, Qormi QRM4000, Malta
T: +356 2147 2592 • E: sales@bmit.com.mt

www.bmit.com.mt



Microsoft Partner
Gold Hosting



ICE PREVIEW - NETWORKING

"THERE ARE PARTIES ALL OVER LONDON"



Jo Mayer

Marketing Director,
Gaming – Clarion
Events

Can you give a general overview of the networking opportunities that are on offer at this year's ICE show.

There are more and more opportunities for people to network on and off the floor. A couple of years ago, ICE was primarily an exhibition with meetings. We then introduced the conference programme and over the years we've developed more free-to-attend content. We do post-show research every year and what comes out of that is that people come to ICE for a whole myriad of reasons.

If you look at our website, you will see a range of free-to-attend seminars. We have a digital think-tank theatre, which is on the show floor and is all about the latest initiatives in the marketing, IT and data side of things. We have events on Bitcoin. We also have start-ups, a 'Dragons Den' feature called Pitch Ice and a free-to-attend event called Tribal Gaming.

What have you taken from delegate feedback in previous years?

People often say that they didn't realise that there were so many other things on offer until they came to the show. We had a number of these seminars last year and one lesson we have learned is that we can promote them better and make it clearer to people that this is all available to them as well.

What aspects of this year's ICE are you particularly excited about?

One thing that stands out for me about this year is the launch of our London

Casino Club. We are working with seven Grosvenor Casinos, Aspers and the Hippodrome in London. There is a programme of special offers that the casinos are offering to every ICE visitor. The Hippodrome are running a complimentary shuttle between the ExCel and the Hippodrome and all attendees who are using that will get a free drink and a gaming chip at the Hippodrome. Aspers are doing a champagne reception and a free poker tournament, while Grosvenor are doing special offers on food and NFL Super Bowl parties.

What makes the networking at ICE Totally Gaming superior to that of other shows?

What really makes it different isn't just what we as the organisers put on, but what all our partners are doing. There are parties all over London during ICE week and the London Casino Club actually came from the Hippodrome. They suggested it after seeing how much business increased during ICE.

ICE PREVIEW - CONFERENCES

"TARGETED, FOCUSED AND RESEARCHED THOROUGHLY"**Ewa Bakun**

*Head of Content,
Gaming – Clarion
Events*

Could you briefly explain how the ICE programme is being structured this year, with regards to the conference and seminar streams.

We have been putting together the content for ICE conferences for the last few years. We have been developing the proposition of eight conferences. These are targeted and focused premium conferences that are researched thoroughly. We develop the programmes for all eight conferences separately. We also offer a set of seminars as a complement to the conferences. They are free to attend.

What have you learned from last year's conference?

One of the things we have changed this year is to split the conferences over two days. All of the conferences were previously one day. If someone wanted to attend the Mobile Gaming Conference, for example, they would have to attend from 9am to 6pm and that wouldn't really leave any time for meetings during that day. This time, people will be able to go to sessions in the morning and then have meetings in the afternoon. We have also decided to introduce a bit more interactivity to the show. We have what we call the ICE ideas walls. These will be located in the network area, just outside the conference rooms, where people will be able to pen their ideas and conclusions.

What do you think are the issues that delegates will be most keen on this year?

ICE conferences are very diverse. They attract a lot of different people. People from land-based casinos

will meet at the ICC (International Casino Conference) on Monday at the Hippodrome. For online gaming, operational experts who might want to learn about mobile gaming or issues as specific as data analysis will attend. I think it depends on the conference that you want to attend, but from seeing the interest that we are getting for different conferences, it's regulation and compliance that are unsurprisingly some of the key topics that people want to know about.

Which of the conference streams or specific talks are you personally excited about this year?

I'm very excited about the mystery visits presentation at the Hippodrome on Monday. We invited Acumen, a mystery visits company, to participate in the project and we also invited three casino groups. Each of them received at least six mystery visits. Based on the results of those visits, they will present conclusions and recommendations for how to transform customer experience.

