Internet Gambling:
Strategies to Recruit and Retain Gamblers

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Executive Summary

Internet gambling is a massive industry that has yet to reach full maturation. Revenue from online gambling sites is estimated to reach $18 billion by the end of 2008 (Dresdner Kleinwort Wasserstein, 2005). There are currently more than 2,000 Internet gambling sites worldwide (online.casinocity.com). Expansion continues despite the considerable barriers that have been erected to halt online gambling operations. These barriers include judgments by some jurisdictions to deem internet gambling illegal, demanding advertising restrictions, the decision by leading search engines to disallow online gambling companies from purchasing search listings, and the ban of online gambling transactions by some credit card companies and Pay Pal.

The ability to attract new customers and retain existing customers is a dominant and ongoing focus for Internet gambling providers. Within this competitive and restrictive environment the industry has had to use exceedingly creative and multi-faceted approaches to promote services. While promotional strategies vary greatly all, however, necessarily incorporate a 3-phase process. Phase 1, recruitment, involves garnering attention from potential targets, phase 2, registration, converts their attention to paid memberships; and phase 3, retention, keeps these members playing at their home sites.

This review – composed of a sample of 40 online poker, casino and wagering sites – highlights strategies commonly used to expand and retain a site’s customer base. In the end, a successful online gambling venture depends on its perceived value. Perceived value, in turn, is the subjective calculation of many factors, including the opinions of other players, bonuses, variety of games and a site’s perceived attractiveness and ease
of use. From recruitment to registration to retention, promotional strategies strive to increase awareness of a site and reinforce the preferences of the target group.
Introduction

The Internet gambling industry has grown exponentially in the last few years. The number of sites has increased from 30 in 1994, to over 2,000 today (online.casinocity.com). Revenue has increased from $30 million in 1994 to $10 billion in 2005, and is projected to reach $25 billion by 2010 (Christiansen Capital Advisors, 2007). Online gambling revenues represent approximately 4% of the global gaming market (Dresdner Kleinwort Wasserstein, 2005), a percentage expected to continue increasing. Today, the online gambler has more options than ever with regard to games and virtual venue.

With so many virtual venues to choose from, competition for new customers and strategies to retain existing customers are top priorities for providers. To help guide the online gambler through the myriad of choices, a plethora of marketing campaigns appear to run rampant through every available advertising medium. But a deliberate and consistent order lies behind this chaos. Getting customers to willingly gamble their money can be viewed as a 3-phase process. Phase 1, recruitment, involves garnering attention from potential targets; phase 2, registration, converts their attention to paid memberships; and phase 3, retention, keeps these members playing (at their home sites).

While Internet gambling companies share many of the recruitment and retention techniques of land-based gaming companies, the Internet domain faces a number of unique marketing challenges. These include marketing a product that is considered illegal in some countries, sidestepping advertising restrictions, maneuvering around the
refusal of leading search engines to allow online gambling sites to purchase search listings, and finding ways to conduct transactions after some credit card companies and Pay Pal decided to disallow online gambling transactions (Macklin, 2005). These challenges, driven in large part by the United States Government, have forced the online gambling industry to be innovative in efforts to recruit new players and retain existing ones.

This review focuses on methods used by online gambling sites to attract new customers, and retain them. In order to review the marketing techniques used by such sites, a sampling of 40 of the largest poker, casino and wagering sites was reviewed. This sample was selected based on a number of sites and forums that rate the popularity of sites. To better understand the consumer's perspective, a selection of online gambling chat rooms and forums were visited.
Customer Motivations and Preferences

Motivations
The Internet gambler offers many of the same reasons for gambling as those who gamble at land-based sites. That is, motivations to gamble online include relaxation, excitement, the prospect of winning money, distraction, and escape (Griffiths, Parke, Wood and Parke, 2006). There are, however, a few motivations unique to the Internet gambling experience. These include the convenience and comfort of home, fast paced games, the potential to win large jackpots, lower overall expenditures, and anonymity (American Gaming Association, 2006). As well, some online users report an aversion to the atmosphere or clientele of land-based venues (Wood, Williams & Lawton, 2007).

