



Sponsored by



THIS WEEK

• **MOVERS & SHAKERS**

• **THE DEALMAKERS**

• **WORLD CUP ROUND-UP**

• **M&A & LOTTERY NEWS**

• **GUEST INTERVIEW**
Darren Small

• **THE DEBRIEF**

WEEK 51

FRIDAY 23 DEC 2022



PENNSYLVANIA
OUTPERFORMS
NEW JERSEY
IN GGR FOR
NOVEMBER



HAPPY HOLIDAYS
FROM GAMBLING INSIDER





The *Gambling Insider* team reviews some of the biggest stories of 2022, breaking down exactly why they were so important – and what their impact means for the industry heading into 2023

▶ THE SMALL MATTER OF £17M

There really were plenty of positive gambling industry stories in 2022. It was a year of progress in several areas: technology advanced, responsible gambling (RG) moved forward and many new regulated markets launched.

Reading that opening line, however, you may be wondering why *Gambling Insider* has chosen a rather negative story as one of its biggest of the year. But it's that second point – on RG – that sums it up. Indeed, RG is moving forward in a big way heading into 2023. But not quite fast enough.

In 2022, one of the biggest operators in the industry – Entain – proved it still has a long way to go, following a £17m (\$20.5m) regulatory settlement with the Gambling Commission in the UK. The settlement came as a result of numerous social responsibility failings – and shows that, for all of Entain's posturing regarding RG, its brands are still fundamentally flawed in how they treat problem gamblers.

Entain, of course, has made undeniable strides in this department, while Flutter's leading brands are actually showing a lot of strength here. Yet the fact records are still being broken for regulatory settlements, we feel, shows exactly where the industry is placed going into 2023.

AUSSIE ANGST

It's been another dramatic year for gaming in Australia to say the least, primarily led once again by the constant difficulties that both Crown Resorts and The Star Entertainment have faced in the last 12 months. Both major Australian operators have, on the surface, been trying to recover from the several inquiries and fines they have received in recent years for various failures, which have largely revolved around areas like anti-money laundering and links to organised crime.

But negativity has continued to damage the reputations of both operators in 2022, with The Star casino in Sydney handed an AU\$100m (US\$62m) fine in October. That came a month after the New South Wales Independent Casino Commission (NICC) issued the group with a show cause notice, with a report by Adam Bell SC finding the operator unsuitable to hold a licence. Interim Chairman Ben Heap admitted the operator had "fallen short of expectations" following the decision. Australian Prime Minister Anthony Albanese also had to rebuff calls for a national gaming regulator.

Things may have been looking slightly more positive for Crown, with the Federal Court of Australia approving Blackstone's AU\$8.9bn takeover of the company in June, following a shareholder vote that received near-unanimous approval in May. Last month, however, Crown was back in the bad books, with the operator handed an AU\$120m fine for responsible gambling failures at its Melbourne casino. What lies in store for Australian casinos in 2023?



ALLWYN AND THE DEFEAT OF CAMELOT

At the beginning of the year, Allwyn was one of a number of bidders for the UK's Fourth National Licence – at the end, it was finally celebrating being awarded the licence, though not without an almighty fight from previous incumbent Camelot. In March, the Gambling Commission decided to hand the licence to Allwyn – which triggered an angry legal response from Camelot, leaving the whole process in a quagmire. Allwyn was unable to go forward with its takeover of the lottery, while Camelot lashed out through its legal team in a desperate effort to retain the licence it had held since the National Lottery's inception in 1994. However, following a protracted legal scuffle – and the complete lack of any genuine reasoning behind Camelot's battle to have the licence re-awarded to them – Allwyn was finally able to celebrate winning the rights to offer the UK lottery, after Camelot dropped its court challenge.

But the tale doesn't end there. In a move that was only confirmed this week, Allwyn bought Camelot's UK Lottery arm to solidify its position in the UK as the new lottery provider for the next decade. In the end, the tug-of-war over the lottery was played out in public and climaxed with a new operator standing victorious over Camelot's diminished rule. Former rivals are now one and the same...

