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DEBATE: IS GAMBLEAWARE'S NEW ADVERTISING CAMPAIGN ON THE MARK?

GambleAware launched a new advert targeting problem gamblers in the UK.

The charity also commissioned Regulus Partners to produce data on how much the UK gambling industry spends on marketing. According to the research, marketing spend has gone up by 56% since 2014, hitting £1.5bn ($1.91bn) in 2017.

But the question we wanted to ponder is: Has GambleAware hit the target with its new football-related advert?
The *Gambling Insider* editorial team converses on the issue.

THIS WEEK

THIS WEEK IN NUMBERS

$1.06bn

Nevada's total gaming revenue for October, up 7% year-on-year

€798.6m

Intralot Group's revenue for the year up to 30 September, an increase of 1% year-on-year

15

Chinese nationals arrested in the Philippines for illegal online gambling offences

$68m

The fee GVC Holdings paid to acquire Neds International (US$49m). The total could rise to A$95m

3%

The drop in spend on gambling advertising between August 2017 and July 2018 by Norwegian operators

YES - NATHAN JOYES

GambleAware's latest advert is cleverly produced, including people from all walks of life who enjoy the beautiful game. Yet gambling is potentially taking that enjoyment away from them. Their love for the sport has been replaced with betting and football appears to take a back seat.

The idea of the ball going missing and being confiscated reflects exactly that.

The control is with the bookmakers, which is why the people are drawn to the betting shop. The bombardment of advertising seems to have finally taken its toll and GambleAware is attempting to address this.

Regulus Partners estimates the Great British gambling industry spent £1.5bn on advertising and marketing in 2017 alone. Of this, £149m was spent on social media advertising, a 53% increase on 2014. Television advertising spend has also increased to £234m, up 15% from 2014.

This is why Sky is implementing advertisement restrictions for the next Premier League campaign. With up to four gambling adverts allowed per commercial break at the moment, it has almost become too much. The influence it can have may be detrimental. It isn't just about preventing people betting when they are angry anymore; it's about tackling the sheer volume of advertising forced upon people within the UK.

The #CanWeHaveOurBallBack campaign has been introduced to engage with potential problem gamblers and make more people aware of the effects of gambling irresponsibly. I think this is key. There needs to be more of a balance, rather than a heavy swing in favour of promotional offers from bookmakers.

I respect that not all people will be influenced by the advertising; but it appears impossible to escape gambling, especially across social channels.

NO - TIM POOLE

THE ADVERT

GambleAware has a job to do and no one can doubt the nobility of its cause.

But will GambleAware's new advert make its mark? Is its message strong or clear enough? Have the millions of sports bettors who love their weekend wagers really lost their ball?

What's interesting right now is the approach across the Atlantic, where so many gaming analysts, industry professionals and excited new customers are emphasising how much fun a simple sports wager can add to the sporting experience. It's a form of entertainment.

THE DATA

The headline figures certainly make for interesting reading from a B2B perspective. If anything, they almost underplay television advertising and sponsorship – much-maligned practices in recent months – suggesting "just 15% of total gambling marketing spend" is aimed at the former and a far smaller percentage on the latter.

The 19% aimed towards affiliates is certainly good news for the many sites out there, while the £149m spent on social media is intriguing.

But do these figures really send out a message about the state of gambling in the UK? Is the fact 80% of marketing spend is now digital really a groundbreaking reveal in a digital-first world?

The big drawback is that there is no reference point. How much has betting revenue risen by comparison? How much of this is the result of increased spend on ensuring marketing compliance?

This data would be far more useful if it was measured against how much other industries spend on digital marketing. One suspects it is merely a drop in the ocean compared to the budget of an Amazon or a Facebook.

200
The number of expert speakers at SiGMA this year

25%
The pay cut Greek resort Porto Rio Hotel and Casino wants to give to staff, causing strikes and a temporary closure

€11.1m
Better Collective's Q3 revenue ($12.5m), up 68% year-on-year

THIS WEEK'S WINNERS AND LOSERS

WINNERS

NetEnt - **The supplier entered Denmark through a deal with Mr Green**

Rhode Island - **The state took its first regulated sport bets on 26 November**

Interwetten - **CEO Werner Becher has confirmed he will step down at the end of the year**

Macau - **The island's GDP slowed to its lowest point in two years, as rates of exports of gaming services decreased**

Canberra's poker clubs - **The Gaming Legislation Amendment Bill 2018 aims to reduce the number of poker machines permitted in the Australian capital to 4,000 by 2020**

LOSERS

STARS GROUP PARTNERS WITH ELDORADO

The Stars Group has announced an 11-state partnership with operator Eldorado Resorts in the US.