Preferences
Critical to the success of any marketing strategy is a clear understanding of the preferences of the target group. According to a 2005 survey of Internet gambling customers conducted by the Media and Entertainment Consulting Network (MECN), the most important characteristics of poker sites, in descending order, are: trust, ease of converting winnings into cash, tournaments, customer service, graphics/user experience, average pot size, explanation of rules, low commission/rake, variety of poker games and free-to-play games (MECN, 2005).

A 2007 survey conducted by Nottingham Trent University and commissioned by eCommerce and Online Gaming Regulation and Assurance (eCOGRA) suggests that the most important characteristic for both online poker players and online casino players is the sign-up bonus offered for newly recruited members (eCogra, 2007).
players also listed variety of games, deposit methods, and reputation as factors that were more important than features such as sound effects and music.

**Use of Online Chat Rooms**

The Nottingham Trent University survey also revealed that online forums or chat rooms are an important source of information for online poker and casino players. Of the total sample, 40% of respondents stated that they visited these message boards either to find out about bonuses and promotional offers, or to get information about the best and worst sites on which to play. Of those who visited a message board, most did so fairly regularly, with more than two thirds visiting at least once a week.

There are thousands of places on the Internet in the guise of blogs, chat rooms, discussion groups and forums that provide the online gambler with the opportunity to pose questions and share experiences related to the many facets of online gambling. Whereas some gambling forums are dedicated to a particular type of online gambling, such as sports betting (e.g. www.ultimatecapper.com/bet-chat.htm), other sites allow users to select the type of gambling they are interested in chatting about (e.g. www.gonegambling.com). These chat rooms and forums give players the opportunity to explore virtually any topic and concern related to online gambling, including:

- ways to increase winnings
- reviews of reputable casinos, bookmakers and poker rooms
- opportunity to talk about the best and worst gambling sites on the web
- discussions of casino industry operations topics
- opportunity to join in special contests
• message boards with topics such as casino promotions, site reviews, and betting tips.

A review of chat room discussions clearly shows that players value the feedback of other players regarding which sites are credible and which offer the best bonuses and variety of games. The following exchange at winneronline.com is quite typical, and gives a sense of what is important to players in selecting an online gambling site:

**Question:** Hi Everyone, Over the past few years or so, I've downloaded and played at a variety of online casinos with dollar signs in my eyes but very little substance in the form of actual withdrawals which leads me to my question: In your own opinion, what online casino would each of you endorse as the best one out there for slots players? And why?

**Response:** Firstly different slots players are looking for different things; some want to play for just a short while at reasonably high stakes looking for a mega-win, others would rather play low stakes for hours on end just for the entertainment value and are not particularly bothered about making a profit. Then there's people like me who always take bonuses… Secondly the question shouldn't be "what's the best casino", but "what's the best software for slots players?" Then it comes back to what you're looking for; from high variance with big wins to low variance with lots of small wins and bonus features…
Phase 1: Recruitment

Similar to land-based gambling, the target market for Internet gambling varies slightly by type of game. That being said, the target of most online gambling marketing efforts is described as Generation X: sports-loving, single males with an average income of more than $70,000 (Macklin, 2005). Whereas males are the primary target for poker and sports betting, Internet casino and bingo games skew more toward females. As an example of the latter, 888 Holdings, a major publically-traded online gambling company, recently launched the online bingo site 888ladies.com.