MACAU & THE MOGUL

It's been a big year in Asia. The region's once gaming king Macau has completed its concession process, with six incumbent licence holders all renewing for another 10 years. There was some insecurity regarding this outcome, after Genting Malaysia launched a last-ditch bid to snatch one of Macau's coveted casino spots, but it was the current incumbents Wynn Macau, Sands China, SJM Holdings, Galaxy Entertainment, Melco Resorts and MGM China who were successful with their bids.

This year also saw the demise of Macau's junket businesses, after new laws introduced from 1 January 2023 mean their typical operating models are now unlawful. This will create circumstances that will change Macau's VIP gaming landscape forever, and has already seen many VIPs migrate to Singapore and the Philippines.

On the Philippines, the news here has been dominated by a saga involving Japanese casino mogul Kazuo Okada, and his reclamation of the Okada Manila casino and resort from Universal Entertainment – his own company that he was ousted from in 2017.

A forceful takeover, Okada's reclamation saw scenes of unrest, as did Universal's own repossession, after its agents disguised themselves as casino workers and ousted Okada. With a slew of civil cases and lawsuits stacked against him, Okada must now fight to clear his name in the court of law, after returning to the Philippines from Japan and posting bail. More to come, no doubt, in 2023.



TAKING STOCK

SHARE PRICES COVER THURSDAY
15 DECEMBER TO THURSDAY 22
DECEMBER 2022 (10:00AM GMT)



The Star Entertainment ↓ 22%
1.98 AUD

Tabcorp Holdings ↓ 2%
1.07 AUD

Aristocrat ↓ 7%
30.95 AUD

Churchill Downs ↓ 5%
209.24 USD

Century Casinos ↓ 2%
7.11 USD

Red Rock Resorts ↓ 3%
40.77 USD

Melco Resorts ↓ 3%
11.43 USD

Bally's ↓ 9%
19.67 USD

PENNSYLVANIA OUTPERFORMS NEW JERSEY

During November, the Keystone State generated higher revenue than its neighbour, New Jersey, The Pennsylvania Gaming Control Board has reported \$452.4m in gross gaming revenue (GGR) from all sources in November 2022, a 5% increase year-on-year. This was greater than New Jersey in terms of both total revenue and growth. Regulated sources of gaming recognised by Pennsylvania include slot machines, table games, internet gaming, sports wagering, fantasy contests and video gaming terminals.

Of these gaming segments, revenue from retail slots continued to reign supreme, as it did this time last year, with \$185.6m generated for the month.

The closest revenue-reaching segment to retail slots was iGaming slots, which saw revenue rise 36% year-on-year to \$86.6m for the month.

Unsurprisingly, iGaming table games was the highest-growing segment, which saw GGR rise 43% from the prior-year period to \$39.5m.

However, revenue from sports wagering suffered the most in November, falling by 17% on the amount generated in the prior-year period.

New Jersey generated a similar total for November, albeit a lower one, with growth also lower at 0.3%.

For the period ending November 30, the total amount of revenue brought in from gaming in New Jersey was \$441.1m, which is a 0.3% rise from November 2021.

For the year-to-date, total gaming revenue in the Garden State reported by casinos, racetracks and their partners was \$4.76bn, reflecting a 9.8% increase.

GI Verdict: Pennsylvania outshining its East Coast neighbour perhaps isn't

as much of a shock as one may think. However, it is easy to fall into the line of thought that New Jersey – the first US gaming market to legalise sports betting post-PASPA and widely perceived gaming stronghold of the East, should be dominating revenue figures. To say Las Vegas is the home of the casino, and New Jersey the home of regulated sports betting, is a statement most general onlookers would fail to disagree with.

But perhaps this does not give enough credence to some of the US' other significant gaming markets – in this case, Pennsylvania. Although it has fast become one of America's largest markets, its growth potential to become a leader in gaming revenue is perhaps not considered well enough. It was just this year when Pennsylvania passed the \$5bn mark for 2021-2022 full-year revenue, a feat it hadn't achieved in any year prior. In fact, its full-year results were up 30% on the 2020-2021 period as it surged back into productivity post-pandemic.

It hasn't let up since; revenue of \$450.2m for October was up 6% year-on-year, while revenue for September was up 8% on the prior-year period. November has continued this run of sustained growth, surpassing that achieved by New Jersey. This isn't to say New Jersey has performed badly: its total gaming revenue for September was up 7% year-on-year and up 16% for October.

