

THE **iGamingFuture**

MAGAZINE

SERIES

November 2022



THE FUTURE OF
ESPORTS
BETTING

BODEX UNIVERSAL ESPORTS ODDS



Bayes Esports introduces the only esports integration you will ever need. BODEX (the Bayes Odds Exchange) provides access to top-level esports odds from multiple providers while requiring a single integration only.

Broaden and improve the quality of your product with a wide selection of tournaments, markets and features; all from the biggest names in the industry.

ONE INTEGRATION

10+

TITLES*

100%

OF BAYES EVENTS**

45%

MARKETS*

*projected numbers for 2023 across all providers **coverage of Bayes Live Data Events Tier 1-Tier 3

01

BOOK THE CONTENT

02

SELECT THE PROVIDERS

03

RECEIVE A CUSTOM FEED

The screenshot shows a web interface for Bayes Esports. On the left is a sidebar with three menu items: 'Content Management' (with a grid icon), 'Provider Preference' (with a gear icon), and 'Billing' (with a document icon). The main content area has a header with 'Upcoming Tournaments' and 'Booked Tournaments'. Below the header, it says 'Here is a list of all the upcoming tournaments' and displays a table with the following data:

Title	Tournaments	Date	Series
	Worlds Championship	29.09.22 - 05.11.22	Worlds
	ESL ProLeague Season 17	22.11.22 - 30.11.22	ESL Pro League
	Beyond The Summit Pro Series	21.09.22 - 06.10.22	BTS Pro Series

OUR PARTNERS



LEARN MORE ABOUT ESPORTS DATA SOLUTIONS

sales@bayesesports.com docs.bayesesports.com/bodex

MARKET OVERVIEW

As the esports sector continues to flourish, traditional sportsbooks are finding it increasingly difficult to justify not including the vertical as a core part of their portfolios.

Sportsbook operators targeting long-term, sustainable, growth will most likely already have esports under close observation. But the **potentially disruptive dynamic of the product can engender over-caution** – and, crucially, seriously impact investment and resources inputs.

For some of our sportsbook operators, **esports already measures around 20 per cent of their annual revenue, yet – with the right resource**

allocation – this figure has the potential to go stratospheric.

The meteoric rise of esports betting during the Pandemic was an important milestone for the sector, and a demonstrable marker to the world of gaming. Although **many industry commentators argued this was just a pandemic bubble**, sure to pop once live sports returned to our screens, **this is not what has played out. Instead, esports betting activity has surged** – despite the fact the world has transitioned out of lockdown and popular leagues, like the NFL or Premier League, are back in action.

It's also important to note that esports was growing even before the pandemic. In the UK, for example, the **Gambling Commission reported that esports wagering had increased by an unbelievable near-3,000 per cent between March 2019 and March 2020;** proving that esports was already on an upwards trajectory.

The Covid19 pandemic just super-charged the process.



Curtis Roach

HEAD OF CONTENT
iGF

THIS IS WHY iGamingFuture has invited leading professionals in the esports sector to discuss the future of the exciting vertical

– and help our audience understand how they can leverage the opportunities available to take their sportsbook to the next level.



DANIEL SANDERS
DIRECTOR OF MARKETING

Luckbox - Real Luck Group



STEPAN SHULGA
HEAD OF ESPORTS

Parimatch Tech



MARTIN DACHSELT
CEO

Bayes Esports



ADAM BOOTHE
DIRECTOR OF ESPORTS

PrizePicks

OUR EXPERT SPEAKERS

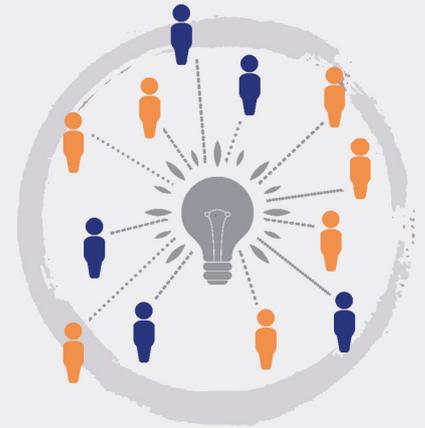


INDUSTRY **INSIGHTS**

As the market landscape evolves and adapts to new trends, our industry has now been compelled to react accordingly.

IN THIS SECTION we hear from some of the leading minds in the industry, who share their perspective on key Latin American challenges and the role of technology in the future of this exciting region.

Looking for
more insights?



JOIN
our community!

[SUBSCRIBE NOW](#)

CONTENTS

6

Q + A
with all our **Expert Speakers**

12

EDITOR'S CONCLUSION



What do you think are some of the biggest misconceptions that sportsbook pros make about esports when attempting to launch, or penetrate this market?

STEPAN

The main issue is a **lack of research and understanding** of what exactly esports is.

