

Featuring: SBTech

Driving innovation to stay ahead

SBTech chief executive Itai Zak outlines the evolution of in-play betting and explains why SBTech is a market leader in this space

eGaming Review (eGR): How has the in-play feature developed in the past year? What future changes do you expect to see?

Itai Zak (IZ): I believe that in-play is growing and growing and is the biggest growth area recently and I'm sure it will continue to grow in the future. It has been evolving from the most common sports like soccer, tennis and basketball to much more minority sports like darts, snooker, volleyball, ice hockey and more. And this is one of the major points we are seeing. Our customers are generating high value from punters worldwide that tend to not only bet on the main sports but on the other sports.

Product and content enhancements such as visualisation centre, cash out and fast markets represent the evolution of in-play betting, these elements attract more new customers and have existing ones grow their turnover

eGR: How has SBTech adapted its own in-play product to reflect the growth in mobile betting?

IZ: A few months ago we launched our latest innovation in mobile, SBTech Touch, for which we developed applications for smartphones, betting terminals and tablet devices. For in-play it is more customer-friendly, easy to use, more responsive and gives the players what they want.

It also has localisation elements so say if you are from Italy you will see Italian matches and you will also see live streaming of games and a powerful visualisation centre. We also have one click bet – with our one view presentation, one click is enough, you don't have to look for your bet – this is a very unique experience.

The explosion of smartphones and tablets is

another major factor and has created new player segments. In-play has made online betting more widely acceptable and accessible to regular sports fans who find the whole experience friendlier and easier. SBTech offers all events and all markets on all devices, and betting on mobile and tablet is as easy as by web.

SBTech Touch was designed to provide players with the optimised usability and experience.

With our mobile and tablet solutions punters are able to bet anywhere and anytime.

eGR: Does that mean your product is tailored for each individual client?

IZ: We don't believe in one product fits all so different operators in different territories have different products. We generate our algorithms and bet types for what Asian players want to see and that may be completely different from Italians players or Mexicans and Argentinians. So there shouldn't be a one-size-fits-all product in sports betting – you have to have a flexible and highly customised product to serve the different requirements of different products.

A few months ago we launched our latest innovation in mobile, SBTech Touch, for which we developed applications for smartphones, betting terminals and tablet devices. For in-play it is more customer-friendly, easy to use, more responsive and gives the players what they want

◆ **Itai Zak | SBTech**

eGR: Is the focus on adding new betting markets or do you review current bet types?

IZ: It's both. Of course it is important to offer the customer what he wants and it's our job to offer him



Itai Zak

◆ CEO
◆ SBTech

Itai Zak is the CEO of SBTech, a leading online betting and gaming technology and service provider. Zak 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 in SBTech group.

I believe the focus will continue to be giving the player much more variety, much more choice, much more entertainment

◆ Itai Zak | SBTech

his preference as quickly as possible without making him look too much for it. But as a software provider it is hard to focus on one single market. If you are a UK-focused operator you can look at the UK and that's it. But when you are a software provider in Western Europe, Eastern Europe, Latin America, Asia – it's different from country to country.

Football, tennis and basketball are leading the growth, especially since operators are offering in-play betting on more events which makes in-play betting within these sports available almost around the clock.

The in-play betting turnover is also increasing over the additional sports that were not as popular in pre-match betting and are getting big turnover for in-play betting such as handball, ice hockey, volleyball, table tennis and more. The reason behind the increasing popularity of these sports within in-play betting is their fast moving nature which attracts betting on any fast settled bet markets.

eGR: How does SBTech stand apart from the competition?

IZ: We are staying ahead of the competition in different areas. The first one for example is by far our in-play product – between all the sportsbook providers today, our in-play product not only offers the largest amount of in-play matches at more than 20,000 per month, it also features the largest variety of markets to bet on and this is one area where we are striving and working hard to stay ahead of the competition.

We have a very large team of mathematicians developing algorithms and statisticians that are developing, improving and creating more and more bet types. Another area we are making sure we are staying ahead of the competition is mobile, one product does not fit all and we believe we must offer best product for every channel and device – tablet, desktop, mobile.

Another area is the profit margin. We have more than 15 years of experience in trading and we are generating higher profit margin to our customers than the competition. When we look at competitive markets

like the Nordic markets, the Scandinavian market, the Italian market – our profit margin is higher than the competition and this is down to our very innovative products, our trading tools, the way we handle our risk – all these things produce higher margins.

eGR: How has the volume of in-play trades changed?

IZ: Today more than 50% of the total turnover and GGR from our customers is coming from mobile and more than 60% of active players are placing bets on mobile. For SBTech during 2014 the GGR for our customers on mobile was 6x compared to previous years and during the first half of this year the GGR volume more than doubled when compared to H1 last year. So mobile is growing and growing significantly and the turnover of in-play on mobile is around 80%.

eGR: Does SBTech offer cash out?

IZ: Cashout, in all its variations, is important mainly due to the fact that it simply increases turnover as it multiplies the amount of time the same funds are being 'rolled'. Besides increasing the turnover, the cashout acts as a stop loss for potential losing bets as well as a possibility allowing the punter to cash his winnings in order to cut risk, which makes the punter feel comfortable in making more bets due to the option to change a betting strategy depending on the developments within the event. We are in the process of rolling out cash-out to our customers and this is another example of innovation to generate more and more turnover

eGR: How do you see product innovation in in-play? Will the likes of insurance and switch bet catch on?

IZ: I don't see it picking up that much in the next 12 months. I believe the focus will continue to be giving the player much more variety, much more choice, much more entertainment. The focus will be on user experience, differentiating from the competition, knowing the player better and knowing what to give each player. With additional features like live streaming, our visualisation centre, cash out, the focus will be to create the best user experience and best in-play product. ◆