



ATTRACTING NEW PUNTERS

The role of trust, personalisation and context.

UNTIL RECENTLY, there appeared to be a commonly held perception that consumers viewed the Internet as an information gathering tool rather than a place to spend money. The explosive growth in online gambling shows this is no longer true. Historically, the two things that have had the power to drive any new consumer technology were pornography and gambling. These activities have helped satellite and cable television, video, and then the Internet. For me, the interesting question is how online gaming companies use as many ways as possible to get punters to log onto their website and how they are going to target new punters in the future.

Let's look at it from an individual level. A gambler has logged on to the Internet and they are in the process of deciding which online gambling site to make a beeline for. What kinds of things influence their decision? A recommendation from one of their friends? Advice from a gambling magazine or forum? An advert they saw online? Information provided by an affiliate? From a psychological perspective, research on how and why people access particular commercial websites indicates that one of the most important factors is trust. If people know and trust the name, they are more likely to use that service. Reliability is also a related key factor. Research shows that some punters still have concerns about Internet security and may not be happy about putting their personal details online. But if there is a reliable offline branch nearby (e.g., a Gala casino), it gives them an added sense of security and what I would call a 'psychological safety net'. For some people, trust and security issues will continue to be important inhibitors of online gambling. Punters need assurance and compelling value propositions from trusted gaming operators to overcome these concerns.

Putting the punter first

One of the growth areas in e-commerce has been personalisation and most online

ventures (including affiliates) now have a personalisation strategy as part of its business plan. However, this practice is a double-edged sword that can prove to be a large logistical problem for some companies. Tracking every move for marketing purposes is one thing. Using these data for personalisation purposes can prove troublesome. The amount of data is potentially enormous. Producing personalised pages for everyone is also logistically difficult and may even turn punters away. The key is knowing what to ask the punter. Affiliates have to think intelligently and creatively about what to ask people who visit their sites in a way that the information gained can be used effectively. Attracting and providing customers with useful information relies on the affiliates putting punters first.

Integration can also be a factor here. Online gambling companies are going to have to think of creative ways to make the gaming experience more personal and match it more closely to the real gaming experience – something that has worked well for online poker sites. Companies may also need special pricing for online customers. Price is just one of the many considerations a punter weighs up. It is more about a complete service than price alone (although in the gambling world, offering competitive odds and bonuses will obviously make websites attractive to gamblers).

Imprinting

One of the most important marketing strategies that online companies engage in is 'imprinting' new customers. Online punters quickly adopt predictable Internet usage patterns and evidence suggests that they don't switch online allegiances easily. Smart online gambling affiliates will work at becoming a starting point for the novice gambler and capitalise on this opportunity for capturing player loyalty. The emerging post-teenage market is a key consideration. There is a whole Internet generation coming

through who have a positive outlook on online commercial activities. They may be happier to enter credit card details and/or meet others online. This has the potential to lead to major changes in clientele as the profiles of these people will be radically different from previous punters. The problem is that the young don't tend to have much disposable income and are less likely to own credit cards. Therefore, another market segment that those in the online gambling business (including affiliates) will start to target is the over-50s, who are starting to use the Internet for shopping and entertainment use. Early retirees have both time and money, which is why online companies will target the 'grey' Pound, Euro or Dollar.

So what's coming next?

Contextual commerce may be one avenue that the online gaming affiliate industry uses more and more. In most retail outlets, shoppers notice what other people are buying and this may influence the purchaser's choice. Companies are now working on software that allows customers to do this online including interacting with other shoppers. Seeing what everyone else is buying (or betting on) may again influence the decision process. There is also the potential to bring in techniques used on home television shopping channels. Presenters tell viewers how much of a product has been sold with viewers to instil a sense of urgency into the buying process, along with an element of peer review. This could be applied in some online gambling situations if people are gambling as part of a community such as online poker tournaments. Watch this space!

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