Similar to many industries, there is a large variance in the advertising budgets of online gambling companies. In many cases, budgets are dictated by revenue. One site that provides resources for starting an online casino suggests that most casinos spend about $30,000 to $50,000 per month on marketing, with some operators spending in excess of $1 million monthly (www.startcasino.com). In a 2005 interview, Alex Czajkowski, a marketing executive for an offshore Internet sports book company, stated that his annual marketing budget was more than $10 million (Kesmodel, 2005). Torben Hubertz, the founder of T6Poker (a recently launched online poker site), hopes to make his site one of the largest by the end of 2008. With a planned marketing budget of over $22 million annually, Hubertz has 200 taxis in Scandinavia painted with “T6Poker.com”, 600 full-page ads in a number of poker magazines and newspapers throughout Europe, a team of professional poker players who will be touring the major events around the world, and has teamed up with an affiliate marketing company to help recruit players (MacKenzie, 2008). In the six months ending on June 30, 2008, 888 Holdings spent 43 million on selling and marketing expenses (888 Holdings, 2008). In that same time period,
PartyGaming, another large publically traded online gambling company, reported spending 48.6 million on customer acquisition and retention (PartyGaming, 2008).

Online gambling operators have access to several media with which to entice prospective players to sign up and gamble at their site. This includes print, television, and the Internet. In visiting numerous online gaming sites, one can observe the onslaught of advertising in an instant. Marketing techniques are similar across all online gambling products and involve a balance of direct and indirect marketing, both on and offline. All are directed towards developing a trusted brand to attract new customers and retain existing ones.

**Online**

**Search Engines**

Attempting to navigate the Internet would be impossible without a guide to what sites are available and their URL addresses. While a home user may learn of a site and its URL through various means, index providers are a key source of information. An index provider maintains a database of Internet sites. Using a search engine is the most common way to go through the database. A search engine is a program located on the host server that allows the home user to find Internet sites whose descriptions match a word or phrase in which the home user is interested. Because of the large number of Internet gambling sites, search engines are essential to the commercial viability of most sites (Cabot, 2007).
**Affiliate Networks**

Another way of finding an Internet gambling site while online is through advertising on other sites with a hypertext link. Teaming with affiliates can increase traffic and help to establish credibility. While not necessary, affiliate sites tend to relate in some manner to the topic of gambling. For instance, it is common to find advertisements for online gambling sites located on sites that offer online gambling discussion groups. The advertisement is generally supplied by the gambling site and will draw attention to features that matter to customers, including the size of a jackpot, bonuses or in the case of poker, million dollar tournaments.

Payment for this type of advertising takes a number of different forms. Some online gambling sites will pay the affiliate a certain amount up front for the advertisement. Others will pay the affiliate a percentage for each new customer who makes a cash deposit. As well, the affiliate may earn a share of revenue that the gambling site earns from the new customers directed from the affiliate site. Finally, some affiliates offer what appears to be online gambling. In reality, the gambling is part of the business operations of the parent online gambling site (Humphrey, 2006).

**Pop-Ups/Flash Advertisements**

Online gambling sites often use the Internet as a means to promote themselves. Whether through banner ads or pop-ups, gambling ads have been one of the most visible in online marketing. Banner ads are advertisements that are embedded into a web page. They increase traffic by directly linking visitors to the website of the advertiser. Pop-ups are those advertisements that open when accessing certain websites. Essentially the site opens a new web browser window to display the advertisement. Similar to affiliate ads, pop-up and flash ads draw attention to those
areas that matter to customers – loyalty programs, sign-up bonuses, large prize pools, variety of games.

Even with the rise of pop-up blocking methods, online gambling banner ads and pop-ups remain. In fact, online ads are among the most resilient. Companies that design them have found ways to bypass the barring methods that security software companies use.

Offline

Traditional Advertising

TV, radio, and print are all common vehicles for advertising, but due to tight regulations, they generally cannot promote Internet gambling. Instead most Internet gambling ads promote the free gaming software available on these sites. For instance, the .com site may be where gambling for money is allowed, whereas the .net site allows betting without the risk of losing money. This drives traffic to a site that offers games for free; but a customer can easily be linked to the cash sites. TV ads promoting sites that teach people how to play without betting money are also a popular tool to initiate customers into a brand and its culture.

