

PROVISION AND SUPPLY IN A DYNAMIC ENVIRONMENT

As the modern gaming consumer becomes more in tune with the technologies and platforms at his/her disposal, the challenge laid down for both operators and suppliers to provide engaging and relevant products becomes more apparent. **Paul Mears**, VP of Sportsbetting at GTECH G2 assess the landscape in the sportsbetting market.

It has been said that there is no such thing as a poor bookie. In 2011, perhaps not many bookmakers would agree with this statement; the market has become fierce and competitive. With the provision of many online betting and information sites, as well as a great deal of sport-specific information and price comparison sites, the consumer is a completely different animal. As customers become more informed and experienced, they are more sophisticated and demanding. Ease of access to multiple sites has eroded customer loyalty and they will no longer visit a single supplier through habit, but will actively seek out the best offering. Brand loyalty is still present, but if a bookmaker falls behind they will lose their customers, and find it hard (and expensive) to win them back.

This raises a challenge for both suppliers and operators as they have to look to provide more dynamic content that will satisfy the needs of the more sophisticated consumer. In order to compete to win customers, an operator has to provide

features and services that will attract them and stand out from the crowd.

Operators

Operators are forced to offer a complete range of products to hold on to customers (not only betting sites, but a full range of online gaming) and within sportsbetting specifically, these include a wide range of markets, especially in-running, a constantly fresh-looking site and access through multiple channels.

Customer loyalty programmes are also important in retaining those hard-won clients. Whether it is as simple as betting offers, free bets or more complex structured programmes, every reason for a customer to stay is a valuable tool.

Furthermore, as betting is increasingly an online activity, operators realise they are as much IT companies as betting operators. There is an increased willingness to manage their own technology. While some operators are still keen to engage a single supplier for all products, and

would look to a company such as GTECH G2 that can supply a complete, across the range solution, many are looking to source different components from different suppliers and manage the integrations themselves.

Suppliers

Providers are also looking for new and innovative ways to create an extended product through an increased choice of markets and in-play betting, allowing consumers to wager throughout an event. Trader automation is a key tool to manage this broad, rapidly changing betting offering, and this automation, combined with advanced risk management tools, allows the prices to be competitive whilst maintaining the operating margin.

The trading service offering by GTECH G2 into Polla Chilena and Bet Cafe in Romania has provided some good lessons into what a modern trading operation requires. The proven automation and trading tools used by this service are typical of those that can be of benefit to a wide range of

clients. Features such as a derivatives engine and the ability to trade a single market and then apply different margins to different customer regions,

instant gratification and entertainment. This will place more pressure on the in-play betting space and mobile apps need to be quick to get to the

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allow this service to provide a broad offering without increasing staffing overheads.

Working with operators to offer them a customisable solution to help them meet the needs of their players is of vital importance. By way of example, GTECH G2 has developed a unique content management system, WARP, specifically to meet the demanding needs of the sportsbetting market. It provides the ability to customise the look, feel and functionality of websites with multiple language options to appeal to all player segments. But more importantly, because it is based on a Web 2.0 framework, WARP allows operators to customise their site using a portfolio of real-time (or AJAX) web components that will display changing information without the requirement to refresh the page to update the content. These components can be modified or extended to achieve a web presence that clearly belongs to an operator.

