

SPORTS BETTING IN EASTERN EUROPE: EXCLUSIVE INTERVIEW WITH TOM LIGHT VICE PRESIDENT OF BUSINESS DEVELOPMENT AT SBTECH

Tom John Light was born and presently resides in Tel Aviv, Israel. He has lived and traveled worldwide and is highly knowledgeable and experienced working in various global regions. Tom has been working in the gaming industry for many years with a focus on casino operations and sports betting. He is renowned for his role as Vice President of Business Development at FashionTV. Additionally Tom has successfully served as CEO for several online gaming companies such as 7Red Casino and 1King Casino. He is recognized for his high involvement with the creation of the Online How-To Guide 'eHow' and has been featured/published in various interviews and articles.

Eastern European markets are growing at an incredible rate and I don't think that anyone can argue about the fact that sports betting is the biggest niche when it comes to online gambling in Eastern Europe. Do you feel that this is accurate?

In most cases yes, we see that in countries such as Bulgaria, Czech Republic, Hungary, Lithuania & Poland, sports betting is accountable for 75%-90% of the Gaming GGR, which includes Sports, Casino, Poker & Bingo. For markets like Latvia, Romania & Slovakia Sports is still a major sector within the gaming industry being accountable for 30%-50% of the GGR.

In play in particular has been a growth denominator in the past years for online sports-betting, allowing the punter roll-over his funds several time during one match. Beyond the turnover it is important to mention that the margin is much higher when it comes to sports betting, as well as the image of sports betting, which says that if you are good and knowledgeable you can make money. We should even see a bigger increase during the Euros coming this June, as many non-punters would start betting on their favorite reprehensive teams.

Can you maybe give examples of countries where this isn't happening and casino or other gambling products might surpass the sports betting audience? You can even mention markets that aren't yet legalized in terms of licensing.

Romania is an example for a country that up to last year had 10% more turnover on casinos then on sports betting, I think this is related to regulations and since the new regulations came in to place I'm sure that during 2016 sports betting GGR will surpass casino. To put in perspective, globally, the sports betting GGR is bigger than the all the other gaming sectors...Combined!

There has been a lot of innovation when it comes to sports betting products, and with one of the major European soccer event coming up this June, are you guys busy in the lab trying to bring new technology that will make online sports betting easier or even more attractive?

These days we are simply talking about personalization, which in core is the

knowledge the operator has for each of his punters, the more knowledge the more personalized. Data can be gathered via the most common logs of all betting activities, behavior on the website, but even polls and 'Mark as favorite' buttons. Mapping this business intelligence is not a simple task, but the operators who are able to do so will have amazing insights on their clients.

Once data is collected and offer must be created via various algorithm and rules, based on many variables such as favorite teams/leagues, past winnings, past losings, trigger-happy cashout, etc... in order to create various offers for example:

"Manchester United did the job for you last time, can they do it again?" (While adding a betting button).

These offers are much more effective and are much more converting then just showing a generic offer to all customers or even to customer segments.

Another way to create offers, is using cross-player data, same as amazon does, with: "Customer who bought these products, also liked XYZ ...". The likes of Bettorlogic offers this type of service which is taking the betting behavior of punters who made similar bets and are informing the customer which bets he might like. Since this is a more social way of bet recommendation, this might be more appealing to the punter which might not driven from the 'house' recommendations, as much as the activities of other partners.

The last part is to serve this offer in a proper matter, which can be targeted ads, SMS marketing, push notifications, widgets / pop-up on the site, or even gentle highlights of bet markets across the page.

Most of the Eastern European countries have qualified for the EURO 2016, this means that you don't have to a betting fanatic to bet on your country during such events. Everyone will do it for at least the period on which the tournament is being played. What does this mean for online sports betting operators and especially software providers?

Back in the day, it was very clear, if you are an Italian operator, and there is a game 'Italy VS Portugal', you are as much gambling as all the punters on your sports book – the risk was one sided, and the results were sometimes amazing

but other times destructive.

In today's world, this scenario cannot happen, the punters are betting 85% of the times on in-play live betting where the bet markets are very liquid, such as fast markets – what will happen in the next one minute, corners, 1x2 rest of the match, etc... all these markets spread the risk around various bet selection making the operator the desired margin instead of a roller coaster.

Looking further into the future. What are in your opinion the top markets that are going to open up for online gambling in Eastern/Central Europe?

I would look at Netherlands, Czech Republic, Portugal, and the evolving of the Romanian market.

Netherlands being a market proven in the .com market with high PV. Czech Republic which is the Eastern European diamond, which is now dominated by TipSport, iFortuna, Sazka, Synot and StarTyp will open up by Jan. 2017 for additional licenses by international companies.

Portugal, with mass-market attraction for sportsbetting, various .com case studies such as BWIN and Betsson(Dhoze).



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