Its flat growth for November may just be a hitch, but what's worth noting is that even when it has performed well, its figures aren't too out of line with Pennsylvania's. So, is Pennsylvania slightly overlooked when considering the US' biggest gaming markets?

We'll let you decide.

THE LATEST ISSUE OF **GAMING AMERICA**
IS OUT NOW **CLICK HERE TO VIEW**





MOVERS &

SHAKERS

Sponsored by



TIINA SILTANEN

European Casino Association (ECA)
Vice Chair

Siltanen brings over 20 years of experience within the gaming industry, having worked at both customer service and executive levels.



JOHN ENGLISH

Maxxsure
Strategic Advisor

English has been recruited to serve as a member of Maxxsure's Advisory Council, with his duties including assisting the firm to combat cyberattacks.



KARINA KOGAN

Jackpot.com
Board of Directors

Joining the likes of Ryan Moore, Akshay K. Khanna, Roi More and Yariy Ron, **Kogan** will advise Jackpot.com on marketing and branding strategy.

HAPPY HOLIDAYS!

AND ALL THE BEST FOR 2023

ΩMEGA SYSTEMS

PLATFORM MANAGEMENT SOFTWARE

omegasys.eu

MEET US AT ICE!

ICE
LONDON



COMPANY	NEW PARTNER	VERTICAL
Internet Vikings	Greentube	iGaming
Bet99	National Hockey League	Sports betting
Betfred USA Sports	Loudoun United FC	Sports betting
Gaming Innovation Group	LuckyBet	iGaming
Intralot	Ohio Lottery	Lottery
BetMGM	Nashville Predators	Sports betting
Scientific Games	Atlantic Lottery	Lottery
LuckyStreak	Turbo Games	iGaming
PokerMatch India	Match IPL	Poker
Yggdrasil	Reflex Gaming	iGaming

CELEBRATE THE FESTIVE SEASON WITH US!



Christmas Plaza

DOUBLEME

OUT NOW!





THE WEEK IN QUOTES

"I am sure that the Committee's inquiry, like the Government's Gambling Review, will be genuinely 'evidence-led' and has to strike a careful balance in making recommendations that are about protecting the vulnerable, while not unfairly impacting on the millions of customers who bet perfectly safely and responsibly."

Betting & Gaming Council Chief Executive, Michael Dugher, discusses the DCMS Select Committee inquiring into UK gambling

"Our continued recognition on this premier global sustainability benchmark is a testament to our long-standing commitment to environmental and social leadership."

Las Vegas Sands President and COO, Patrick Dumont, discusses the company's recognition on the DJSI World Index for 3rd time in a row

WORLD CUP ROUND-UP: GEOCOMPLY, BET365 AND DRAKE

The 2022 World Cup final has come to a close, with Argentina defeating France 4-2 on penalties in one of the most exciting finals of all time.

And it certainly caught the eye of those in the gaming industry, with the match becoming the second-most popular sports match of the year for US bettors, according to new data from **GeoComply**.

The match between Argentina and France in Qatar on Sunday attracted 7.9 million geolocation transactions. This was behind the 23.5 million of the Super Bowl, but ahead of the 5.1 million of the final game of the NBA season and the 4.8 million of the NCAA March Madness final.

The 1.7 million active users betting on the 2022 World Cup final was the second highest of showcase finals, after the Super Bowl's 3.1 million. It was, however, ahead of the two basketball finals and the Stanley Cup final of the NHL.

In other news concerning the

competition in Qatar, operator **bet365** has confirmed a customer has won the top prize of £100,000 (US\$121,900) in its 2022 World Cup Tournament Predictor.

The group added that a total of almost £400,000 was also shared out between over 15,000 winners.

Argentina's victory saw one player of the predictor score 830 points overall, 10 more points than the runner-up.

And finally, rapper **Drake** continued his high-figure sports betting spree, placing \$1m on Argentina to win in 90 minutes.

He would surely have thought this was a banker, even after 75 minutes of play, with France looking far off the pace until some Kylian Mbappe brilliance changed the course of the tie.

