

# iGaming TIMES

Incorporating Betting Business

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Five states now have sportsbooks up and running, but not one of them requires operators give sports leagues a piece of the action.

Subsequently leagues efforts to secure terms

## Numbers game

# Leagues turn from integrity fees to data

Instead, and "just like most other companies", Leonsis said he would be "looking at how data can become a line of business for us, as well as a better way to inform how we play the game, how we train the players, how we do competitive matchups and the



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partnership with MGM proves this point."

"We've had numerous discussions with interested parties to discuss the best ways to develop these commercial partnerships and we suspect many others are doing the same."

Only New York's bill, which is still being considered, provides for a more viable 0.25 percent of wagers – and leagues will have until some time next year to keep lobbying

struggle for integrity protections is shifting from fees to data sharing - and from lobbying lawmakers to striking commercial agreements with gaming.

be sliding off states' agendas.

Going somewhat against the grain (and after announcing in June they would not) NCAA colleges are now saying they would like integrity fees. The money would be used to pay for "compliance staff" and educating players on how match-fixing works; to make sure universities "don't become another Boston College or a Northwestern," said one college

absurd." While, Dr Laila Mintas, VP at Sportradar, points out that the best way to prevent fixing is to "just pay the athletes" (see page 4) like everyone else.

Beyond the NCAA the integrity approach is shifting, and away from a focus on funding. Owner of the NBA's Washington Wizards and the NHL's Washington Capital, Ted Leonsis, jibed that "If the leagues had a second chance, they would have relabeled their





LOTTERIES EMIRAT AG

**A**s a global provider of financial security for lotteries across the world, what steps are you implementing to protect operators and customers at this time?

RCM: We are probably the most serious and reliable provider of Jackpot security/insurance. Last year we covered more than €300bn in Jackpots risks and more than 10 years experience without any complaints, we are trustworthy experts in the lottery industry.

We make it simple for our operators. Firstly, our contracts are straight forward and we have no small print and secondly, our security is watertight and we ensure our people are the best experts in the market.

With regards to customer data, how operators protect this is a key asset to becoming successful. Our business is just security of financial risks and we strive to making working with us easy, safe and fair. It makes no sense to offer the cheapest premium in the market and make problems if it comes to a winner - or even find something in the small prints to hold the payout back. This will kill the operator, brings state official and regulators on the plan and makes problem to the whole industry worldwide.

**IGT: How do you keep what is an analogue form of gaming entertainment relevant in a digital world?**

RCM: In terms of lotteries a lot of companies have really good websites and to play the lottery these have to be easy and fast. To go to a kiosk to fill out a ticket is not convenient - to play fast on your mobile device is much easier so don't make it too complicated for the customer!

The key is confidence and trust in a product. An analogue draw makes state lotteries trustworthy, whereas the perceived ability to cheat the customer or make it difficult to collect winnings creates problems for the digital industry. There are always black sheep on the field when it comes to earning money and becoming greedy and this has held the digital side of lotteries back, however, as we stated there's a lot of potential with mobile and online. Fairness, a well created website with easy to play and big winnings/jackpots are the key to running a successful digital platform for lotteries with loyal customers. Oh, and a certified RNG provider is pretty important too.

**IGT: With so many lotteries out there, do you feel the market is oversaturated or is the customer demand growing alongside the industry?**

RCM: No. There is still a big potential to come up with additional lotteries. Lottery customers may wish to play a new game each day and mobile/online can provide this. In our eyes there is still a great potential for lotteries globally and we would love to do more in Eastern Europe, Africa, Australia and the Middle East. Asia is also a big market. Our customers/operators come from all parts of the world so in

addition to Israel it is the European Islands like Malta, Gibraltar, Isle of Man, etc. which provide licenses for operators and EMIRAT AG provides the jackpot security. However we also help states and state lotteries to create new games or even start a lottery for this growing customer demand both online and analogue.

**ICR: Emirat AG also develops new lottery games, what's the key to making a new product stand out?**

RCM: Lottery games have a vastly different approach to sports betting or casino games as they are not based on the excitement of gambling or the adrenalin rush of placing a bet. Lotteries do not rely on addicted players who spend all their money within a few hours - they rely on satisfied customers who just love the chance once or twice a week or once a day. The games are created for people who are taking the chance to make a big life-time-changing winning and therefore a lottery needs to have big jackpots to be outstanding.

The big brands are the state lotteries as it's difficult to create your own lottery, so most of the online or alternative lotteries function by placing a bet on these big, trustworthy and well established brands. That's where Emirat AG comes in as online or alternative lotteries need companies like us to cover/insure the big jackpots, because they can't sell as many tickets to cover or build the jackpots as the state brands do.

**IGT: In addition to new technology,**

**where do you see the opportunities for operators to better target young players?**

RCM: Sorry, but lotteries are not created for young players. Yes you can target it with a cool looking website but the target group will be over 40. Only when it comes to Mega Jackpots with hundreds of millions to win or even over a billion, will young players join a lottery website - but even then, they just won't last.

From our perspective as the world's leading risk management specialist in covering lottery jackpots, it's better to spend money on the real target group of the over 40s. With technology, 60-year-old players aren't too affected by the web today and most will still buy tickets at a booth, but 30-year-old prospective customers are getting closer to that target group and so the internet and beyond hold a great deal more potential going forward. At this time the greatest opportunity is to create data about your future target group in preparation that they will start playing sooner or later.

And again, as always with lotteries, big Jackpots are key.

# Breathing new life into lotteries

As the industry focuses on the impact of European regulatory updates following a series of hefty fines in 2018, **Ralph Clemens Martin**, CEO of Emirat AG, which is recognised as the leading specialist for removing financial risk for jackpot winners, describes the importance of confidence and trust in operators, how the sector doesn't rely on addiction and why lotteries just aren't a young people's game.

**EMIRAT** is the world's leading  
risk management specialist  
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## RISK CAN BE CALCULATED

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