

Emerging Markets & New Partners for Pari Mutuel

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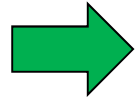
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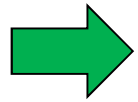
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THE SCOPE



Emerging Markets

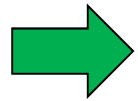
- Terminology not related to economical development or social level status
- Pointing on any market where pari mutuel horse betting is not (or barely) developed



New Partners

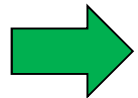
- B to B partnerships
- with entities not yet selling (or very marginally) pari mutuel horse betting

EMERGING MARKETS typology



With horse racing or betting tradition

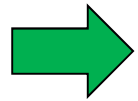
- Races are still running, even if on few days a month
- No racing but an historical attraction for horse betting
- Betting is unsuccessful due to
 - Improper design of races, reduced number of horses, unattractive betting offer, etc...



With no cultural link to racing

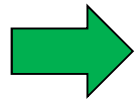
- No racing since several years or ever
- Culturally not accustomed to horse betting

WHEN TRADITION IS ALIVE



What offer

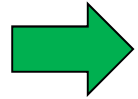
- The full range of bets with an accrued attention to those appreciated by racegoers
- Differentiation according to distribution channels
- Common pooling with adapted bets' characteristics



Insuring a return to racing

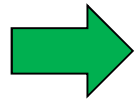
- Not only for ethical purposes but for long term business success
- The return must help keeping local races alive
- With no local races, foreign bets will lose the natural customer catchment

WHEN NO TRADITION



What offer

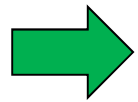
- No way hoping to introduce quickly the racing culture
- Better tackling the market through the “gain promise”
- High gains bets might better fit
- Smart betting is absolutely needed



What distribution

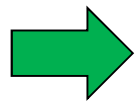
- Here's where new partners become an issue
- 2 paths :
 - Going to other games distributors
 - Innovating through new channels

NEW PARTNERS typology



In the business of gaming

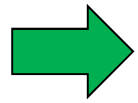
- Might be in horse racing business (operators, tracks, etc..)
- Might be in other gaming sectors (Lotteries, Casinos, etc..)
- Bringing and additional product (offer completion, recycling, etc..)



Other kind of networks

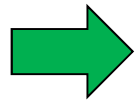
- Might be news-stands, gas stations, supermarkets etc
- ...
- Bringing them a way to take an additional advantage of their catchments area
- Creating possible cross selling opportunitie

PARTNERS IN GAMING business



In horse racing (tracks or betting)

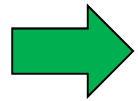
- Full range of bets might be offered
- Information to punters is a key issue
- Fair return to the horse industry should be insured



Other gaming sectors

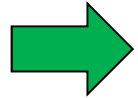
- If in a country of tradition, same topic than for horse sector
- If in country of no tradition, focusing mainly on smart exotic bets
- Key issues : - Margin level in order not to discriminate horse products
 - Adapted range of bets

PARTNERS NOT IN GAMING



Main frequent issues

- Lack of parking space
- Lack of tv & terminals space
- Unavailable tellers
- Time-Space / Margin ratio



Possible answers

- Smart exotic bets – Gain oriented marketing
- Stand alone interactive terminals
- Absolute need for better margin while lower volume
- Seeking for synergies with main business

Thank you for your attention

These few ideas are taken out of my own experience
They do not aim to be exhaustive or ultimate
Just to introduce this interesting topic and to open the debate

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