Be social, visit us

booth
N5-300

ICE
Totally Gaming

NXSYSTEMS

Global Payment Solutions

quite simply. book an appointment. visit us. win £1,000.



terms and conditions apply. scan the qr code. or email sales@nxpay.eu to book an appointment.

Gibtelecom

Resilient, high-speed
fibre optic networks

International carrier
with extensive
global reach

Dedicated staff
giving high levels
of customer care
24/7

World-class data centres

and hosting facilities

International
communications hub



FIXED



MOBILE



INTERNET

A Truly Global Carrier

www.gibtele.com

ICE PREVIEW - SELECTED CONFERENCES

INTERNATIONAL CASINO CONFERENCE

Monday 4th Feb - 10.20am

What will be the outlook of the new European Commission?

Get a perspective on the ongoing work of the European Commission and an outlook for the new Commission and what its working framework will be.

Speaker: Harrie Temmink

WORLD REGULATORY BRIEFING

Tuesday 3rd Feb - 9.40am

The Gambling (Licensing and Advertising) Act 2014: latest expectations and next steps

Update on the impact of point-of-consumption licensing, applications and court challenges. Outlining plans for the next 12 months.

Speakers: Jenny Williams, John Hagan

DATA INSIGHT

Wednesday 4th Feb - 12.10pm

Parallel roundtable session: Player segmentation and

clustering - creating insightful player segments

As we see increasingly large data sets with ever more ways to define players, what metrics actually describe the player experience is becoming a key battleground in e-gaming. Making effective and meaningful player segments and groups.

Speakers: Philip Tuck, Ciara Nic Liam, Raf Keustermans, Robert Fell

CROSS-PLATFORM AND MULTI-CHANNEL GAMING

Tuesday 3rd Feb - 10.05am

Mobile is everywhere: driving growth and future-proofing your business across tablets, mobile, web, smart TV and retail

How do you deliver products fast on new devices and screen sizes. What mobile device strategy works for casinos and betting shops? To what extent can the mobile web be used as a truly cross-platform technology?

Speakers: Fintan Costello, Thomas Rosander, Turlough Lally, Stuart Magowan, Liam Form

LOTTERIES FOR THE FUTURE

Tuesday 3rd Feb - 2pm

Merging new technology and retail networks: new ways of operating in the retail environment

Benefits of moving retail lottery business into online. Changing retailer relationships: aligning business objectives and engagement with technology. Attracting customers at point of sale: social media, mobile and more.

Speaker: Jean-Luc Moner Banet

CYBERCRIME, SECURITY AND REGULATORY COMPLIANCE

Wednesday 4th Feb - 9.10am

Responding to EU legislation: envisaging the future regulatory environment

Examining how gambling legislation is developing throughout the EU: is pan-European gambling legislation likely? How will it impact on cross-border crime? Considering the impact and implementation of the Gambling Act 2014.

Speakers: Richard Wade, Bridgette Sand, Steve George

US

NEW CALIFORNIA POKER BILL**AB 167 contains less strict 'bad actor' clauses**

Assemblyman Reginald Jones-Sawyer has introduced a new California online poker bill. Bill AB 167 doesn't contain as stringent 'bad actor' provisions as legislation recently introduced by Assemblyman Mike Gatto. Chris Grove of OnlinePokerReport.com interpreted the legislation as containing "some conditions that would arguably apply to the former ownership of PokerStars, but none that obviously apply to the company under new owners Amaya". Another difference from the Gatto bill is that this new legislation allows for the inclusion of California race tracks as eligible entities.

The bill was praised by the coalition made up of online operator PokerStars, the Morongo Band of Mission Indians, the San Manuel Band of Mission Indians and three California card clubs. They stated: "Assembly Member Jones-Sawyer's bill brings parties with diverse interests together to move legislation forward."