With the tie sent into extra time, Drake lost yet another big-money bet. This followed his \$2m betting loss on former UFC champion Israel Adesanya to defend his title against Alex Pereira last month.

SUZOHAPP

ICE
LONDON

7-9 Feb 2023
ExCel London

Booth N3-130

Your Trusted Hardware Partner!
Sports Betting · Cashless · Gaming





“Black Oak Casino Resort’s decision to select our QCI Platform shows the importance of continually developing products that truly fit our customers’ needs. We are pleased to welcome another northern California casino to the QCI community.”

Quick Custom Intelligence CEO Dr Ralph Thomas discussing its new partnership with Black Oak Casino Resort

“In addition to the previous charge, it is alleged that the Brentford FC forward breached FA Rule E8 a further 30 times between 14 March 2017 and 18 February 2019.”

The Football Association’s comments on Brentford player Ivan Toney’s additional betting charges

M&A ROUND-UP: HARD ROCK, MAVERICK GAMING & CHURCHILL DOWNS

This week has seen several mergers & acquisitions take place across the industry, notably **Hard Rock International’s** acquisition of The Mirage’s operations for \$1.07bn. It has received regulatory approval from the Nevada Gaming Commission for the acquisition and assumed operations control of the property as of 6am on Monday 19 December 2022.

Previously owned by **MGM Resorts**, the 3,044-room casino resort will continue to operate as The Mirage Hotel & Casino until the renovation and rebranding of the venue to the Hard Rock Hotel & Casino Las Vegas is complete.

Elsewhere this week, **Maverick Gaming** completed the acquisition of the **Evergreen Gaming Corporation**, after receiving regulatory approval from the Washington State Gambling Commission. Under the terms of the transaction, Maverick Gaming paid \$80.4m in cash for all of Evergreen Gaming’s shares and assets.

Evergreen Gaming consists of four cardrooms in Washington State: Chips Casino in Lakewood, Goldies Casino in Shoreline, Palace Casino in Lakewood and Riverside Casino in Tukwila.

Staying in the US, **Churchill Downs** has entered into a definitive agreement to acquire all outstanding equity interests in **Exacta Systems** for a total of \$250m. The deal is subject to certain working capital and purchase price adjustments.

The transaction will provide Churchill Downs the opportunity to realise synergies related to the company’s recent acquisition of Colonial Downs Racetrack and Rosie’s Gaming Emporium HRM facilities in Virginia, according to the operator.

Exacta, a provider of technology to support historical horseracing (HHR) operations, integrated a diverse set of historical racing machine (HRM) gaming manufacturers into its HHR platform, including AGS, IGT, Light & Wonder, Everi, Konami and Incredible Technologies.



iGaming Technology Provider

Casino · Sports · Platform

BOOK YOUR MEETING

Meet us at ICE London 2023!

Stand N6-210

Everything is Possible

www.everymatrix.com



THIS WEEK IN NUMBERS



\$1m

Raised by Hard Rock International in support of breast cancer research

\$956.4m

Profit Aristocrat posted from its North American segment for FY2022



\$413m

Revenue generated by The Mohegan Tribal Authority for Q4 202

LOTTERY ROUND-UP: INTRALOT, ARIZONA LOTTERY, SCIENTIFIC GAMES AND ARISTOCRAT

First up in our lottery round-up, supplier **Intralot** has signed a five-year contract with the Ohio Lottery to implement its Orion Sportsbook solution.

Per the deal, Intralot will utilise current lottery equipment and infrastructure to facilitate a sports betting solution for retailers and customers throughout the state.

The partnership is expected to go live in January 2023 and is already approved at 700 retail locations statewide. According to Intralot, this number is expected to grow to over 1,000 in the coming months.

Up next, the **Arizona Lottery** is partnering with Pollard Banknote, using its ScanActiv Instants – which aims to combine security and innovation with “fun and familiarity.”

Pollard Banknote has been building a number of lottery partnerships this year, with this deal being a continuation of that work. In October, for example, the supplier partnered with the Texas Lottery

to provide Scratch Ticket Manufacturing Services. Also in lottery news this week, **Scientific Games** has become Atlantic Lottery’s primary Scratch’N Win games partner in Canada.