To just put esports on a traditional sportsbook website is not enough, because the community has a unique language. For example, if you want to demonstrate that you understand what they're talking about, **deep research is a must. And it must be undertaken before you progress.** Take, for instance, the term 'Best of Three'. For an esports enthusiast, this is a regular phrase, like using terms like 'Map', instead of 'Game'. This is just a simple concept and it's just the beginning, but

if you are going to target this audience with the wrong terminology they will not trust you. This, alone, is a **mistake I often see.**

ADAM

I think a lot of **companies underestimate the power of the community** around esports betting.

For example, a CS:GO veteran may come to play in the evening, while at the same time being on Discord. This is a platform where I was first introduced to other esports betting groups. The gambling subreddit, and the sports betting subreddit, all have very active discords at *PrizePicks*. **We have a concord of 75,000 people who transmit around two million messages every single month.** Through this platform we have been able to introduce esports wagering via educational topics in our discord and specific content

creators that we're partnered with.

We also use it for the daily response to questions around matches, roster, news map, et cetera. **We provide a common area for our community to connect and discuss esports betting.** I'm sure other betting operators might want to create this, but they haven't really targeted or dedicated adequate resources.

I think **the community angle is critical to esports betting** – in contrast to the traditional sportsbook sector.



MARTIN

I think **it depends on your target audience.**

If you are an existing bookmaker, you have your customers who are used to football markets and all the other sports; some might look a bit into esports, maybe even the e-leagues like FIFA and NBA2k, which are very similar to traditional sports. But **if you look at the moment**, at the monetization and the turnover in esports compared to the viewership, **the viewership of esports is insanely large.**

Many times, I've seen that **operators were disappointed at the rate of esports adoption from their customers. In my opinion: It will take a lot more** – and we are just at the start of the journey.

We still **need to understand** what the **optimal user experience** looks like. **Also, what kind of bets, and the type of markets, we need to present to this younger audience.**

They watch YouTube, which is **super convenient** for them. **They would never watch a full sports match** of 90 minutes duration, for example, **because it's too slow** for them. **They want to see action!** This is the origin of the

development we've experienced with the popular high-frequency markets.



DAN

Something we are looking at heavily, is the **need to present our platform in a medium that this generation is used to.**

At the minute, it's a cut-and-paste of the sportsbetting experience. That's fine, but it's **not tailored**, and **maybe that's why no one's seeing great success just yet.** I think the **other key point** is that **just offering it on a sportsbook**

platform is not being active enough. There is an internal process to sell to sportsbook fans. That's not something that's really going to drive any sort of success. **It's about being active in the community** – and thus drive value for the consumers.

As we've seen recently, **there's a lot of cynicism over and around this industry** anyway. It's **important that sportsbooks play a valuable role to improve accessibility**, but also that they 'think around' things like language. A lot of these brands don't even really understand what odds are, or how to interpret them.

So, overall, there's **many steps that sportsbooks need to take to be proactive, to build an audience, before they can even think about actively engaging and leveraging that audience.**



How can operators that are not native to esports ever be seen as an authentic part of the community?

DAN

They have to be seen as authentic!

For sure, there's a lot of scepticism. So already people are hesitant. **Authenticity is key.** I think **it's about doing your research, hiring or working with specialists**, who can guide you in the space to ensure you're making the right decisions; **ensure you're speaking the right language and you're working with the right partners.**



This will then feed into how you can effectively build a betting experience in a more credible way for that audience.



It really comes down to your activation strategy. Build a community, be active in that community, work with personalities and drive content that resonates with the audience because it's a very content-driven industry.

MARTIN

You need to be unique, and you need to be fast. Esports is very diverse and has many different communities.

Just doing **traditional performance marketing and traditional acquisition strategies don't really work effectively.** It's **about a longer-term play**, where you are **generating that equity with the ecosystem, and building your brand.** At that point, you can start to leverage the more traditional acquisition strategies and begin to convert. **This is when people ultimately trust you.** They buy into you.

Personally, I watch League of Legends. I do not watch CS:GO, and I do not really understand the rules of that game either. So **first you need to choose who you target, and you need to understand that every game title is very different.** There are **new game titles that are constantly coming and going.** So, **you need to be fast and be intelligent about what you add to your product offering.** There might be some game titles with great success, but

first you need to check how best to engage with this community.

Also, the esports community itself is maybe not so familiar with betting terms in general.

I think **there's a lot of education needed.** Basic concepts such as how does betting work? What does it mean? What are the mechanics behind it? **If you just drop it in the esports book, with no easy instructions** you may at first get some turnover, but **you will not become an esports betting leader with that strategy.**

How can lower-level esports be grown to the level that has been reached by some of the top-tier games and gaming titles that we know and love today?