**KEY POINT**

- Assemblyman Reginald Jones-Sawyer introduces a new California online poker bill

FINANCE**IGT REVENUE DOWN 17%****Gaming operations decrease but interactive improves**

Supplier IGT has suffered a drop in revenue and income for the first quarter of the 2015 financial year. Revenue for the quarter ended 31 December

2014 was down 17% year-on-year to \$450.6m, a result which the firm said was "primarily driven by declines in product sales, partially offset by an increase in social gaming revenue". Operating income decreased 39% to \$63.5m, while net income fell 56% to \$35m. Earnings per share dropped 55% to \$0.14. Net operating cash flows did however increase 35% to \$102.9m.

Within those results, revenue from gaming operations fell 5% to \$211.1m, product sales dropped 39% to \$148m, while interactive revenue was up 23% to \$91.5m, which included a 23% increase in social gaming revenue.

IGT chief executive officer Patti Hart said: "While market challenges remain in the land-based casino business, our DoubleDown social casino generated a double-digit increase in both revenue and average daily active users in the quarter."

KEY POINT

- IGT announces a revenue drop of 17% for Q1 FY15

COLOSSUS BETS

oneworks™

Brighter minds

**COLOSSUS BETS AND ONEWORKS SIGN DEAL TO
DISTRIBUTE MULTI-MILLION DOLLAR WEEKLY SPORTS POOLS**

Global Gaming Awards 2015: The process begins



- ▶ The Global Gaming Awards 2015 are on their way! Judge recruitment has begun and the nominations window is set to open soon.
- ▶ Keep an eye on *Gambling Insider* magazine, *gamblinginsider.com*, *globalgamingawards.com* and *GI Friday* for updates and further information on the Awards.
- ▶ The Global Gaming Awards are brought to the industry by *Gambling Insider* in association with G2E Vegas, the American Gaming Association and Reed Exhibitions.

Lead Partner



US

NEW JERSEY IN NEW SPORTS BETTING ATTEMPT

Legislation would help Garden State legalise wagering

New Jersey Representatives Frank Pallone and Frank LoBiondo have introduced respective bills that would allow New Jersey to legalise sports betting. One bill would exempt the state from the current federal ban on sports betting while the other would create a four-year window in which states could enact laws legalising such wagering.

Pallone [pictured] referenced a ballot vote in 2011, where New Jersey citizens opted in favour of sports wagering, as reasoning for the legislation. He said: "New Jersey voters have spoken loud and clear: they want to be able to place wagers on sporting events legally."

New Jersey Governor Chris Christie attempted to introduce legal sports wagering in 2012 and 2014 but was blocked from implementing the law.

LoBiondo said: "I'm pleased Congressman Pallone, our casinos, local elected officials and an overwhelming



majority of New Jersey residents agree and hope that a bipartisan coalition in Congress can come together in support of legalising and regulating sports betting."

KEY POINT

- Two New Jersey representatives introduce bills aimed at legalising sports betting in the state

UK

GAMBLE AWARE WEEK HELD IN UK

Players encouraged to set gaming limits

GambleAware Week has been taking place this week in the UK. Launched by the Association of British Bookmakers (ABB), the week aims to educate customers about the tools that are available to help them remain in control of their gambling and to increase the number of players setting voluntary limits on gaming machines. A series of public engagements will take place across the country and drop-in centres will be in operation.

ABB chair Paul Darling QC said: "GambleAware Week marks the latest step in the industry's approach to responsible gambling. In recent months, we've made a number of changes, on the basis of evidence, to significantly improve player protection."

GambleAware Week comes after the Senet Group, the self-regulatory body made up of bookmakers William Hill, Ladbrokes, Coral and Paddy Power, was officially launched last week.