Already Atlantic Lottery’s primary games provider in other regions, Scientific Games will now supply the operator in the Canadian provinces of New Brunswick, Prince Edward Island, Nova Scotia, Newfoundland and Labrador.

And finally, **Aristocrat** has reported net profit after tax and before amortisation of acquired intangibles (NPATA) of AU\$1.09bn (US\$730m) for the full year to 30 September 2022, up 27% on the prior-year period.

Aristocrat’s outright sales in North America grew 66% for the full year ended 30 September, a result of its expanded Video Lottery Terminal segments in Canada, Oregon and Illinois.

This year also saw the supplier enter the Kentucky Historical Horse Racing and New York Lottery markets.



STEPHEN A. CRYSTAL

Founder and CEO
SCCG Management

Email:
Stephen.Crystal@sccgmanagement.com

Mobile/WhatsApp:
+1 (702) 427-9354

On the Web at:
sccgmanagement.com
igaminglaw.online
sccgventurefund.com



SCCG MANAGEMENT

- Las Vegas, USA
- Calgary, Canada
- Mexico City, Mexico
- Florianópolis, Brazil
- London, UK
- Manchester, UK
- Gzira, Malta
- Kampala, Uganda
- Hyderabad, India
- Sydney, Australia

ABOUT SCCG MANAGEMENT

SCCG Management is a consultancy that specializes in sports betting, iGaming, sports marketing, affiliate marketing, technology, intellectual property protection, product commercialization, esports, capital formation, M&A, joint ventures, casino management, and governmental and legal affairs for the casino and iGaming industry.



Celebrating 2022 as our 30th anniversary of innovation and leadership in the gaming industry!



39

Genius Sports' licence for Ohio is its 39th in North America

40%

The stake Greentube has acquired in Flamingocat



100

Baha Mar's Spectacular 100 is the grand prize in its competition for TikTok influencers

GI
FRIDAY

THE

DEBRIEF

2022: A YEAR OF CSR?

'Tis the season of giving – but for gambling companies, 2022 has been the year of giving back. Whether it is through gritted teeth or preferably through a genuine desire for change, environmental, social and governance (ESG) has become a growing priority for the biggest firms in the industry.

It's a worldwide trend mirrored across other sectors, of course, but this year has seen plenty of action from gambling brands. Just this week, Hard Rock International announced that it has raised \$1m for breast cancer research, while Merkur Casino also made a £12,000 (\$14,500) Christmas donation to three charities.

Las Vegas Sands, meanwhile,



has been recognised on the Dow Jones Sustainability Indices (DJSI), with placement on the DJSI World Index for the third consecutive year and on the DJSI North America Index for the seventh time.

Entain once again held its Entain Sustain conference this year, for which *Gambling Insider* was in attendance, emphasising its ongoing CSR efforts. And, it has to be said, for all the negative press gambling companies can create, as a sector CSR initiatives have been embraced en masse across the globe. Throughout the US, both tribal and commercial brands are

constantly making donations and organising campaigns

– and there is a real sense of community at the very top.

Responsible gambling is one thing but, whether it's land-based or online, CSR is clearly high on organisational priority lists. So looking back, 2022 has definitely seen this trend increase.

And it's a trend that is unlikely to ever be reversed.

STRONGER TOGETHER

7 - 9 FEBRUARY 2023
EXCEL, LONDON

ICE

ICE
LONDON

NEW JERSEY – NOVEMBER REVENUE

Fantini Research partners with *Gambling Insider* to provide weekly gaming industry data. This week, we look at November's revenue from all sources in New Jersey.

Bally's Atlantic City saw the greatest year-on-year gains for November, generating \$15.2m up 28%.

MGM Resorts' Borgata also saw a marked 19% rise year-on-year, generating 19% for the month. Borgata outstripped all its state-wide competitors by some margin, making \$106.9m for November.

At the other end of the scale, Caesars' Tropicana location saw revenue fall 12% year-on-year, taking \$26.4m for the month.

In terms of gaming segments, revenue from legacy games took the gong for the highest revenue generated with \$214.5m made in November.

Meanwhile, revenue for iGaming hit \$146.2m for November, while revenue for sports betting stood at \$80.4m.

