

# WILL “INSTANT” MARKETS REVOLUTIONISE SPORTS BETTING?

A perfect storm of innovations have made possible the near instantaneous delivery of hundreds of new betting propositions per game. **Martin de Knijff**, founder of Metric Gaming, speaks to iGaming Business about the company's strategy to provide in-play operators with the tech to unlock the revenue potential of these brand new markets.

**With live bets** comprising as much as 80% of some operators' sports turnover, up nearly eightfold from a decade ago, in-game wagering has undoubtedly taken over the online sports betting market over in Europe.

Indeed, in a sports bettor's endless pursuit for information (from conventional stats and weather conditions to team chemistry and other intangibles), nothing seems quite as informative as actually watching the match unfold in real time. Of course, information breeds opinions, and opinions breed wagers, hence how “live” betting, which began merely as a handful of end-of-game (spread or over/under) markets available during the match, so quickly caught on.

The product has of course recently evolved with technology. Now the ability to wager on discrete in-game events – think golf putts, penalty kicks, free throws, at-bats, third downs, etc. – is such that wagers can now be executed and graded, and winnings put back into play, within a few seconds. This has helped create a betting experience which complements today's “instant gratification” social media culture; where news and ideas are shared globally and updated every second as world events unfold. Indeed, in an information age where any delay has become entirely unacceptable to the consumer, it's only natural that live sports wagering has eventually followed suit.

It was arguably the advent of the smartphone – granting 24/7 mobile internet access to the average consumer, along with subsequent development of third and fourth generation networking technology, lightning-fast data transmission, enhanced bandwidth capabilities and cloud

computing, which rendered feasible a range of “live” sports betting propositions which not too long ago were thought impossible.

At this present time however, the barriers to entry for online sports betting operators to these “instant” markets remain high.

This is because such markets (such as “Will Tiger sink this putt?” or “Will LeBron hit this free throw?”) not only implicate massive data loads with potentially huge volumes

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of concurrent users, they also demand the highest possible standards of transactional integrity, such that as each wager is graded, users' accounts can also be debited and credited in real-time.

So, this new breed of “what will happen next?” sports betting requires not only cutting edge technology, equipment, software and programming techniques, but also a very high degree of handicapping knowledge. Indeed, when offering odds on discrete events, accounting for a multitude of ever-changing factors with markets that are sometimes available for only a few seconds at a time, the margin for error is considerably diminished.

Las Vegas-based Metric Gaming went live with its instant, in-game wagering platform earlier this year, ahead of this summer's World Cup. Founder Martin de Knijff, a Swedish professional poker and sports

bettor, told iGaming Business that the idea had actually been there for years, even if the enabling technology hadn't. “I frequently attended football and tennis matches with my friends, where we would wager on anything and everything as the game unfolded: Who would take the next throw-in? Would the next serve be an ace?”

But it wasn't until de Knijff got his hands on his first smartphone that he began to believe such wagering opportunities could one day be offered commercially, spurring him to launch a comprehensive pre-study. The research focused on the digital media content providers who had begun streaming live sporting events around the globe, many

of which also offer live play-by-play statistics and information. De Knijff concluded that with the right algorithms and software, these data feeds could be used to power automated in-play odds generation, with such automation in turn greatly decreasing overhead costs and increase wagering opportunity output.

“These live streams were effectively eliminating the lag time between actual play and the network broadcast transmissions that most viewers see on TV”, said de Knijff, “making the once impossible – offering wagering opportunities on every play – suddenly realistic.”

The second key development in this sector was the creation of “push” technology. At its most basic, push technology is a method of Internet-based communication where information delivery is initiated by the host, rather than by the end user. By way

Figure 1



of example, most websites today require users to hit their browser “refresh” button to update the web page. Alternatively, browsers can be configured to automatically refresh after set time intervals, although such auto-refreshing is largely inefficient as it potentially wastes bandwidth looking for updates that may not be there. The latest “push” technology, on the other hand, literally pushes information directly to the user as it becomes available. In the context of a high-speed, “superlive” sports betting platform, this technology becomes of critical importance.

By way of example, picture Peyton Manning walking up to the line on third and long, and the punter wants to bet on whether the Broncos will convert. On average, they may have an eight-second window to place this wager, leaving no time for browser refreshing to see if the market is even available, let alone for them to confirm that they are seeing the most current odds. With a wagering platform based on “push” technology, however, that market will have popped up on the player’s screen within seconds after the second down play. The

odds, too, will simply update in real time before their eyes, not unlike watching a stock market ticker. Accordingly, an eight-second window is now plenty of time, and players can enjoy a near seamless in-game bet without being distracted from the primary entertainment, the match itself.

According to de Knijff, these real-time wagering markets may also help to expand the available sports betting demographic for online wagering operators. While point spreads and 1X2 markets are arguably not always accessible to the average fan, questions such as: “Will Wayne Rooney score on this penalty kick?” almost certainly are. These markets are also highly suited to the growing phenomenon of “second screening”, whether via smartphones, tablets, Google Glass, or whatever may be the next technological iteration. Everyone watching the game increasing has their phone or tablet out, whether texting friends, checking news and stats or researching fantasy teams – so a betting platform that complements that culture and appeals to a broader, younger demographic can be argued to have been long overdue.

Such in-game propositions, with as many as 400 wagering opportunities in a typical round of golf (see Figure 1) also offer massive potential for increased turnover, according to de Knijff, and not just due to the sheer volume of markets. As wagers are graded in real time, winnings are also available to re-wager within a matter of seconds, meaning that individual player turnover per game has the potential to increase dramatically.

While De Knijff admits that “the company is still in its early stages,” the SuperLive product has garnered a positive reception among operators thus far, with Coral Interactive, Bonnier Gaming’s sports betting brand RedBet and Ocho Gaming among those already having gone live. Swedish operator Betsson is also set to launch, revealed De Knijff, and the company is also in negotiations with several other operators.

Metric also has another product in the pipeline aimed at shaking up pre-game wagering markets, with a view to driving innovation “in an industry that has been notoriously stagnant for years”, according to a bullish de Knijff.