KEY POINT

- ABB launches GambleAware week to promote responsible gambling in the UK

GUEST COLUMNIST

"BITCOIN VS REAL-MONEY GAMBLING"

by Marc Kenigsberg

Online marketing firm CEO

"Bitcoin is becoming more and more mainstream by the day and today you'd struggle to find anyone in the i-gaming business that hasn't heard of it. But how many people actually understand it or its implications for the future of i-gaming?"

The first question, for anyone who doesn't know, is what exactly is Bitcoin? There are a lot of possible answers here, but for our purposes the important thing is that Bitcoin is a virtual currency with one main difference: it's decentralised. This means there is no central authority that controls its issue, use or price. From a user perspective it resembles PayPal. It is a web wallet that can be funded and used to purchase goods or services online. This means that an online casino can offer it as a payment method to appeal to a specific market segment similar to Ideal or moneta.ru. But that's where the similarities end.

In order to take advantage of the Bitcoin player segment it's necessary to understand more about the history and appeal of the crypto-currency. In addition to being decentralised, Bitcoin is also based on cryptography and the network retains records of all transactions ever made. It does all of this while being anonymous. And herein lies much of the appeal of the coin.

Bitcoin was originally accepted and adopted by a predominantly libertarian and anti-establishment audience. The idea of a secure, decentralised currency appealed to hackers, early adopter developers and generally people that had lost faith in the established banking system. These are the people that have driven the success of the currency. Today

there are more than 53,000,000 Bitcoin addresses in use but 96% of these still have less than 0.001 BTC. Even more startling is the fact that 94% of all Bitcoins are owned by less than 0.25% of wallets.

As Bitcoin has grown in mainstream appeal, the demographics have extended more to 'average Joe' users. But the average Bitcoin user is still not the average internet user. Most importantly, the expectations of a Bitcoin user are different to those of a traditional online casino player. Just as users expect more from their currency, so too do they expect more from their gambling.

Here are the top five ways in which running a Bitcoin gambling site differs from operating a traditional online casino and why you should care:

Micropayments

Bitcoins are highly divisible. The base unit of a Bitcoin is a Satoshi, which is a 100 millionth of a coin. This means that very small payments can be made using the coins. At the time of writing, a Satoshi is valued at roughly 0.000025 US cents. There are gambling sites that allow bets as small as this but most casinos' chips are based on mBTC or 1/1000th of a coin, currently valued at roughly 25 US cents. This means that a casino could see first-time depositors funding their accounts with less than \$1.

On one hand this presents an incredible opportunity for casino marketing as there is effectively no purchasing barrier for new players. One of the areas in which this could be exceptionally important is emerging markets or markets traditionally plagued by purchasing problems. And Bitcoin does not allow chargebacks. Marketers that can embrace the mindset of micropayments can potentially add an entirely new market segment to their acquisition strategy and benefit from incremental revenue as a result.

On the other hand, lower minimums often mean lower life time values from players. The kind of micropayment possible here is uncharted territory for the i-gaming industry and operators looking to take advantage of this will

need to analyse and balance between the acquisition benefits and potential LTV decreases.

Anonymity

Proponents for Bitcoin cite anonymity as one of the top reasons for using crypto-currency at all. As an i-gaming operator this can be used as an advantage to increase conversion rates and bolster acquisition. Other than selling the benefit to prospective players, it tangibly changes the registration process. Most Bitcoin casinos today only require an email address to register but some go as far as to allow deposits, wagering and withdrawals without ever registering. This removes many of the barriers to conversion allowing for higher levels of impulse deposits as well as better ROI on different traffic sources.

The flipside to this, of course, is retention. Casino operators know that ROI is only achieved long after acquisition through continued retention efforts, and effective retention activities are key to a profitable casino. Allowing players to deposit and play without personal information also means severely handicapping traditional retention efforts and channels. Successful Bitcoin operators identify this and are creative in their efforts to retain and engage players.