The online gambling industry drastically increased its presence with successful TV shows, particularly those related to poker. In 1999, a UK television show called Late Night Poker used a glass tabletop and cameras located under the table to allow spectators and commentators to view a poker player’s cards. Borrowing this technology, the idea for the World Poker Tour (WPT) was conceived. The Tour’s first season began in March 2003 on the Travel Channel. One of the early shows covered an UltimateBet.com live poker event held in the Caribbean. The televised program created
a flurry of downloads of the software required to play poker at UltimateBet.com. Similar massive downloads occurred a few weeks later following PartyPoker.com’s first televised live poker tournament (Dresdner Kleinwort Wasserstein, 2005; Humphrey, 2006).

Eventually Discovery Channel, owner of the Travel Channel, began accepting advertisements from online gambling sites such as PartyPoker.com, UltimateBet.com, PokerStars.com and ParadisePoker.com (Humphrey, 2006). On June 11, 2003 the US Department of Justice sent a warning letter to the National Association of Broadcasters stressing the department’s view of the illegality of online gambling and offshore sports books. This resulted in several media outlets refusing to accept online gambling ads. In response, a number of online gambling sites now advertise their free, learn how to play .net sites rather than the .com sites that require real money deposits.

**Event or Team Sponsorship** Some sites pursue less direct advertising, such as sponsoring major league or professional sports teams and events in exchange for media recognition (generally televised) of their URL and logo. Given the target market, the sponsorship of sporting events and sports figures has been a major marketing strategy for poker and sports book companies. For instance, SportsBook.com has sponsored an American bull rider, a professional women's volleyball duo, and an Arena Football League team (Kesmodel, 2005). Leading poker brand 888.com carries a long list of sponsorships that include shirt sponsor of a football club, sponsor of a premier darts league, associate sponsor of the British superbikes championship, sponsor of the top 10 world ranked snooker players and the list goes on (sportandtechnology.com/features/0288.html). Other online gambling companies reach their target through ads placed in sports bar washrooms (Macklin, 2005).
Other Non-traditional

Online gambling companies have been exceedingly innovative, in some cases farcically so, in developing promotional approaches to reach their target market (Macklin, 2005). It seems the more original the approach, the greater the publicity. One example already given is T6Poker, an online poker site that has 200 taxis with the T6Poker.com label.

Guerilla marketing has also been quite common. GoldenPalace paid a woman $10,000 to tattoo their website address on her forehead. She was selling the ad space on eBay. They also spent $28,000 on eBay for a grilled-cheese sandwich that resembled the Virgin Mary. Other daring schemes include GoldenPalace.com's streaker advertising campaign with naked individuals running through high profile events such as the UEFA Cup, the French Open, PGA Tour's US Open, the UK's prestigious Royal Ascot, and the Running of the Bulls in Pamplona with “GoldenPalace” penned on their bodies (http://www.winneronline.com/articles/september2003/streaker-pictorial.htm).

PokerFaceBook.com went as far as providing homeless people with food in exchange for having their website address displayed on their signs that asked for food or money.
Phase 2: Registration

Once people know of a site and go visit it, there are techniques to convert site visits to registered memberships. Without this conversion, no money can be collected from the visitor. At a minimum, a registration agreement involves the request for personal information including name, date of birth, sex, and address, as well as payment details. Various promotions exist to aid this process of effectively turning visitors into paying customers. These include the following:

The Welcome Promotion

All online gaming sites have a special “welcome” promotion for individuals considering signing up for a player account with the online operator. For example, one online gaming site offered up to $555 as an incentive for becoming a registered member. Another online operator offered a 100% bonus on the first deposit made into a new player account. These promotions vary from site to site; but no matter what the welcome promotion promises, it is clear that it is a one time offer designed to recruit new players.

Free Games

Several online gaming sites offer free games, which allow potential customers to test out the site without taking any financial risks. These games, when played, keep track of fake money (free games usually have a counter at the bottom of the screen which indicates how much money would have been lost or won were the user to have gambled with his/her own money). Certain gambling sites also place a restriction on the length of time one can play a game for free (e.g. “play for free 1 hour”); however, operators further entice new players with the chance to win real money with free play. Others will offer
free-to-enter tournaments that give the winner a cash prize. While the prize amounts are typically lower than the payouts offered by tournaments or contests that charge an entry fee, this drives new customers to the site and offers players a no-risk opportunity for profit.