ALL-SOURCES	NOVEMBER REVENUE (M)	CHANGE (%) YEAR-ON-YEAR
Bally's AC (BALY)	\$15.279	+27.8
Borgata (MGM)	\$106.969	+19.09
Ocean	\$34.750	+12.29
Golden Nugget	\$49.022	+11.61
Resorts	\$66.347	+6.12
Caesars (CZR)	\$27.223	+1.05
Hard Rock	\$41.555	-4.45
Harrah's (CZR)	\$20.555	-8.97
Tropicana (CZR)	\$26.400	-12.42
Total Gaming	\$441.122	+0.34

LEGACY CASINO	NOVEMBER REVENUE (M)	CHANGE (%) YEAR-ON-YEAR	TABLE HOLD 2022	TABLE HOLD 2021
Caesars (CZR)	\$19.006	+16.64	20.9	12.9
Borgata (MGM)	\$55.010	+13.86	15.8	12.7
Ocean	\$30.985	+8.74	18.7	22.8
Resorts	\$12.523	+3.11	13.9	7.6
Tropicana (CZR)	\$19.150	+2.15	19.9	17.3
Hard Rock	\$35.474	-4.89	15.8	16.9
Golden Nugget	\$11.315	-5.28	22.6	15.9
Harrah's (CZR)	\$21.037	-6.41	17.4	19.6
Bally's AC (BALY)	\$10.035	-10.14	10.1	15.3
Total Legacy Casino	\$214.536	+3.70	N/A	N/A

IGAMING	NOVEMBER REVENUE (M)	REVENUE PARTNER	CHANGE (%) YEAR-ON-YEAR
Borgata (MGM)	\$44.286	ENT/MGM, BYD	+31.27
Golden Nugget	\$37.711	DKNG, CHDN, RSI, FLTR	+18.72
Resorts Digital	\$37.377	DKNG, Resorts, Mohegan	+34.24
Caesars (CZR)	\$8.066	CZR, 888, WYNN	-17.29
Tropicana (CZR)	\$5.460	CZR, Virgin	-29.57
Hard Rock	\$5.027	Hard Rock, Kindred, Bet365	+3.45
Bally's AC (BALY)	\$4.830	PBH	+675.44
Ocean	\$3.403	Ocean, Greenwood	+109.68
Total iGaming	\$146.159	N/A	+23.91
Online Casino	\$144.026	N/A	+24.42
Poker	\$2.134	N/A	-2.87

SPORTS BETTING	NOVEMBER REVENUE (M)	REVENUE PARTNER	CHANGE (%) YEAR-ON-YEAR
Meadowlands	\$48.778	FLTR (FanDuel), PBH, SuperBook	-24.26
Resorts Digital	\$16.598	DKNG, FLTR (FoxBet), Resorts	-26.06
Borgata	\$7.674	ENT/MGM	-1.29
Freehold	\$2.659	PENN	-66.46
Tropicana	\$1.790	CZR	-50.90
Monmouth Park	\$1.584	CZR, RSI, PENN	-68.18
Hard Rock	\$1.055	Kindred, Hard Rock, Bet365	-20.90
Bally's	\$0.415	CZR, 888, WYNN	+151.54
Ocean	\$0.363	CZR, Tipico	-56.30
Caesars	\$0.151	CZR, WYNN	-83.06
Golden Nugget Resorts	-\$0.004	DKNG, CHDN, SGHC	-101.89
Harrah's	-\$0.483	Resorts	-285.34
Harrah's	-\$0.483	CZR	-574.72
Total Sports Betting	\$80.427	N/A	-29.93
Handle	\$1.102bn	N/A	-12.44



THE MOST PRESTIGIOUS AWARDS IN THE INDUSTRY

Lead Partner

BET CONSTRUCT

Sponsored by



Official Adjudicator

Powered by




GI
 FRIDAY

GUEST
INTERVIEW

DARREN SMALL,
 MANAGING DIRECTOR
 MANAGED TRADING
 SERVICES, SPORTRADAR

Small offers an insight into Sportradar's latest efficiencies and new innovations that are driving trading rooms forward

Are there any AI solutions that are driving efficiencies for operators? How have they evolved and how will they further change in the future?