DAN

I think **the common theme of today is credibility and authenticity.**

It's **important to understand what your role is when working at that level.** On the acquisition front, this is often not fully appreciated for various reasons. One level is engagement and the other is risk.

Moreover, it's **also important to look at the ecosystems and adopt more local marketing strategies.** This will **enable you to resonate at that level with the core user,** the competitive audience, who are **more likely to be within your betting category.** So, **it's a good layer to have that helps to build that engagement** with those people.

At the same time, I think that **this level of esports still doesn't have a fully fleshed-out ecosystem.** This means that it **can take a lot of value from support given by operators** who can come in and **help to develop infrastructures, organize events and play a critical role in the culture.**

I believe that **this will help build equity and enable ecosystem growth** through an effective trickle-down effect.

There's **an opportunity to come in, play a nice creative role and actually build credibility in local scenes where you feel that your target markets are located.** That's **an aspect that's very unique to esports.**

ADAM

Where we've found the most value in lower-level events and tournaments is specifically around Counterstrike, as there's **always something on our boards being offered.** Our Counterstrike product is uniquely positioned, so that from 3:00 AM Eastern time, all the way to 11:00 PM the next night, we have something to offer.

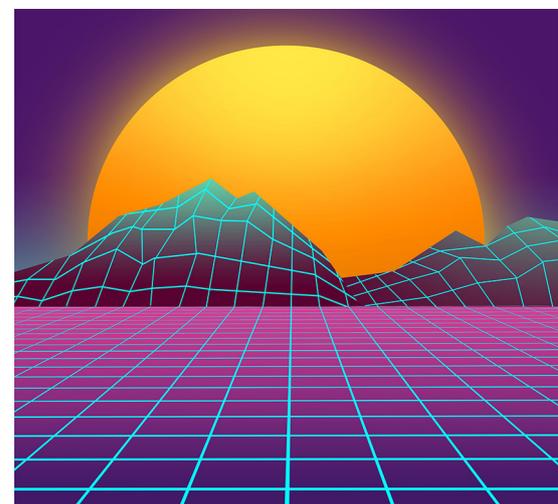
I think that **user acquisition, historically, has not been so good at these lower-level tournaments** because we **don't have these matches in our official data feeds.** So, you are **at increased risk of match fixing** which will impact the whole ecosystem negatively. **This is a major challenge** stopping lower-level tournaments elevating.

MARTIN

I think that the **lower-tier leagues in esports are very top heavy.**

You have the top tier leagues, and **all of the organisers try to place their tournaments into this tier, which causes some friction as they all compete for the same sponsors.** Then if sponsorship isn't acquired, it falls very fast off the cliff causing price pools to go down. It's **not like in football where even with lower leagues there's still a high level of professionalism and large budgets.** It's not yet like that in esports.

After the top-tier, there really isn't a lot of financial support or infrastructure, which really impedes the progress of these leagues.



What impact do the odds and type of betting markets offered have on player engagement? How can this be optimized?

ADAM

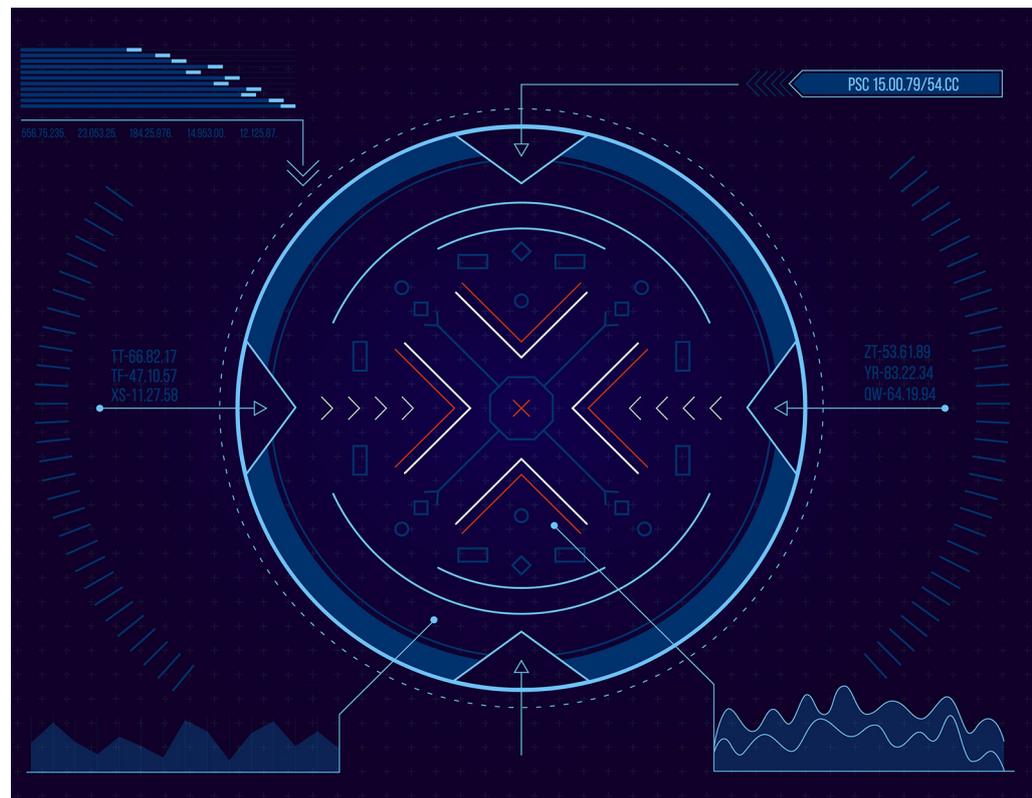
PrizePicks is **uniquely situated around a player market-only offering**. On the esports end, when we began to develop what we wanted to provide to our members we were focused on CS:GO and League of Legends. These were the natural titles to start with. **During Covid we had the opportunity to really shape what was going to be seen**, first within the North American region.