It should be noted that some sites use higher payout rates at the free sites than the corresponding paid sites. A research study conducted by Sevigny, Cloutier, Pelletier and Ladouceur (2005) compared the payout rates for free versus cash slots at 117 different online gambling sites. The results showed that 45 (39%) of these sites provided inflated payout rates. The potential problem is that players may then believe that their chance of winning real money is much higher than it actually is and carry these assumptions to a paid site. Noting the potential risks associated with providing inflated payout rates at free online gambling sites, eCogra’s Generally Accepted Practices for online gambling sites specifically states that “the theoretical statistical return percentage for a particular game type should be no less than that of the equivalent in free play mode” (eCogra, 2008, p.15).

**Giveaways**

Online gaming sites offer giveaways to those individuals who are willing to try a new gambling product. For instance, one online gambling site offered $20 to those who downloaded a trial version of one of the site’s newest games onto their mobile phone. Similar giveaways are available from several other online gambling companies.
Phase 3: Retention

The aim of the abovementioned advertising techniques is to attract new players to sign up and gamble online. Although initial marketing is focused on recruiting new players, once this has been achieved, marketing techniques need to focus on retaining these players. An important part of the retention process is staying relevant to customers. This involves constantly changing to ensure that customers find the environment appealing, are satisfied with the bonus programs, and are gripped by both the variety of games and the amount that can potentially be won. Described below are the techniques used by online gambling operators to retain the loyalty of their players.

Bonus Programs

Online gambling sites offer bonuses to players that have signed up for a player account. While the amount of a bonus typically matches the deposit that a player makes (up to a maximum), the player must earn his/her bonus through playing. For instance, a player may have to play a total of $1,000 in order to earn a $100 bonus. Examples of bonus programs include:

Sign Up Bonus

The most common type of Internet gambling bonus is the first time player, or first deposit, bonus. This is a bonus which the player can collect only one time – when making the initial deposit. In most cases, the first time player bonus is the largest one offered at a site.
Referral Bonus
A site will typically offer cash, usually around $50, for referring another customer who subsequently signs up. The new customer also receives cash in addition to the first time player bonus.

Random Draws
Those who sign up for a player account are automatically entered into random draws for free points. Points are credited to the player’s account and can be used as money towards gaming or in exchange for novelty items.

Reward Systems
A reward system is a process used by operators to award desired behaviors (e.g. playing habits) in customers. They generally reward frequent play and large wagers with site perks or conditional access to credit or cash. Examples of such rewards include:

Daily/Weekly/Monthly Rewards
Some sites offer daily bonus credits for making the largest deposit into a player account, while others do so on a weekly or monthly basis. However, these bonus credits are not immediately available for use. The player must meet certain conditions, which are generally associated with bet sizes or frequency of play.

Deposit Credits
Sites may offer cash rewards for a specific amount of money deposited into a player account (e.g. for every $1000 deposited, an additional $100 will be credited).
Loyalty Programs

Much like Frequent Flyer plans and the loyalty programs of land-based gambling companies, most sites offer a program in which a player earns points based on spending or participation. These points can then be used to purchase merchandise or cashed in to enter tournaments or contests. Effective use of such programs can develop loyalty from players to a site. Several online gambling sites offer some type of VIP program where players who accumulate a predetermined number of points by playing online, or players who have deposited a predetermined amount of money into their player account, can become VIP members making them eligible for bonus games, payouts, and prizes.

Happy Hour Events

VIP players are eligible to win bonus prize amounts or prizes, such as holidays, that are not available to regular players.

Higher Conversion Rates on Points

Several gaming sites offer points that convert to money. This promotion allows VIP member players to convert at a higher rate than a regular player.
The Case of PartyGaming

To get a sense of the type and extent of promotional initiatives used by online gambling companies, this section highlights the activities of one such company, PartyGaming. PartyGaming was selected for a few reasons. First, as a publically traded company, information regarding expenses, revenue and initiatives are readily available. This is in contrast to most online gambling companies where it is impossible to obtain financial information. Second, as one of the largest online gambling companies, PartyGaming provides an excellent example of the array of promotional activities. Finally, compared to other publically traded online gambling companies, PartyGaming had the most informative and thorough annual report; the source for the bulk of information contained in this section (PartyGaming, 2008).