The agreement allows The Stars Group to operate online betting and gaming in states Eldorado currently owns or operates casino properties, or in any it will own or operate in the future.

Currently, the partnership covers 11 states: Colorado, Florida, Illinois, Indiana, Iowa, Louisiana, Mississippi, Missouri, Nevada, Ohio and West Virginia. When combined with The Stars Group's existing deals in New Jersey and Pennsylvania, this provides the operator with access to 13 states. In terms of sports betting, The Stars Group will provide first skin access in states where Eldorado owns or operates more than one casino property and second skin access in all other states covered in the agreement where sports betting is legal.

The Stars Group CEO Rafi Ashkenazi said: "This agreement establishes the foundation for our US strategy as we tactically pursue access to other key states and opportunities with potential media partners."

Gary Carano, Chairman and CEO of Eldorado, said: "We are excited to work with The Stars Group to capitalise on their proven ability to leverage their products to gain share in the growing market for online gaming."

Last month, The Stars Group announced the completion of its Sky Betting & Gaming (SBG) acquisition after the Competition & Markets Authority cleared the move.

This acquisition, along with the takeover of Australian operator BetEasy, drove a 74% year-on-year increase in Q3 revenue for The Stars Group to $571.98m, reported earlier this month.

With regards to its SBG takeover, Stars Group said it has begun executing integration plans to create synergies of at least $70m.

A large percentage of this will relate to headcount and other staff costs, with 23% saved on purchasing costs and 24% elsewhere.

MGM RESORTS AGREES MLB DEAL AND FORMS SWIMA

MLB has agreed its first official gaming partnership with MGM Resorts International, combining MLB with the MGM Resorts and PlayMGM brands.

The multi-year deal covers the US and Japan and merges all brands across league and team sponsorships, data usage in gaming, promotion across MLB-owned media platforms as well as domestic and international MLB events.

MGM Resorts will be allowed to promote its brand and gaming across MLB's digital and broadcast platforms. The use of MLB's official statistics feed for both its digital and live sports gaming will be made available for MGM throughout the partnership.

MLB Commissioner Robert D. Manfred, Jr. said: "We are pleased to partner with MGM Resorts International, a clear industry leader in the sports gaming area, to work together on bringing innovative experiences to baseball fans and MGM customers."

MGM Resorts executives, alongside Caesars Entertainment, have also become founding members of the Sports Wagering Integrity Monitoring Association (SWIMA).

SWIMA is a not-for-profit organisation designed as a collaborative body to partner state and tribal gaming regulators, federal, state and tribal law enforcement officials, and other stakeholders to detect and prevent fraud and other illegal activity related to sports betting.

George Rover, former Assistant Attorney General and Deputy Director of the New Jersey Division of Gaming Enforcement, was appointed as Chief Integrity Officer and will oversee day-to-day operations.

He said: "We are excited to roll out the first Integrity Monitoring Association in the United States, ensuring a safe and secure betting environment for consumers across the country."

Sara Slane, Senior Vice President of Public Affairs for the American Gaming Association (AGA) said: "The announcement comes at a critical time as dozens of states and sovereign tribal nations are poised to pursue legal sports betting in 2019.

"Moving forward, SWIMA will provide an important hub for all stakeholders to work together, further demonstrating the industry's commitment to upholding integrity across all facets of a legal, regulated sports betting market."

THE WEEK IN QUOTES

"The biggest difference – and the one I'm proudest of – is the ability to work together. I used to comment that the foundation of any association is a rising tide lifts all ships. Folks in the gaming industry weren't necessarily convinced of that. The collaboration muscle is not one that had been well exercised."

Geoff Freeman, Board Member at AGS, tells *Gambling Insider* about the biggest change he brought to the American Gaming Association

"The problem with crypto-currency is that it is designed by engineers - not business-people. That's good, because it offers fantastic benefits that fiat (traditional currency) simply cannot compete with. However, the drawback is that because it is designed so well, it is also complicated, and therefore difficult to integrate into existing business streams."

Ed Brennan, CashBet President, speaks to *Gambling Insider* on the hesitancy to incorporate crypto-currencies

"In the past, or at least until recently, gaming companies had the luxury of having a really good product, marketing really well, and the players will come and stay. But what we're seeing is, especially with the smaller guys, those looking to establish a market share for themselves and grab a bit from the big players. The biggest push is providing a client with a dashboard or the game types they have asked to play."

Andrew Foster, Head of Business Development at Enteractive, tells *Gambling Insider* about the need for personalisation

"There's a whole variety of ways how I can take the content, how I can mould the monstrous amount of content, and give you the most personal information, and that's what AI can do very well. AI can even be used in building bets, this core notion of an algorithm knowing your history and preferences very well can be used in building bets. This helps the user in not having to start from scratch and search for the details."