Mobile

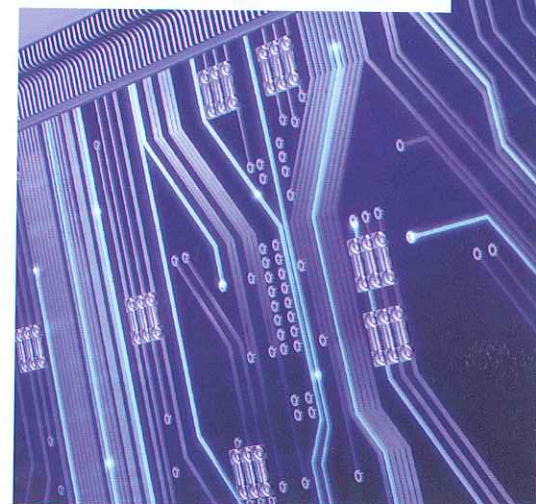
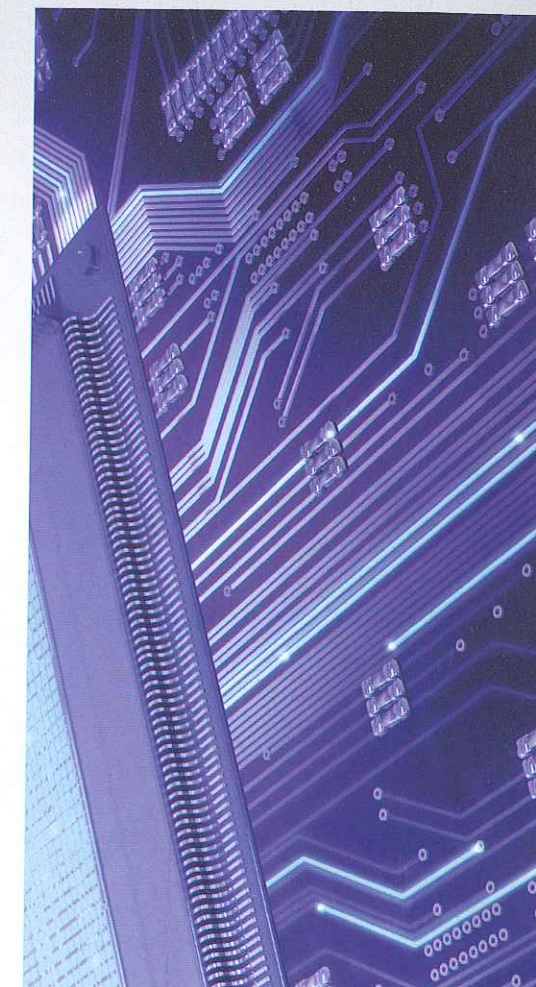
With the increased worldwide popularity of the Smartphone, consumers expect to be able to bet anytime and anywhere. There are over five billion mobile phones in the world and countries such as the UK and Italy have more mobiles than people – recent statistics show that there are 75.7 million mobile phones in the UK compared to a population of 61.6 million people. Mobile technology is no longer something that people are talking about it... it’s here. Mobile requires operators to have a solid and well designed core system with web-based APIs that allow for the smooth addition of a mobile channel. By its very nature, mobile betting is about the ‘here and now’; it’s about tapping into an impulse and satisfying the consumer’s need for

point. In turn, the back office systems needs to have excellent management tools to run such an offering without huge staffing costs both in terms of pricing and risk management.

While operators desire to move away from a single monolithic system and are actively reaching out to different suppliers and partners for components, in practice, this integration can be extremely difficult and suppliers have to design stems that work in this way. However, the

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result is often a nominal component architecture into which a single provider supplies several components (as integration is easier). As time goes by, more suppliers will become integration-friendly, and this advantage will disappear. In this way, the operator can ensure that they have best-of-breed in all areas, and keep the supplier on their toes. In the long-term, the result is that the component is selected because it is the best one, rather than the most convenient. GTECH G2 is working hard to ensure all our products will be the component of choice in all areas. It is about being able to provide the best content to satisfy the consumers in the most profitable way and suppliers have to work with operators to deliver this effectively. ■





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Casino ★ Sports Betting ★ Lottery**

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GTECH G2 is part of the Lottomatica group, the world's leading gaming and lottery operator and the only organisation to serve both the lottery and commercial gaming markets. We work with customers both large and small, we would also like to work with you.

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SPORTSBETTING 2011



GTECH Digital Gaming & Sports Betting

GTECH G2 MARGINMAKER™

Programming language

MarginMaker™ is a multi-tiered system, combining a range of best-of-breed technologies and employing the best practices of mission critical transaction and risk management systems design.

It is an Oracle-centric enterprise application. The middleware uses a proprietary messaging system (NPI) which is C++. Transactional middleware also features proprietary communication protocols (C++) for data exchange over WAN distributed transactional systems. Either .NET or Java are used for transaction servers - depending on the target deployment.