When Sportradar started, we always found ourselves driving efficiencies across the industry no matter what we took on. Whether that was fixture production, odds management or odd production, we always tried to look at it from: how do we scale? How do we do that using technology? What's the most feasible way of doing that?

“One trend that is really picking up on the internet right now is around the idea of a community-based sportsbook”

When we looked at what to do from a risk perspective, we looked at the trading room and what we needed, and we realised we did not want to get to a team of high numbers and AI underpins this. Currently at Sportradar, we have 550 traders working on odds production and risk management across the globe, so it is a huge number.

But from the trading team, we always wanted to keep that number manageable and in only two or three locations to help us

with the 24-hour nature of our business. What we want to do is empower and give the team the ability to go from being the machine, to helping manage the machine and doing that job on a larger scale.

What are the benefits of an efficient trading room for a customer?

It comes into the solutions a supplier provides, what they do in the backend to understand their customers and shape their decision making. Risk management is a key part of a sportsbook, from the way that you decide what you are offering, all the way to how much you are selling and to what degree you are selling it to individuals.

A large part of what we are doing in the AI side of things is about profiling; risk profiling individuals and making sure we are getting a good understanding of that customer base from top to bottom. Our AI systems, particularly the profiling one, are doing that on a regular basis. We are running about 1.5 million accounts a day that are being re-profiled and rechecked based on transactions. That equates to about 12 million active accounts a month and that is growing every month.

How do you plan on driving more efficiencies in the future? Is there a specific area that you think can improve, or that there is a certain new tech advancement that you think could improve a certain area?

We have got a huge amount of data. But it is not about the data coming in; it is also about having good-quality stored data. We can now work with it very quickly, which means our teams are quicker to establish what sort of models we need to run to drive efficiencies.

What we produce is not just about risk management. We are also looking at how we can affect and improve the customer journey at the other end, where we identify good customers, rather than players that are potentially causing them problems financially or are latency abusing. They want to improve the journey of those good customers with bigger bets, without any friction and faster transactions.

One of the models we have developed is all around the latency approach to sports betting. When you go on to a betting website and place a bet during a live event, a live event would normally have a delay on how it is accepted. In general, the industry is about seven seconds delayed to

THE LATEST ISSUE OF **GAMBLING INSIDER**
 IS OUT NOW **CLICK HERE TO VIEW**





most bets. So, what we have done is we have looked at those accounts and the evaluations, and we identify quickly whether we should or shouldn't apply a seven or five-second delay to that transaction, because of the risk that particular transaction imposes on that sportsbook.

We can then go from saying: "Apply the time delay because it's a corner and it is high risk that there's potential for a goal," or "Don't apply the delay because the ball is in X or Y position on the pitch and there is zero risk to you as a bookmaker, accept that bet very quickly." Our systems are evaluating that in real time and reducing the time that it takes for a user to place a bet. We have gone from an average of seven seconds per transaction down to an average of under five seconds.

Are there any innovations you think work particularly well when it comes to engaging customers on an individual basis? Is there anything you develop that is unique for certain operators?

One trend that is really picking up on the internet right now is around the idea of a community-based sportsbook. A lot of user interfaces are now looking to try to bring in communication channels, talking to influencers and tipsters that are trading on their websites. We are seeing amazing traction with some of our operators that are using these tools. Sportradar offered a similar service for the first time at the 2022 FIFA World Cup.

If somebody starts copying it, then you know it is doing well, and we are seeing a lot of websites that are looking to try to

replicate this process, and that is a trend that I think is going to push forward. I think that community and exchanging opinions is what gambling is about.

"We looked at the trading room and what we needed, and we realised we did not want to get to a team of high numbers"

Is there anything new you're working on that is set to be introduced soon?

We are running a new development around how we customise odds to help with the efficiency of trading; we call this our "Alpha odds." This effectively looks at the liability, the near liability and the long-term liability, adjusting the pricing to help the bookmakers be more efficient with the transaction.

This will return more money than a sportsbook expects because loose trading is often the cause of poor profitability. With this approach, with Alpha and the customisation, the customer gets more efficient pricing, offers and profit.

They also get a completely customised price on their website, which reflects their play – not just an industry price.

We can run that across every bookmaker we are partnered with, so they can have a unique price for themselves.