Background

PartyGaming, founded in 1997, is regulated and licensed by the Government of Gibraltar and by the Alderney Gambling Control Commission. PartyGaming’s principal brands tap all of the major types of online gambling.

- PartyPoker.com is one of the largest online poker sites. The site is used by over 20 million players, deals over 11 million hands each day in 195 countries, and pays out $270 million in prizes each month in the big money tournaments. In 2004, PartyPoker set a record of having over 40,000 players gambling on their site at the same time (partypartners.com/why_join/brands.do).
- PartyCasino.com is one of the largest online casinos, offering slots, video poker, roulette, blackjack, virtual racing and keno.
- PartyBets.com is a sportsbook that includes virtually every conceivable type of sporting event available.
- PartyGammon.com has over 5,000 tournaments a month involving over 25,000 players in 195 countries. The site offered the first ever backgammon tournament with a guaranteed prize pool of $1 million.
- PartyBingo.com offers over $8 million in winnings each month consisting of progressive jackpots and high-spending games.

The company employs approximately 200 full-time customer service representatives who provide support in 12 languages.

Key Performance Indicators
The table below shows revenue and customer information for the first six months to June 30, 2008 (PartyGaming, 2008). During this period, PartyGaming reported net revenues of 254.8 million, an increase from 217 million in the first six months of 2007. Of the 254.8 million, 51.4 million was obtained from players residing in Germany, followed by 43 million from Canadians and 27.1 million from the United Kingdom. It should be noted that PartyGaming does not accept money bets from customers located in the US. Compared to the first six months of 2007, the number of unique players increased by 15% to 881,400 through the recruitment of 324,000 new players.
Performance Indicators (Six Months to June 30, 2008)

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<th>Performance Indicator</th>
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<tr>
<td>Active Player Days (Million)</td>
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<tr>
<td>Daily Average Players (000)</td>
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<td>New Money Customers (000)</td>
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<tr>
<td>Unique Active Players (000)</td>
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<tr>
<td>Average Daily Net Revenue (000)</td>
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<tr>
<td>Total Net Revenue (Million)</td>
<td>254.8</td>
</tr>
</tbody>
</table>

Marketing Initiatives

In the first six months of 2008, PartyPoker reported spending 48.6 million on efforts related to customer acquisition and retention, 36.6 million on affiliates and 4.2 million on customer bonuses. During this period, an assortment of strategies were designed and implemented to increase the player base and diversity and localize the product base.

a) Licensing of Popular International Brands

- PartyGaming reached agreements with Paramount Pictures and STUDIOCANAL which gave PartyCasino.com access to a large number of blockbuster movie titles. Titles such as Mission: Impossible, Saturday Night Fever, Godfather, Terminator and Rambo were used as titles for slots.

- PartyGaming launched PartyMarkets.com through an alliance with City Index. City Index is one of the leading providers of trading services in the UK, offering instant access to thousands of markets worldwide.
b) Sponsorships

- In June, 2008, PartyPoker sponsored the launch of Bingo Night Live in the UK. The mass market exposure resulted in increases to the PartyBingo.com player base.

b) Localize services

- The Italian sportsbook - PartyBets.it – was launched. In the first 6 months of 2008, total amounts wagered increased by 64% over the previous year from 1.21 billion euro to 1.98 billion euro. PartyGaming estimates that approximately 20% of this increase is due to online sports betting.

c) Affiliates

- Expansion of the affiliate network continues to be a key strategy in efforts to secure new customers. PartyGaming offers affiliates two payment methods. With cost per acquisition, affiliates receive a one-time payment for each real money player referred directly or through a sub-affiliate to one of PartyGaming’s major brands. With monthly gross revenues, affiliates receive a percentage of money staked from players referred by the affiliate or a sub-affiliate. (partypartners.com/why_join/payment.do).

d) Systems and Product Development

- To enhance the attractiveness of some of the major brands, PartyGaming created a new platform using flash software for the casino and bingo sites, as well as developing a new suite of flash casino games.