The front ends are written in a combination of VB, .NET, HTML, and Java, with C/C++, C# and Java for the middleware. There is extensive use of XML and Ajax for the website.

Robustness

Our sportsbetting solutions have given our clients a scalable system that has proven consistent high performance and reliability, whether it be driving over 2,000 retail betting terminals online from a single host in Chile or processing impressively high volume transactions as seen at the Grand National, where our retail systems in the UK successfully handled over five million individual sportsbetting wagers on this single event.

Hardware requirements

GTECH G2's sports solution is built using commodity hardware for all of its components. It is comprised of a variety of different modules. Since each client has a different business profile, the size of each module depends on the overall scope of the business environment or portion of the business model in which the sportsbetting system will be used and, therefore, is dimensioned accordingly.

There is a variety of configurations for each module, from start-up to medium and large sized bookmaker facilities. The differences between the various options are given in terms of: resiliency, robustness, maximum processing power and speed, and scalability.

API

MarginMaker™ features a number of open APIs for external access. These support wallet and betting transactions, content provision and other interactions. These generally use .NET, SOAP or XML/HTTP access mechanisms.

Risk management

MarginMaker™ features a dedicated Risk Manager application as well as several others for during an event and historical in depth analysis. As bets are placed the relevant data is automatically reflected in real-time for each market showing the bets, stakes and liabilities. The system features automatic and manual risk control via limits that can be set at the selection level, but inherited in a hierarchy at the sport level. This allows full, fine grained control of markets, with minimal overhead for unexceptional markets.

This tighter control over pricing and liability management results in higher profit margins.

Event creation

Margin Maker™ supports two different modules for event creation: Event Builder and E-Venue.

Event Builder is an event creation tool with MarginMaker™ and is based on a flexible framework and template approach which allows for very specific customisation and tailoring for a client's particular markets. This provides a solution optimised for control without overheads or manual repetitive actions.

E-Venue is a data feed consolidation and management tool. It accepts data feeds from major industry suppliers (and manual entry) and supports an open API for swift addition of new feeds and third-party development.

E-Venue also supports our Plug-in based Derivatives engine, allowing cost-effective management of multiple in-running or future markets while protecting valuable pricing algorithms.

CRM

Our customer services module features integration with telephone systems, ticketing applications, the ability to integrate with external call-centres as well as all the functionality required for operational customer relationship management (including running promotions). For analytical CRM, we provide raw data structured in data marts which are ready to be loaded into analytical eCRM products driven by the preferences and skills of our clients' marketing departments.

Affiliate support

GTECH G2's sportsbetting products support

affiliates, and many of our existing clients are running affiliate and white-label programmes. We have integration points to all the established affiliate management products in the market place.

GTECH G2 has partnered with Income Access, who are regarded as the leading provider of affiliate marketing software and affiliate marketing metrics for the online gaming community.

'Connectability' to other software

We offer a full suite of other gaming software, including bingo, poker, casino and games, as well as integration to GTECH lottery systems.

All the G2 products are fully integrated through presentation and wallet, but we also offer open integration to the many diverse third-party products, such as wallets, payment processors, and marketing and analysis tools and third-party channel deliveries.

Live betting module

MarginMaker™ provides a number of live betting features such as views, administration and trader tools. In addition, GTECH G2 has integrated with many third-party in-play products aligned to our clients' diverse requirements.

Real-time updated dashboards

MarginMaker™ has dedicated real-time trading and alert tools allowing alerts sent directly to the Risk Management application or to an Alert Scroller. Alerts cover both trading and auditing functions including maximum book loss, price updates, and maximum takeout rulebook.

Second line technical support

Our client-focused support culture with its demonstrable track record of top-quality experienced second line technical support services are provided to many different countries and cultures across multiple locations and time zones.

Bonus management modules in the back office

MarginMaker™ provides fully configurable cross-product bonus management and special-offers modules, enabling our clients to promote new sales channels or business units, new products and matching special offers that their competition offers. ■