Withdrawals

This is one of the major differences I have had to get used to working with Bitcoin gamblers. In a traditional online casino, withdrawals processed on the same day are regarded as fast. When it comes to Bitcoin gambling, anything more than minutes is considered slow. Bitcoin allows instant withdrawals – and players expect it. This also means that 'pending withdrawals' and verification requests, often used by operators to extend wagering and reduce withdrawals, are no longer tools that an operator can use. Embracing player expectations of withdrawals, and using it to enhance the player experience, is the only real play for a successful Bitcoin operator.

Marketing channels

Since Bitcoin gambling is a niche market, and an emerging one at that, the marketing mix varies greatly from real-money online casino acquisition. One of the biggest differences here is affiliates. Today affiliates account for a much lower percentage of Bitcoin casinos' acquisitions than traditional online casinos. This is increasing though as more affiliates recognise the opportunity. Paid media is also not yet widely available, so many operators will find themselves looking for new channels to exploit.

The good news is that Bitcoin is a community-oriented phenomenon, much more so than online gambling has been. This means that with some creative thinking and engagement with users in places like forums, a much higher percentage of acquisition can be achieved in-house without having to pay for it externally. This can ultimately lead to a very low, effective CPA and incredibly high net gaming revenue ratios. But be warned – you

will need to be creative to achieve this, and the Bitcoin gambling community is not a very forgiving one.

No CPA

Since the industry is in relative infancy, there are no CPA's yet for affiliates. As a result, many of the larger affiliates have moved to flat fee structures for placements. For an operator this is an incredible positive for cash flow considerations and allows for a much more aligned partnership with affiliates. It also means that affiliates are more likely to share in losses as well as big wins. Managed correctly this can be incredibly rewarding for both parties but operators need to bear in mind two key considerations. Firstly, that affiliates can see conversion and retention rates clearly, so performance is the measure, not CPA. Secondly, that the financial model for continued rev-share payments only over time is very different to one that includes CPA, and any mismanagement in the beginning can cripple margins down the road.

Final word

Bitcoin represents an incredible opportunity for the right operators but arguably an even more attractive one for affiliates. For me, what started as a hobby blog has now become a serious part of my affiliate business. Whatever you may believe about Bitcoin, it appears to be here for the long run and is bound to have a serious impact on i-gaming."

Jamworx Ltd founder and CEO Marc Kenigsberg has been in the iGaming industry for 15 years and regularly speaks at and contributes to iGaming events and publications. Today Marc is an affiliate and a firm believer in Bitcoin. In addition to financial portals, Marc is the founder of leading Bitcoin affiliate website www.bitcoinchaser.com

Want to be a guest columnist in GI Friday? Write to: editor@gamblinginsider.com



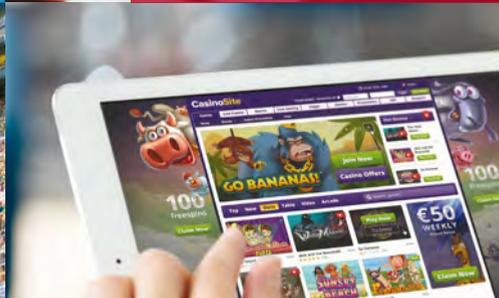
1Click CRM
MANAGE THEM ALL VIA SINGLE PLATFORM
Power of industry's top providers fitted into unified user-friendly interface



1Click Casino
SATISFY ALL DEMOGRAPHICS OF PLAYERS
Over 1200 premium online casino titles, including mobile and live casino games



1Click Bet
DO NOTHING BUT MARKETING
Fully automated sports betting software that does not require core bookmaking knowledge



1Click CMS
SAVE TIME & MONEY—GO TURNKEY
Package of premium gaming sites ready to be launched within 4 weeks

Meet us at



Book a meeting or request a quote at www.1clickgames.com



IGAMING SOLUTIONS THAT CLICK

International supplier of premium white-label solutions.

www.1clickgames.com

sales@1clickgames.com

info.1clickgames

Malta