Andreas Hartmann, Head of Product and Operations at Vaix, tells *Gambling Insider* about the power of artificial intelligence in personalisation

IRISH FINANCE MINISTER TO REVIEW BETTING TAX HIKE

Paschal Donohoe, Irish Minister for Finance, will review the impact of the plan to double betting duty in Ireland to 2%, as bookmakers predict a loss of 3,400 jobs resulting from the increase.

The goal of the investigation is to make recommendations for the 2020 budget, a ministry spokesperson has said.

In the budget for 2019, the Finance Minister planned to raise the tax for bets placed in shops to 2% from 1 January, and said the move would bring in an extra €50m ($56.4m) revenue.

The tax hike provoked an immediate response from the Irish Bookmakers Association (IBA), which projected the closure of hundreds of Ireland's remaining 855 betting shops.

Paul Tully, director of Tully Bookmakers, an independent operator, reportedly said the tax hike will render his business "totally unviable," and he would most likely have to close 18 shops in the New Year.

Paddy Power Betfair, operator of 261 Irish betting shops, expressed similar concerns and said it could face a €23m hit from the new turnover tax.

The IBA then convinced several politicians to propose an alternative tax scheme which would see retail bookmakers pay 10% on wagering revenue, while online operators pay 20%.

The body believes this would generate more tax revenue for the government than the 2% turnover tax.

The amendment, proposed by independent member of the Dáil Éireann Michael Healy-Rae, claims the government could bring in an extra €25m per year in tax revenue if they tax operators' gross profits.

Reports now say Donohoe will compare the two options, but expressed frustration that the new proposal was only expressed from the industry at this stage, having previously failed to unite behind a single proposal.

Donohoe will disclose findings from the investigation to the finance committee in the first quarter of next year.

TEDDY SAGI SELLS LAST OF HIS PLAYTECH SHARES

Playtech founder Teddy Sagi has sold his remaining shares in the company, the supplier confirmed to *Gambling Insider.*

Sagi had been considerably lowering his stake in the company over the course of several years and his final sale of 15.2 million shares has recouped an approximate £68m ($87m).

The shares, offloaded via Sagi's Brickington Trading, were the equivalent of 5% of Playtech's overall value.

The supplier said in a statement: "In Playtech, Teddy founded a world-class technology company. We would like to take this opportunity to thank him for this and for his important input in Playtech's early years."

Both Playtech and Sagi faced recent pressure from activist investor SpringOwl Asset Management, with its founder Jason Ader saying in September he "doesn't have a sense the future of the company includes Teddy Sagi."

It remains unclear who Sagi sold his stake to, with a recipient or buyer of the shares not announced alongside news of the sale.

Playtech's share price rose on the day of the announcement, closing at £4.66, having started on £4.52 that morning. However, this price did fall at the start of the following week, hitting a low of £4.37 on Tuesday afternoon.

During its recent Q3 update, Playtech said it remains on course to achieve adjusted EBITDA of between €320m ($360m) and €360m for 2018.

Earlier this month, the supplier released its trading statement for the period since 30 June and figures show performance is consistent with forecasts from the half-year stage.

Discussing the group's financial position, the update disclosed Playtech has "improved efficiency of its balance sheet" through the sale of its shares in Plus500 and successfully completed a €530m bond offering.

DATA CENTRE

Provided by *fantiniresearch.com*

FANTINI RESEARCH

STRIP SIZZLES, NV RISES

Gaming revenue on the Las Vegas Strip rose 12.24% year-on-year in October; its best year-on-year comparison since August last year.

Results were on an easy comparison due to the shooting at Mandalay Bay last year.

Strip revenues were boosted by strong blackjack revenue, while both blackjack and baccarat play were up double digits.

Nevada rebounded from a difficult third quarter by growing 7.47% in October and eclipsing $1bn revenue for the fifth month this year.

In fact, October's $1.063bn was the highest gaming revenue generated this year and was the highest revenue for the state since February 2013.

Elsewhere, North Lake Tahoe posted a strong month with double-digit growth.

