

## 10 TRENDS: Play On

By Kit Szybala Sun, Nov 25, 2018

In-game wagering is in its early stages in the U.S., and will grow to dominate



With the recent repeal of the Professional and Amateur Sports Protection Act in the United States, sports betting has become one of the most talked-about topics in the industry. In the coming year, as states and U.S. territories examine how to address PASPA's repeal, operators will be faced with a significant challenge: creating a suite of products that can effectively compete with the illegal market in a variety of regulatory environments.

To accomplish this task, operators will attempt to do several things, including but not limited to securing access to data, developing in-play/in-game wagering products, and identifying other unique products that can help them enhance fan engagement and viewership, and subsequently help them satisfy all stakeholders.

A handful of sports betting operators have already begun to establish partnerships with professional sports leagues and data providers. These moves were made to ensure that operators have the best possible access to data feeds as well as advertising and sponsorship opportunities. Sports betting data feeds are a critical piece of the puzzle, as they allow bookmakers to enhance the accuracy of the odds they set and expand the amount and type of products they can offer. These feeds must come from trusted sources that can deliver information in an immediate manner. In 2018, MGM entered into agreements with the National Hockey League, National Basketball Association and Women's National Basketball Association to gain access to each league's proprietary data. These strategic moves are expected to continue to ramp up as more markets come on line in the next year.

By obtaining access to these data feeds, the legal sports wagering industry will be able to enhance its products by offering sophisticated in-game/in-play wagering products. In-game wagering is offered in countries throughout Europe, and represents a sizeable portion of total wagering in those markets. Despite this fact, most operators in the United States have failed to provide an in-game wagering product that is as functional and/or as sophisticated as those products offered in mature international markets.

Today, most illegal bookmakers in the United States are unable to offer in-game/in-play products that offer an enticing experience to customers. By offering these products, legal operators will be able to lure patrons away from illegal wagering outlets.

As operators continue to fine-tune their product offerings and secure access to data feeds, more refined ingame/in-play wagering products are expected to enter markets in 2019. In-game and in-play will be critical to not only attract serious sports bettors but also casual fans who want to participate, and feel like they can compete and have a chance to win.

To demonstrate the value of sports betting to sports leagues, teams and other stakeholders, legal operators will find ways to demonstrate the positive impact sports betting can have on viewership and fan engagement. Effective in-game products will not only help drive additional fan engagement and viewership, but increase the value and role that media plays in sports.

This will be accomplished by continuing to innovate products that offer unique game-play options that differentiate the legal market from the illegal market. Additionally, operators may look to partner with and/or acquire established companies that have developed products that would bring value to their offerings. These include social apps as well as wagering apps that are able to engage more fans.

Kit Szybala is director of research and analysis at Global Market Advisors. He can be reached at <u>kszybala@globalmarketadvisors.com</u>. A white paper presenting a more detailed examination of India, the Indian gaming market, and its potential can be found at globalmarketadvisors.com. <u>View all articles by Kit</u> <u>Szybala</u>