Our philosophy is based on simplicity. We offer betting markets such as kills or headshots.

One question I am always asked before every event is: 'Which team picks which map?' And at first, it was as if you needed to do academic research to figure it out. I was asked this so consistently that when I flipped to the other side of the counter, **I wanted to accommodate those CS:GO fans and bettors**, so they would be able to participate without necessarily needing to know who was picking which map. **Subsequently, our product offers a projection for maps one and two.** That's something **that isn't found anywhere else** in the world. But **we are recently seeing that some of our competitors have since adopted that**

approach. It allows content creators, totes and players the chance to work out the **veto beforehand** – and not be undone by picking the wrong map before they go to bed!

We're very aware that esports fans and gamers might be new to betting or daily fantasy sports. So, we are constantly trying to figure out how we can introduce those markets in a simplistic way.



STEPAN

We have to consider that esports itself is an almost completely live sport, and that includes both spectating and betting on it.

With traditional sportsbooks, before big matches, like Liverpool vs. Barcelona in the Champions League, there's a huge amount of information available that is really useful and interesting to know before the game. This means that a lot of players will be placing their bets before the match. However, with esports there is almost an opposite trend with just 10 per cent of bets being made before the match.

So, to offer something live, you have to be sure that you have reliable data.

The more data you have, the better the range of offering you can provide to the customer in real time.

DAN

There's a lot of challenges with real-time data. But there's an amazing space for innovation, because that's where you can be fully contextual with the way in which you provide the content to the consumer.

A lot of time in esports, you don't even know who's playing the next day because the quarter finals have yet to be decided. Yet, in stark contrast, in the Champions



League you have two weeks to prepare for the match. So, it has to be real time. It has to be in-play. This is what the esports community lives and breathes.

The more of this live betting action you can provide, the greater will be your success.



EDITOR'S CONCLUSION

After hearing the different perspectives of these industry leaders, **it's clear that enhancing your esports book is heavily reliant on good quality data and an understanding that esports is completely different to traditional sports** and should be handled as such.



Reliable data is the foundation of the future that the **esports market will be built on**. **Official data for the most popular tournaments** in the world are **provided by companies**, such as *Bayes Esports*, and they are **fundamental for operators, enabling them to deliver the best products** to their customers.

Good data not only **helps to support the integrity of the sector**, but **also helps to drive the in-play betting products**, which account for up to 90 per cent of all esports betting activity. **Products that are using unofficial 'scraped-stream' data are poor quality and unreliable**, creating increased integrity and revenue risks for the operator and, critically, impacting customer experience.

THE IMPORTANCE OF THE COMMUNITY, ALSO, SHOULD NOT BE TAKEN FOR GRANTED.

THIS ROUNDTABLE HIGHLIGHTED the **key role using the right format, aesthetics and accurate language plays in being able to authentically engage** the esports **community** – along with the **understanding** that **every game title has a special community of its own**.



ONCE WE, AS AN INDUSTRY, UNDERSTAND THESE VITAL DIFFERENCES, WE WILL FINALLY BE ABLE TO REALISE THE TRUE POTENTIAL OF THIS DYNAMIC AND FAST GROWING SECTOR.



Rising Star in
Sports Betting
Software



Uplatform

Evolve Your Sportsbook

Tomorrow comes today! Provide your bettors with a huge Esports catalogue from Angry Birds to Counter-Strike, Clash Royal to Dota 2 and unique bet types, real-time streams, and so much more.

60+

Esports

9500

pre- & live events

300+

betting markets

START NOW

“ *The future of the industry relies on the ability for great minds to share powerful ideas.”*

- iGamingFuture

iGamingFuture

