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Modernization Hot Topic at EPMA Forum



Richard Cheung

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By Michele MacDonald

Taking his cue from the famous quote attributed to Samuel Clemens (Mark Twain) about how reports of his death had been exaggerated, Benoit Cornu exhorted about 170 industry attendees at the European Pari-Mutuel Association's 7th Racing and Betting Forum in Paris Oct. 3 to modernize and innovate.

"There is no fatality or demise of the business," declared Cornu, chief communication officer of France's Pari Mutuel Urbain (PMU) betting company, while noting that he had been asked to speak at a different venue on a panel titled "Is Horse Racing a Dying Business."

"We can make opportunities," he added. "Together, we have tremendous assets...the responsibility is to move forward. We need to enhance and align our assets."

Mining customer data and developing targeted marketing, upgrading television production capabilities, offering new products across various platforms utilizing technology, and reaching out to potential new customers were highlighted by a variety of speakers during the all-day program at the French Football Federation.

By the end of the discussions, Omar Skalli, director general of the Societe Royale d'Encouragement du Cheval in Morocco, offered a concise conclusion.

"It is important to escape from traditional thinking and wake up to new technologies," Skalli urged. Several speakers during the forum emphasized a need for racing to produce television and online programming that features more of the sporting elements in addition to betting information.

Richard Cheung, executive director of customers and marketing for the Hong Kong Jockey Club, made it clear that the HKJC--which boasts the world's largest betting pools--has tried to cover all the bases while also successfully stimulating increased betting.

As wagering has grown most rapidly through mobile applications in recent years, Cheung noted that the digital experience "is not just about the betting transaction...information provided about the sport is equally important. And if customers come to the track only to bet, they will not last long. The most loyal customers will be those who really appreciate the sport," he said, adding, "We need to turn those [betting] customers into fans [of the sport]. That would be the ultimate solution."

Across the world at Woodbine Racetrack in Canada, executives also are seeking a balanced approach to presentation of racing and betting in customer acquisition strategies.

"We try to make sure the betting customer and the racing customer get together. I think it has to be an all-inclusive focus," said Sean Pinsonneault, Woodbine chief operating officer.

In working to achieve that objective, Racecourse Media Group in the United Kingdom has switched strategies, going from an emphasis on betting information in television presentation to one more focused on entertaining viewers, said Richard Fitzgerald, RMG chief executive.

More top talent on camera, innovative techniques like jockey helmet cameras, specialized graphics giving detailed information visually on screen, in-depth information on participants, increased use of drones equipped with cameras and enhanced betting data all should be used in TV presentations of racing, Fitzgerald said.

Additionally, "we recognize the growing requirement to provide customers with greater choice and flexibility," he said, explaining that Racing UK customers can enjoy racing on up to three devices simultaneously at no extra cost, and thus can see and be involved in racing anywhere they are.

"Compelling content is the key," Fitzgerald said while pointing out that live racing events are the driver of the sport and cautioning that while social media has an important role to play, "it is not the be all and end all."

Alexis Murphy, managing director of Ladbrokes in Belgium and former managing director of the Irish Tote, said his company is focusing on customer needs and entertainment, and is trying to make the most of data gained from customers on their habits and preferences.

"The one-size approach to marketing, to offering a product, doesn't work anymore," Murphy said, adding that many people now expect targeted marketing like the types they have experienced on Facebook.

By utilizing technology and the data it delivers, "we get a better return on investment for our marketing," he said.

Several forum speakers also addressed television production and presentation, with Per Tellander, business development manager for Sweden's ATG betting operation, saying that while racing has the "best combination there could be between sport and gambling...much of what we have around us seems to have been designed in the 1970s.

"The TV productions need to be much, much better for the future," he emphasized.

Tellander, who used to work for a major media company, said ATG is now focusing on upgrading its TV production, with a target date for unveiling set in the spring of 2015. Racing shows could contain many new graphics, statistics and technical data allowing deeper analysis of races as and after they unfold.

"Horse racing needs to take the next step allowing technology to develop the sport as well as a whole new audience," Tellander said.

Speaking in the same segment of the forum on data and how it can be used to shape stars in the sport, Pat Cummings, director of racing information for Trakus, said some data and elements of presentation can be essential for both those wagering on racing and new fans.

"Our main goal is to provide race viewers with knowledge of where their horse is in the race at any given time," Cummings said, adding that: "If we don't, are we really delivering the full experience?"

Trakus also has developed new avenues of data from the races it has covered at its client tracks, such as Woodbine, Keeneland and Hoosier Park, including jockey and driver efficiency ratings.

"Can we engage customers with new statistics? Customers should expect it, and they get it from us,"

Cummings said.

Several speakers also touched on the importance of racing binding its technology so that the sport reaches fans and customers in the best possible ways across all platforms--online, in betting shops and on mobile devices.

Jason Brautigam, director of Spirit Sports Marketing and previously head of marketing at Ascot Racecourse and director of racecourse business for the UK Tote, said that trends indicate people are using mobile devices in larger than ever numbers to enhance their enjoyment of live sports. "Second screens" offer opportunities such as live updates, breaking news and unique content that can be shared across the audience.

"Thirty percent of users now use mobile devices to follow live sports," Brautigam said. "The second screen is rapidly becoming the first screen and that's how we need to change our mindset."

The general topic of "sporting triumphs" were the second most popular subject on Twitter last year, following only "national news," he told the forum, with 46% of users believing that a wide variety of news is regularly broken on Twitter. Betting is up on mobile devices universally, with Betfair reporting in June that its mobile revenues were up 70% year on year, he added.

Jason Wilson, vice president of development for The Jockey Club, said that the organization has developed a four-pronged approach in which it has sought to create an audience of new fans in the U.S., stimulate engagement with them, migrate those fans to betting and also attract new business partners.

The America's Best Racing website was developed to appeal to younger fans, or "millennials," Wilson said, while The Jockey Club Tour on FOX is aimed at connecting with some of the 45 million fans who tune into the Triple Crown races every year. Of that group, 90% have not had any other connection with racing.

The FOX shows on racing have reached about 2.5 million people, Wilson said, and advance deposit wagering sponsors of the shows have reported increasing numbers of new members. The Jockey Club's strategy includes audience acquisition efforts, a focus on big racing events, development of engaging content online, development of more partnerships with mainstream consumer brands and enhancements of existing industry partnerships, he said. Wilson conceded that it would be virtually impossible to design a national racing marketing plan, given the disparate elements of the business in the U.S., "But we are gaining support and hope to build on these efforts," he said.

In other presentations:

--Eric Brion, director of France's Equidia television, reported that the new Equidia Life channel is generating new followers of racing while offering more general shows on equestrian events and lifestyle topics. Equidia Live, the racing channel connected with PMU, now has about two million viewers a month, while Equidia Life has quickly grown to 1.5 million viewers a month since it was launched in 2011.

--Paul Cross, general manager of international business development for Australia's TABCORP, said the operation's Sky Racing TV channels now broadcast 95,000 races a year, probably more than any other in the world, including 28,000 from international locations. The more racing from various locales that TABCORP and Sky Racing offered to customers, the more the viewers requested, he reported, adding that Australian bettors have proved they will wager at any time of day or night on good racing.

--France Porteaux, head of business offline at PMU, and others noted how important data-driven customer segmentation can be to racing and betting. Porteaux said that PMU's 540,000 online clients have delivered much information to the agency over time, such as the fact that 45% of online handle is produced by 2% of the clients, while 70% of online bettors make up only 8% of turnover. Knowing the customers and their habits--and what will spur them to be more involved--is essential to increasing business.

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