

Chris Worgan ✕ SALES AND MARKETING DIRECTOR ✕ ARDENTA

On your marks, get set, go

Chris Worgan of Ardentia talks to *eGaming Review* about what gaming operators need to do to expand their customer offering and stay ahead of the game



IN AN INCREASINGLY crowded market within which customer loyalty continues to be challenging, staying one step ahead of the competition has never been more important. At Ardentia we have seven years' experience in the egaming industry, and work with many of the UK and Ireland's largest sportsbook operators. This puts us in the fortunate position of being able to spend a lot of time talking to CTOs, CIOs and senior board members of the major online gaming operators, and we are constantly working with them to understand their prime business goals and related IT requirements.

An aggregate of all their answers combined shows there are five key issues that operators are looking to address in today's egaming

industry: enhancing the product offering, extending in-play betting, investing in mobile platforms, focusing on customer relationship management and moving into new territories.

In this article we shall examine the new trends, methods, risks and benefits involved in each of these strategies, which if implemented correctly, will be the primary drivers for continued growth.

Enhancing the product offering

As the customer pool has matured, the online betting public has become increasingly discerning. Whereas football fans for example would have once been happy to bet only on the final score, they are now looking to wager on more detailed factors such as the number of yellow cards, corner kicks or throw-ins.

Many operators are finding that in order to keep their customers interested and entertained, they must, and indeed want to, offer a wide range of new markets.

To do so will involve additional costs, and it is important to plan for these strategically. Our extensive experience has led us to follow a system which allows clients to pay for their IT systems using operational, rather than capital, expenditure. This avoids a large initial outlay when embarking upon a new product, and like a 0% financing deal (but without the credit agreement factor), allows operators to spread costs.

Extending the number of bets available will place significant additional strain on IT infrastructures, however, and given that for customers your competitors' alternative options are just a click away, any mistake is costly. To retain competitive edge, IT systems must be, above all, cost-effective, robust and trusted.

At Ardentia we understand the strategic

importance of infrastructure reliability. We know that offering 1,000 new bets is a redundant strategy if customers quickly become frustrated with a slow or non-performant system. This is why it is vital to partner with recommended and reliable companies, who can provide the resilience and support necessary to supply more complex betting systems. A recent example of this has become the importance of offering high-quality, robust in-play betting.

In-play betting and new mobile platforms

Following closely on the tails of the huge success of Bet365, operators have rushed to, and continue to strive towards, providing enhanced, and lucrative, in-play betting opportunities.

This trend has only been accelerated by the increasing availability of mobile platforms and tablet devices, which has led not only to a rapid surge in in-play betting, but has attracted a whole new set of customers.

In fact, the use of mobile gaming apps at the Cheltenham Festival increased fourfold year-on-year according to industry force Mfuse. The growth, according to Mfuse, was driven by major brands including Ladbrokes and William Hill seeking to expand their use of the technology.

As more and more operators expand into this area, reliability becomes all the more vital. In our experience, a robust infrastructure and 24/7 support service are necessary to ensure that firstly IT problems are less likely to crop up, but when they inevitably do in an imperfect world, they are less impactful and more elegantly recovered.

Given the issues of holidays, sickness and shift-patterns at least three staff members are necessary to cover a 24/7 support service, and for many companies to do so in-house may simply not be cost-efficient. Due to economies of scale and depending on the

size of each operator, here at Ardentia we can offer, on average, a 30-40% cost saving in this area, while providing clients with a top-quality infrastructure and 24/7 support from industry specialists.

Furthermore, it is by providing a diverse, robust and reliable service, that operators can move one step closer to the Holy Grail of the online gaming industry: retaining profitable customers.

Customer relationship management

The days of mass customer acquisition are largely over, today's market is all about customer retention and making sure that your offering is better and more profitable than your competition's. As the market matures, operators need to work harder, and be smarter about how they interact with their customers.

We have been working with operators to enhance customer relationship management, make strategic use of market segmentation, and also implement exciting new technologies, which can provide predictive behaviour analysis.

In this field we have created a solution, which collects data on how a customer has behaved historically and subsequently makes predictions on their future choices. It can burrow down into detail such as the types of bets customers make and at what time, and use this information to create personalised marketing contact via email, SMS, or banner ads, depending on each individual's betting (or potential) tendencies.

The key to the success of this method is that it ensures customer engagement, making customers feel they're being treated as individuals. Like all our technological solutions, this system has been designed to be transferable across territories, as it collects a range of personal, specific data, which allows for a wide range of customers to be targeted.

New territories

De-regulation is the word on everyone's lips this year, and as European states and also the substantial US market look set to de-regulate, operators are waiting with bated breath for the opportunity to move into new markets.

However, moving to new markets must be executed with caution. Going through the process of pricing the IT infrastructure necessary for the move, phoning around suppliers, costing hardware, working out system sizes in advance, estimating future



transactional throughout, can be a painstakingly slow and costly process.

Yet speed of execution in this field is essential to ensuring business advantage. The quicker you're trading, the quicker you're making money, the quicker you see a return on your investment.

Ardentia's solution to this challenge has been to create Casino-in-a-Box, a one-stop shop solution in which we have calculated all the costs and system requirements upfront, and take care of all logistics. We have a system which calculates the requirements of companies of any size and scope, and after building the system in house, we make sure it works, physically move it to the new location – wherever that may be – and provide subsequent IT support, all for a fixed fee.

IT won't be your sole concern however, and one of our key differentiators is our ability to take a holistic view of the issues affecting operators. Our experience means we are well-versed in some of the vagaries of offshore, tax and VAT implications. Transacting with offshore companies is not as straightforward as people might think; the correct financial systems, which can deal with the idiosyncrasies of offshore companies, need to be in place.

WHAT OUR CUSTOMERS SAY ABOUT US:

"PKR chose Ardentia to implement and manage our OpenBet fixed-odds-games platform. Their "Casino-in-a-Box" approach means that we have been able to rely on their expertise for pretty much the entire operation; they have provided a high-performance, flexible and cost-effective platform and we have found them to be a very capable partner whom we confidently trust to run this important area of our business."

Jeremy Longley, Chief Technology Officer, PKR

Expanding into new markets can be a gamble, but as long as you partner with service providers who have the experience and know-how to understand your business, and can be relied upon to deliver results, it will pay off.

Staying ahead of the game

Those with the foresight and flexibility to bolster and expand their offering, and make it available to new customers in different territories and on different platforms, are set to speed ahead of the pack in the coming year. Failing to move quickly and with an infrastructure sufficiently robust to support change will mean being left behind however. As competition heats up in the race to ensure customer retention, only those who are on their marks when it comes to the latest expansion trends, and well set in terms of infrastructure, are ready to go. ❖