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THE VOICE OF EGAMING FOR NORTH AMERICA

Taking a bite out of the Apple Watch ● Why mobile is the next DFS battleground ● The secret to delivering social slots success



> TROPICANA BOSS TONY RODIO ON USING SOCIAL TO POWER UP IN EGAMING

THE NEXT LEVEL

PLUS: WILL VIRTUAL SPORTS BE THE NEXT BIG THING IN US EGAMING?

THE BIG DEBATE

This month, we ask: Are unlicensed offshore egaming sites still restricting the growth of regulated markets in Nevada, Delaware and New Jersey?



YES

Rachel Hirsch
attorney at Ifrah Law

Despite efforts to curb the presence of unlicensed offshore egaming sites, they continue to hamper the regulated markets in Nevada, Delaware, and New Jersey.

Last year, New Jersey made an initial effort toward addressing the ongoing problem by targeting the source of traffic to these sites. The state regulator sent a letter to six US affiliates requesting they “immediately remove any online gaming links that are not authorized under federal law or under the law of any state” under threat of civil and criminal actions.

It is not clear the recipients of those letters paid any attention to that letter, nor is it clear that any criminal or civil enforcement action is on the horizon.

There will of course always be a certain volume of unregulated marketing driving consumers to offshore sites. But that does not justify the lack of regulation over the affiliate industry or the lack of enforcement. Without established parameters as

to permitted activities, and without the real threat of enforcement for violating such parameters, affiliate marketers will continue to drive traffic to unregulated sites simply because commissions for doing so are much more profitable.

But licensed operators must do a better job of making the case to their target consumer that play on regulated sites is more secure and just as much fun.

Changing this dynamic means more time, money, and attention devoted to advertising to these consumers wisely through licensed affiliate marketers that are incentivized properly for their contribution to the market.

Until regulators do more than just send letters with no bite, and until regulated sites invest more time and money in educating their target consumers on the benefits of play on regulated sites, unlicensed affiliate marketers will continue to drive profitable target consumers to unregulated offshore sites.



NO

Mark McGuinness
egaming consultant

It’s a fact that the egaming industry shall always be polarised between regulated and unregulated egaming sites. It’s a part of human nature that differing opinions exist especially where financial gain and reward exists, which is a huge factor in the motivation of offshore operators.

Of course, this may result in continued rumours of increasing protectionism within those states that have introduced licensed and regulated gaming within their boundaries. And that is an understandable reaction.

Regulated online gambling has come a long way and in a very short space of time – after all, it’s only two years since the market opened. The frameworks put in place within Nevada, Delaware and New Jersey are to be applauded along with all the lawmakers, regulators and operators who ensure high exacting standards are adhered to.

The continued focus on player education within a regulated egaming market

is essential. Specifically the continued communication of consumer protection around the testing and auditing procedures in place for all online games and software is pivotal.

Continued education and socially responsible doctrines are therefore a critical component of the marketing mix, not only for gaining the trust of state residents to play on regulated sites. But perhaps a wider policy of engaged communication aimed at social media gaming sites or blogs that may unwittingly promote unregulated offshore sites or third-party content.

When more states offer regulated egaming, the pain points experienced both by the player and the operator shall start to lessen. Specifically I refer to payment processing both deposit and withdrawals which continue to cause a less than frictionless journey for state residents wishing to play on regulated sites, and are a much greater issue than offshore sites at this stage.