- A major focus was the development of new tools and features for the first major re-launch of PartyPoker.com.
e) Sales and Player Marketing

- Compared to the first six months of 2007, the number of new player sign ups during the same period in 2008 decreased 32% for poker. Because the large proportion of poker players are US based, PartyGaming attributes the decline to the US Unlawful Internet Gambling Enforcement Act of 2006 (UIGEA) that prohibits financial institutions from transferring funds to an online gambling site,
- Compared to poker, the number of casino players increased by 50%. The increase in player base is attributed to a major television and online marketing campaign that promoted the new slots.
- The number of new bingo players in the first half of 2008 increased five-fold compared to the same period in 2007. This result was attributed to the sponsorship of Bingo Night Live on UK television.
- The number of new sports-betting player sign-ups increased 24%. This increase was attributed to an earlier campaign in the UK as well as the launch of the Italian sports-betting site.

Future Developments

One of the major promotional strategies planned for the second half of 2008 is the re-launch of PartyPoker.com. The re-launch will be supported by a re-branding strategy and marketing campaign. One aspect of the re-launch is the promotion of a $2 million guaranteed tournament to be held on November 30th, 2008. Players can buy-in to the tournament for $640 or qualify through satellites starting at $1. PartyMarkets will be upgraded with more user-friendly products that have more appeal to the online gambler.
rather than to an investor. Finally, both PartyCasino and PartyBingo will receive a suite of new games including scratch cards.
Summary

Competition for new customers and the ability to retain existing customers are top priorities for Internet gambling providers. Promotional strategies vary greatly and many sites employ several strategies to retain their competitive advantage. All, however, seek to garner public attention and successfully convert it into a paid player account on an operator’s site. Branding aside, these strategies generally involve a combination of direct and indirect marketing designed to earn trust, invoke interest and meet the ever-changing entertainment requirements of customers.

In spite of the considerable barriers that have been erected to halt online gambling operations, the industry has been exceedingly successful in attracting and retaining customers. A multitude of approaches, both traditional and non-traditional, are used to inform prospective online players about a particular site and convert that awareness to actual registrations.

Television advertisements, affiliate programs, online pop-up ads are just a few of the ways that a site can become known to potential players. While this report did not examine the actual content of the ads, messages coincide with what matters to players. This includes drawing attention to sign-up bonuses, variety of games, and jackpot amounts. Once an individual visits a site, a number of techniques are used to convert the visit to a registered membership involving a real money deposit. Most sites offer some sort of promotion that places more money than originally deposited into the player’s account. Finally, with over 2,000 online gambling sites available to the interested player, player retention is a key focus. This is achieved by creatively rewarding the active player and ensuring that the games stay relevant and current.
The key to a successful online gambling venture is the ability to understand and adapt to the target group. There is no better example of this than PartyGaming. In the first six months of 2008, PartyGaming reported net revenues of $254.8 million, an increase from $217 million in the first six months of 2007. This success was the result of strategies that worked to increase the player base and keep existing customers satisfied by selling the value of the PartyGaming brand.
References


Top 10 Online Gambling Sites Compared for 2020. Play Online > Easily compare online gambling games, verified casinos & the best welcome bonuses! The #1 Guide to the Best Real Money Gambling Sites. Find the Most Trusted Online Gambling Sites & Best Bonuses. 308,796 MEMBERS. The Internet's Friendliest gambling community as seen on-. At CardsChat, we've shortlisted the safest and the best gambling sites for players to gamble online for real money. Enjoy huge bonuses, 100s of games, and play on mobile! Online gambling (or Internet gambling) is any kind of gambling conducted on the internet. This includes virtual poker, casinos and sports betting. The first online gambling venue opened to the general public, was ticketing for the Liechtenstein International Lottery in October 1994. Today the market is worth around $40 billion globally each year, according to various estimates.