



Sarah Robertson

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Kambi

Broadening the Horizons of Retail Sports Betting

Paul Jason: Can you expand on Kambi's recent growth in the US market?

Sarah Robertson: It has been a whirlwind period for the US market as a growing number of states roll out regulatory frameworks for sports betting. We were always positive that the repeal of PASPA would come, and wanted to make sure of our readiness when it did. The strength and flexibility of our offering has enabled us to secure important partnerships with a series of leading US operators, including Rush Street Interactive, Parx and Mohegan Gaming and Entertainment. We also recently announced the extension of our relationship with DraftKings, a deal which includes terms to extend into eight additional states on top of New Jersey.

Furthermore, in August 2019 we announced our largest agreement to date, putting pen to paper on a partnership with Penn National Gaming. We will be providing Penn National with our full suite of sportsbook technology, encompassing our platform, pricing and trading, risk management, player analytics and integrity monitoring.

This stretches across both online and on-property, providing an omni-channel experience for Penn National's customers while also supporting the operator's dedicated loyalty program. Driving retention is a big part of the proposition we offer to operators, and through Kambi our partners have the freedom to grow and realise their sportsbook ambitions.

How important has your on-property offering been in securing this growth?

Sarah Robertson: Our on-property offering is a hugely important aspect of what we



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offer to our US partners. With a number of states undertaking regulation on a 'retail first' basis, our capability to offer a comprehensive solution that incorporates over-the-counter (OTC), bring-your-own-device and kiosk services has been a crucial driver of the commercial progress we have made.

Kambi already had a high-quality retail solution before entering the US marketplace - having effectively translated our online expertise into the land-based sector - offering the same depth of markets, in-play quality, speed and presentation. Before entering

the US, we had been powering casinos in the likes of Mexico and Cambodia, while we power more than 2,000 retail stores in Sweden. So, for Kambi, the focus was more on ensuring that this was effectively communicated to potential US clients, making them aware that we have an equally strong offering in the retail channel. Thankfully, casinos and their players have been very receptive to our product, with the Kambi sportsbook now available in multiple US states, including our market-leading betting kiosks, which process more than 75% of all wagers placed.

Indeed, our kiosks are transforming the way people like to bet in the US. They offer an intuitive user-interface, rich selection of markets and a diverse range of payment methods, including via account cards, cash, and winning tickets. Their impact has been pronounced; so much so that our US partners have found themselves needing to order additional terminals to meet demand.

Sports betting is still new to many in the US, and the kiosk plays a vital role to play in educating the novice player in an environment through which they can get a view of many more markets than over the counter or those displayed on the large odds boards, as well as get to grips with the terminology. The over-the-counter (OTC) experience has the potential to be intimidating for anyone in any way unsure of themselves, and a kiosk offers them an intuitive, pressure-free means through which to familiarise themselves, place a few small bets and commence their customer journey.

Where else do your retail products have a foothold?

Sarah Robertson: As we've touched on, from over the counter betting, to bring-your-own-device, to our fully customisable self-service betting terminals, we provide land-based operators with an omnichannel optimized solution for the modern-day player. We have a truly global footprint, supplying our on-property solution to operators including Corredor Empresarial's BetPlay brand in Colombia, NagaWorld in Cambodia and the Moldovan National Lottery.

We also announced a significant agreement with Swedish operator ATG in July 2018, powering the operator's sports betting product across 2,000 retail stores. Our on-property solution can be optimized for any size of property, with the retail stores where ATG is present varying in size from large shop to a small corner newsagent. Combined with our comprehensive layer of price differentiation and ability to offer bespoke risk management, this level of flexibility provides our



partners with scope for differentiation that our competition is struggling to match.

Our impressive series of market firsts in the US, driven by our technological scalability and regulatory expertise, underline our ability to deliver our on-property solutions both swiftly and at scale, having processed the first legal sports wagers in New Jersey, Pennsylvania and New York.

How do you interface with and support your partners during and after the launch period?

Sarah Robertson: We have a great deal of experience in supporting our on-property partners through launch processes, especially in light of the number of activations undertaken with our North American partners since 2018. Most recently we had Kambi staff on the ground at Penn National Gaming's Ameristar Casino Council Bluffs in Iowa, assisting our partner and ensuring that the ribbon cutting of its new sportsbook and placing of the first wagers went off without a hitch.

In addition to supporting on site in the run up to a launch, Kambi's partners also benefit from a dedicated integration team to provide 360-degree technological support throughout. Alongside this team are partner managers to take them through every stage of getting their sportsbook offer up and running, as well as technical training for their staff to help them understand how every aspect of the tech fits together. This exists across both new launches as well as large scale retail deployments on existing hardware, as we did with ATG.

Working in close and ongoing dialogue with our operators, Kambi empowers both lotteries, online operators and casinos with the ability to create entirely bespoke front-ends. Through our open APIs, our partners

can build everything from the landing page, offering the events that are most relevant to their target demographic, to individual lobbies for events and competitions, such as a separate area dedicated to the start of the new NFL season. This has also been shown to enhance cross-sell between verticals – lotteries, for example, can leverage their trusted brands to convert players from iLottery to a sportsbook that matches the look and feel of their existing user interfaces.

Philadelphia plays home to our US office, which opened its doors earlier this year. From there we are able to provide an enhanced and unparalleled level of support to our partners throughout the lifetime of our agreements, delivering technological flexibility and genuine speed to market.

You mentioned your approach to regulation. Can you discuss your approach to meeting different compliance requirements given the current pace of sports betting regulation?

Sarah Robertson: The pace of regulation is mounting, but I can't emphasise enough that at Kambi we never view regulation as a barrier. A robust and flexible sportsbook platform remains the key for operators when it comes to seizing the opportunities new regulations can bring. We have invested in ensuring that our technology can rapidly adapt to any changes in jurisdictional approaches.

We are engaged in constant communication with regulators to ensure we are able to stay ahead of the curve, and our commitment to the highest standards of corporate probity and sports betting integrity has been a key cog in our commercial growth. Through our regulatory approach, both now and historically, Kambi partners can be sure that their brand will be protected from any negative publicity due to compliance or regulatory breaches. ■

