

# FROM LAND-BASED TO ONLINE

Three major hurdles stand in the way of land-based betting operators successfully transitioning online, according to **Itai Zak** of SBTech, who provides some valuable advice to those considering the move.

**Not so long ago**, the betting shop reigned supreme. But times have changed, technology has come a long way and the world of sports betting has expanded into more media, namely online and mobile. As a result, betting on sports can now be done from anywhere and at any time by anyone. But what about the betting shop? Is it destined to fade into obscurity like a leader overthrown? Land-based operators find themselves at a very important crossroads as the focus shifts to online, with success or failure dependent on choosing the right partner to help them make the transition.

Many land-based operators have found revenues dwindling since online sports betting started to increase in popularity, and they see a world of new possibilities to build their brand and boost their revenues online. With sports betting usually the first gaming product to be regulated, the natural next step is for land-based operators to extend their licence into online. But three major issues stand in the way of the betting shop's progression to online: technology, regulation and cost. Here's how a forward-thinking land-based operator can quickly and easily overcome these three hurdles and start getting their share of the online pie.

Technology presents betting shops with their first hurdle. Many operators run outdated legacy systems that leave them lagging far behind the latest technology. These outdated systems must be replaced by a fully comprehensive solution specific to land-based operators, ideally featuring cutting edge touch screen technology, user-friendly terminals and thousands of monthly in-play betting opportunities for players, and a central system for full control at shop level.

The system should be capable of smart risk management due to the anonymous nature of walk-in punters, and offer the ability to build levels of management hierarchy for greater transparency and control. Betting shops are then able to offer their customers the latest top-notch sports betting experience, with hundreds of bet types covering all the popular global sports, both pre-match and live, allowing them to compete with their online counterparts. It then becomes easier to add new markets and bet types as they develop, providing customers with the very best and most exciting sports betting experience available. Upgrading to a more suitable land-based system should serve as preparation for the move to online and mobile as the betting shop's new sportsbook will ideally be exactly the same as that offered by the online and mobile solutions. In a best case scenario, operators will control all sports betting and casino gaming operations across land-based, online and mobile from a single console, with players needing only a single sign-in account to bet via all three channels and cash out from wherever they choose, increasing brand loyalty.

Another hurdle facing betting shops as they consider the move to online are regulatory requirements. Navigating each jurisdiction's rules and regulations regarding online betting and gaming can be a real minefield, so it's important to approach the issue with a partner who is fully experienced in how to handle the various jurisdictions and their differing regulations. Approaching this task with an experienced partner ensures a successful transition to online.

The final major issue determining the viability of a move to online for land-based

operators is cost. Many operators find themselves struggling with the extra costs associated with trading, risk management and odds feed services, which can add up. The ideal solution would be tailored to suit the needs and capabilities of the client, so they can focus on their strengths and allow their client's dedicated and professional staff to take care of the rest. Costs for additional trading, risk management and odds feed services are thus taken out of the equation, allowing land-based operators to focus on building brand and developing their business. The extra revenue generated by moving online, adding casino content and integrating a mobile betting platform, all controlled by a single system, will be worth it.

Land-based operators wishing to make a successful and profitable move to online must choose a partner who can provide technological and regulatory support in a cost-effective way. The best way forward is a turnkey all-encompassing solution, which would open the door to a more efficient and attractive land-based offering, a fully accessible online sports betting platform and even a hugely popular online casino, all controlled from a single console that's tailored to suit the needs and capabilities of the client, and designed with cost-effectiveness in mind.



**Itai Zak** is the CEO of SBTech, a leading online betting and gaming technology and service provider. Itai joined SBTech in 2011, bringing more than 15 years of experience in various senior positions in the online gaming industry, and is in charge of driving the company's strategy and vision through the operational and commercial management of more than 300 employees across the SBTech group. Itai previously served as Executive Vice President of e-gaming products for Microgaming.