



by Max Meltzer

## Improving the Whole Casino's Bottom Line

The year 2019 was a landmark one for the betting and gaming industry as the first full calendar year following the repeal of PASPA, a regulatory development which has opened up unprecedented opportunities in sports betting for all manner of organizations. The nascent U.S. landscape is beginning to take on a defined shape, with multiple states regulating and plenty of promising signs from legislators in those yet to get their journey underway. However, while regulation has been efficiently rolled out in a number of states, there have of course been frustrations and examples of it being done less effectively in states including Oregon.

The tribal community holds the cards to how sports wagering can expand through lobbying efforts and compact negotiations, and as sensible regulation allows the right insight from trusted partners can drive significant revenue enhancements across not just sports betting but the entire casino. It heralds opportunities which many tribes are seizing. Tribal groups including Seneca Gaming Corporation have launched sports betting at their properties, while others including Mohegan Gaming and Entertainment have signed agreements and lined up sports betting launches in anticipation of the passage of regulation.

Selecting the right route to market for the business is naturally a crucial aspect tribes must manage. In general, two routes are open, the first being a partnership with a B2C brand, handing over day to day management of the sportsbook to an operator and providing that company with access to the casino's user database and the brand building opportunities that come with the task.

For those tribes that believe in the strength of their brand and want ownership of the sports betting value chain, partnering with a B2B provider capable of providing all-important regulatory certainty and capacity for front-end differentiation can be the first step on the road to sports betting success.

A partner with an unblemished compliance record is essential, coupled with a proven track record for delivering the technological flexibility needed to comply with local regulations swiftly.

What the B2B providers in this scenario must prioritize is ensuring that the process is as consultative as possible, building on the individual requirements of each tribal partner and learning what's needed through ongoing dialogue and genuine partnership. No aspect of a tribal casino's offering is a bolt-on, and for those with trust and confidence in their own brand, sports betting need not be either.

With this in mind, it is important to emphasize that

neither option for launching sports betting is right or wrong. No tribe is the same, and the only certainty is that the most important aspect will be planning strategically for sports wagering and considering partners who are both experienced at working with tribes and operate with the highest levels of integrity.

Indian Country holds the key to the future of sports wagering across the country and has the opportunity to create a world class experience, not only the best experience in their county or state. The right partner can ensure you have the ideal set-up, deliver a strong margin from sportsbook and create sports betting experiences the tribe will be famous for years to come.

### Building Property-Wide Gains

When it comes to traditionally land-based casino operators, the potential for on-property sports betting to significantly enhance the entire casino ecosystem cannot be overstated. An engaging sportsbook, with a targeted, bespoke blend of over the counter and kiosk services can help to draw in a younger clientele and future-proof growth by promoting higher levels of engagement not just in sports betting, but across gaming and hospitality as well by bringing more customers through the doors of the property through broadening its range of products and services.

This is especially the case when rolling out sports betting with an accomplished B2B supplier, as opposed to handing over their database and responsibility for the day to day running of the sportsbook to a third party.

Taking control of the sportsbook with a B2B partner empowers the casino with a full 360 degree view of casino and sportsbook customers – enabling them to see how they intersect and how to most efficiently drive cross-sell between the two verticals, leading to gains in both customer engagement and the bottom line. Greater segmentation and crossover between the sports and casino player leads to enhanced margins, and this is especially true for casinos which take the B2B route to market, which sees the casino retain a greater share of revenue than an arrangement with a B2C brand.

### Harnessing Online Potential

It is worth underlining the significance of a high-quality mobile offering seamlessly integrated into the casino ecosystem and consistent with the tribe's established brand. The convenience and ease of access provided by mobile is a natural

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complement to the on-property experience, and it goes without saying that a casino’s players will eventually find their way to mobile and online as regulation allows.

Tribes considering whether to advocate for online regulation alongside land-based sports betting could look to Seneca Gaming Corporation’s strategy, a tribe planning to have a leading online product, which taps into new audiences in a world in which more people are happy to act remotely through the internet. Developing a meaningful online connection with the customer is an excellent way of protecting future growth – for example, rewarding an online customer with a land-based bonus which includes food and beverages or a night at the resort can help to boost the long-term retention of a new breed of player.

In states where sports betting is not active, players can still be offered experiences to acclimatize them to sports betting. In Connecticut, Mohegan Sun’s free-to-play sportsbook has assisted in building their database and readying players for the full online experience.

A tribal casino’s audience will have mobile sports betting promoted to them one way or the other, and being ready to interact with those customers with an expertly deployed omni-channel sports betting experience will be crucial to keeping those players happy.

Moreover, online gaming does not need to be viewed as a factor that could draw revenue away from the traditional, on-property casino experience. Delivering a high-quality mobile sports betting experience under the casino’s own brand can enhance brand awareness and customer loyalty, thereby driving greater share of wallet.

This has even been the case in states regulating on a brick and mortar-first basis, thanks to the sophistication of bring your own device (BYOD) technology, which enables players to construct their bets on their mobile devices before placing them in the casino. BYOD is a further element through which casinos can enhance margins across gaming and hospitality, giving players the opportunity to construct their bets while at the bar or searching the casino floor for their favorite slot game.

With every tribal casino boasting its own unique set of characteristics and considerations, there is certainly no one size fits all solution when it comes to offering enticing sports betting experiences. Sports betting offers up many

opportunities for the casino industry’s decision makers, and how best to offer the product and maximize its potential is a quandary they must get to grips with. For tribes that believe in the strength of their brand and the potential that comes with owning the sports betting value chain, partnering with powerful B2B providers can be a valuable means of achieving lasting success. ♣

*Max Meltzer is Chief Commercial Officer at Kambi, a leading supplier of online and land-based sportsbooks to the regulated sports gambling and gaming industry. He can be reached by calling +44 203 617 7270 or email [max.meltzer@kambi.com](mailto:max.meltzer@kambi.com).*

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