

The marketing of Internet lottery gambling

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Around the world, more and more lotteries are going online in an effort to expand their customer base. This article briefly overviews the issues and challenges that the gambling industry have to face including (i) the development of trust, (ii) branding (iii) infrastructure and online-offline relationship, (iv) information gathering and customer tracking, (v) fulfillment, (vi) customer service, and (vii) new clientele.

The development of trust

One of the biggest issues about offering e-commerce services such as lottery gambling online is trust. If people know and trust the name, they are more likely to use that service. Reliability is also a related key factor. Consumers still have concerns about Internet security and may not be happy about putting their Internet details online. If there is a reliable offline branch nearby, it gives them an added sense of security (i.e., a psychological safety net). Lack of trust and security issues will continue to be the leading inhibitors of online lottery gambling. Customers need assurance and compelling value propositions from trusted companies to overcome these concerns.

Branding

Lottery companies need to use the brand and infrastructure they have and integrate

new services into this. Internet gamblers will gravitate to recognized and trusted brand names. Traditional gambling or non-gambling businesses with an established brand have a key advantage when they go online. Building a dominant web gambling brand presence requires the investment of significant amounts of time and money. Depending upon how the issues of taxation and regulation are resolved, the eventual winners in the Internet gambling business may not initially report a profit. The pioneering gaming companies who build and successfully maintain Internet gambling will be at the forefront of a huge business. Those companies that invest in the future by acquiring customers now to successfully build a brand (possibly losing money in the process) will almost certainly come to dominate Internet gambling.

Infrastructure and online-offline relationship

The key to successful e-commerce is a good infrastructure which includes an integrated online and offline system. Lottery companies can share a lot of their infrastructure costs between the channels. It is also easier to migrate an existing business to an online venture than setting up a new online business. Lottery companies cannot afford to treat their website as a separate entity from their main business. The online arm of the business needs to complement what is already done.

Information gathering and customer tracking

Websites are known for their ability to log visitors. However, it is not uncommon for very little to be done with the data collected in this way. Customer data is the lifeblood of any company including those that run lotteries. Tracking data can be used to compile customer profiles. Such data can tell companies exactly how customers are spending their time online. It may also link up with both existing customer databases and loyalty schemes. Companies who have one central repository for all their customer data have an advantage as it can also be accessed by different parts of the business.

Using sophisticated software, lottery companies can tailor its service to the player's known interests. However, companies that do this face the «seller's dilemma». Customers (including gamblers) may not like companies building up personal profiles and details about them, yet paradoxically they still expect them to remember their preferences and have a detailed understanding of them as individual consumers. Many consumers are unknowingly passing on information about themselves. The most common are:

- filling in online registration documents when a site is first visited
- sending e-mails to companies of interest
- browsing websites
- browsing of banner adverts
- playing sweepstakes where people are encouraged to take part in a sweepstake by looking at an advert and are then asked questions on behalf of the advertisers.

In many of these instances, customers can unwittingly be tracked by the use of «cookies» (small data files identifying the user, generated, then stored on their computer when a website is first visited). However, this obviously raises serious questions about the gradual erosion of online privacy.

Fulfillment

Attracting gamblers and providing the desired service is only the beginning point. Most of this can be handled by software alone without the intervention of a human element. Lack of fulfillment to the players can be one area where gaming companies may let themselves down. Ease of navigation around a website is fundamental for keeping customers. In a supermarket, basic foods like bread and milk are often placed at the back of the store so that customers have to pass lots of other potentially impulse buy items before they get to products that almost everyone buys. However, doing that on a gambling website will almost certainly produce a non-returning gambler. Online services should include the most used items immediately so that the customer does not have to trawl

though webpage after webpage to find what they are looking for.

Customer service

Retaining customers depends on providing a high level of attention and service throughout the purchasing cycle. Building a brand will get consumers to try a service, but it is customer service that will keep them coming back. One of the biggest frustrations for online consumers is a laborious registration process. For online gamblers, other features are also of importance. Punters will want a variety of methods by which to pay (i.e., not just credit cards) and they may also want up-to-date accounts. If these features are not present, there is the risk of losing repeat business. People are not necessarily put off by technology, but more by how it treats them. A bad experience on an online site is unlikely to lead to repeat custom. Ironically, customer complaints provide a good way of gathering information about customers. Not only can they retain the customer by handling the complaint effectively, but the company can acquire information on the customer in addition to advice about how to improve a specific part of their business.

New clientele

One of the important marketing strategies that all companies (including lottery operators) subscribe to is imprinting new customers. E-commerce consumers easily fall into Internet patterns and the evidence suggests that they do not switch online allegiances easily. Smart online lottery gambling operators will work at becoming a starting point for the novice gambler and capitalize on this opportunity for capturing consumer loyalty. Although this is not an exhaustive overview of the issues that face lottery companies who want to go online, it does provide some of the major challenges that need to be faced if they are to be successful.

Das Marketing der Lotteriespiels auf Internet

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Auf der ganzen Welt erweitern die Lotterien ihre Aktivitäten aufs Internet, um neue Kunden zu gewinnen. Dieser Artikel gibt einen kurzen Überblick über die Themen und Herausforderungen, denen sich die Spielindustrie hierbei gegenüber sieht, wie (i) Vertrauensbildung, (ii) Markenentwicklung, (iii) Infrastruktur und Online-Offline-Beziehung, (iv) Informationsbeschaffung und Kundengewinnung, (v) Zufriedenheit, (vi) Kundendienst und (vii) neue Kundensegmente.

Vertrauensbildung

Einer der wichtigsten Punkte beim Angebot der E-Handels-Dienstleistungen wie dem Lotteriespiel ist das Vertrauen. Wenn die Leute einen Namen kennen und ihm vertrauen, so werden sie dessen Dienstleistungen eher in Anspruch neh-

men. Auch die Zuverlässigkeit stellt einen Schlüsselfaktor dar: Die Verbraucher haben noch immer Vorbehalte, was die Sicherheit der Internet-Operationen betrifft, und sie mögen ihre persönlichen Daten nicht auf das Netz schicken. Ein zuverlässiger Offline-Dienst in ihrer Nähe (ein «psychologisch sicheres Netz») gibt ihnen dagegen eher ein Gefühl von Sicherheit. Demnach bleiben mangelndes Vertrauen und Probleme der Sicherheit nach wie vor die wichtigsten Hemmnisse des Online-Internet-Spiels. Um diese Bedenken zu überwinden, brauchen die Kunden Sicherheit und zuverlässige Wertdienstleistungen von vertrauenswürdigen Gesellschaften.

Markenentwicklung

Die Lotteriegesellschaften müssen ihre Marken und ihre Infrastruktur nutzen, um

die neuen Angebote zu integrieren. Die Internet-Spieler werden anerkannten und vertrauenswürdigen Markennamen den Vorzug geben. So haben die traditionellen Geschäfte inner- und außerhalb der Spielwelt einen entscheidenden Vorteil, wenn sie online gehen. Die Schaffung einer dominanten Internetspiel-Markenpräsenz verlangt jedoch bedeutende Investitionen an Geld und Zeit; je nachdem, wie die Fragen der Steuern und Regulierungen gelöst werden, erwirtschaften die allfälligen Gewinner des Internet-Spielgeschäfts anfänglich vielleicht keine Profite, doch können die Pioniere unter den Spielgesellschaften, die das Spiel aufs Internet bringen und erfolgreich weiterentwickeln, einem gigantischen Geschäft entgegensehen. Diejenigen Gesellschaften, die in die Zukunft investieren, indem sie heute