Components of Strip Performance:

MAJOR STRIP SEGMENTS:	REVENUE (M)	CHANGE (%)	WIN PERCENTAGE	
			2018	2019
Blackjack	$102.651m	+56.1%	18.51	13.51
Baccarat	$76.424m	-11.28	8.81	15.18
Total games	$293.227m	+16.26%	13.42	14.19
Slots	$300.192m	+8.58%	8.40	8.13

TABLE DROP	2018	2017	CHANGE (%)
Blackjack	$554.571m	$486.765m	+13.93%
Baccarat	$867.469m	$567.431m	+52.88%
Total games	$2.185 bn	$1.777 bn	+22.93%

MARKET/PROPERTY	REVENUE (M)	CHANGE (%)
Nevada	$1.063bn	+7.47%
Las Vegas Strip	$593.419m	+12.24%
Clark County	$926.514m	+8.43%
Downtown LV	$63.758m	+0.29 %
North LV	$27.259m	+0.73 %
Laughlin	$47.039m	+12.13%
Boulder Strip	$78.323m	-0.64%
Mesquite	$11.339m	+6.04%
Balance of County	$105.377m	+1.65%
Las Vegas locals market	$210.958m	+0.67%
Washoe County	$70.894m	-1.33%
Reno	$52.108m	-2.7%
Sparks	$10.973m	+5.36%
North Lake Tahoe	$2.236m	+18.69%
Balance of County	$5.577m	-7.08%
South Lake Tahoe	$17.059m	+3.62%
Elko County	$25.292m	+5.1%
Wendover	$17.269m	+9.75%
Balance of County	$8.023m	-3.68%
Carson Valley Area	$9.123m	+3.27%
Other areas	$13.913m	+4.61%

GUEST COLUMNIST

HAYATO TERAI
CO-CEO, GANAEIGHT COIN LTD

Terai discusses a potentially more stable crypto future

Crypto-currency and blockchain are in the early stages of a potentially transformative global technological movement. Although they are in their infancy, the significance of their impact has already begun to emerge.

The benefits of crypto-currency are indisputable. Speed and ease of transaction, as well as lower fees, are obvious initial attractions for merchants and users alike. The transparent, decentralised nature of crypto, thanks to the underlying blockchain technology, is another key advantage – all transactions are tracked digitally upon the distributed public ledger in a permanent and traceable way.

Being an early adopter of crypto-currency-enabling DLT can also put a business in a position of advantage, as one is able to observe technological advancements and lead the way in further innovative developments. This is evidenced by the countless industries now competing to implement blockchain technology in a variety of inventive ways unrelated to its initial virtual asset-related purpose.

Healthcare is one of the many sectors beginning to recognise the potential power blockchain technology could bring. The technology could offer a secure way of recording and sharing sensitive patient information, as well as a way of avoiding data breaches. While many healthcare providers accept the implementation of this will be hugely beneficial, the current lack of understanding about the technology itself means it is yet to be adopted on a wider scale.

Crypto-currency is in a similar position. Its benefits are widely acknowledged, yet it is still shrouded in uncertainty and met with caution. Despite its evident perks, crypto-currency is still viewed by many as being somewhat suspicious. This belief most likely comes not only from its slightly dubious beginnings from within the dark web, but also from the fact a significant number of countries are still reluctant to regulate it. This is not the case for Malta, a pioneer of crypto and blockchain technology. Malta made history this year, becoming the first jurisdiction to establish a regulatory framework for both.

While Malta might be steaming ahead towards a blockchain-based future, the rest of the world is still lagging behind. The widespread adoption of crypto-currenciesis still far from being realised.

Their current lack of utilisation on a large scale is due to a number of factors. The main ones are the regulatory uncertainty still surrounding them and the simple fact traditional payment methods currently surpass digital payment methods.

The unstable nature of conventional crypto-currencies such as bitcoin, caused by their dramatically fluctuating price, means they are too volatile to be regarded as "money." This fluctuating price, determined by its varying supply and demand in the marketplace, creates an element of risk for those considering investing, or using them – the volatility that comes with crypto-currencies is making many companies hesitant to adopt them as a form of payment.

While conventional crypto-currencies pose problems in terms of practical everyday use, stablecoins theoretically offer a solution for this. Pegged to a secure, external asset, the stablecoin is able to hold a stable value over time. The most common type of stablecoin has a value equating to that of a fiat currency, such as the US dollar. The dollar's price is able to remain fixed since it represents the corresponding amount held in reserve as collateral.

So, while they are crypto-currencies in the sense they offer security and decentralised control, they also aim to mimic the stability of fiat currencies and do away with the volatility traditional crypto-currencies can't avoid. The stablecoin is essentially a stepping stone between fiat and crypto-currencies.

The stablecoin concept is a simple one which is understandably appealing to investors. The adoption of a stable, decentralised digital currency could in turn accelerate the adoption of crypto-currencies in general, along with that of blockchain technology – although such results may not be visible in the immediate future. Banks and financial institutions, in particular, are proving eager to get on board, as the stablecoin represents an innovative way to improve the efficiency of operations. At the same time, it does not differ enough from current, conventional methods to cause significant disruption.

A successful implementation of stablecoin could bring us one step closer to a more stable, functional future of crypto-currency.