

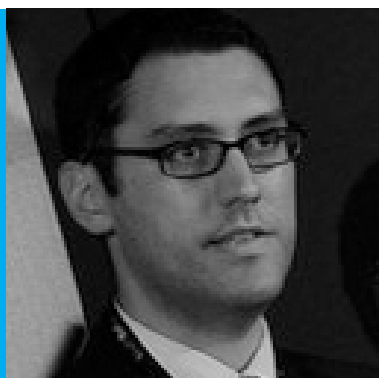
How deep customer understanding differentiates Sky Bet in a saturated market

Iterative, ongoing customer understanding helps Sky Bet accelerate innovation, target the right customer, increase loyalty and grow sustainably

Sky Betting and Gaming competes in an increasingly saturated market with limited brand loyalty and changing regulatory conditions. This combination puts the marketing and product innovation teams under incredible pressure to innovate, build brand affinity, and go to market as fast as possible.

To differentiate their products and increase customer loyalty, Sky Bet focused on a strategy of deep customer understanding. They launched The Clubhouse to support this strategy and create a foundation of their best-in-class customer insights program.

Fueled by rapid, agile insight from carefully segmented customer groups and seamless integrations with their CRM, the company has the ability to successfully target the right customer base, responsibly acquire new customers, provide clear direction for future innovation, de-risk product decisions with extensive UX and iterative product testing, and pre-empt market shifts that would otherwise go undetected for long periods of time.



Close contact with our customers is critical to Sky Betting & Gaming – understanding what motivates and interests our customers helps us to shape our product, user experience and promotions.



Vaughan Lewis
Senior Vice President of Communications
The Stars Group

#1 online bookmaker in the UK

Insights from The Clubhouse contributes to YOY uplift: loyalty, share of wallet, brand awareness, and volume of customers

In two years, saved the business 2.1m GBP in opportunity costs

Customer understanding driven with insight from consent-based data has helped Sky Bet overtake the competition to become the UK's largest online bookmaker and enter international markets by developing product features, advertising, and promotions that set them apart from other brands in the industry.

Challenge

Sky Bet's key areas of focus for 2019 are: to be the number one destination for higher frequency gamblers (more than 3 times a week), surface responsible gaming in everything they do, provide the best promotional and customer experience, and encourage multi-product play.

Customer loyalty, retention, and churn prevention are key to success in any industry. In the UK, the average bettor has 4.4 active betting accounts from multiple providers which makes building and maintaining customer loyalty a challenge. On any given Saturday, betting customers come into contact with thousands of touchpoints calling them to action from different brands.

The challenges of saturation are compounded by the inherently confrontational "win or lose" nature of the customer transactions. Differentiation, loyalty, and ongoing engagement is the holy grail that impacts everything from immediate tactical questions to broader long-term strategic initiatives.

Sky Bet is further challenged with the need to create and maintain loyalty across 40 different sports, four gaming brands, and four free to play products.

Solution

Putting customers at the heart of decision making

Sky Bet re-oriented their product innovation and customer experience strategy, putting customers and consent-based data at the heart of decision making. The Clubhouse, comprised of over 9,000 opted-in, richly profiled, and highly engaged players across multiple countries delivers overnight feedback from customers and beta testers informs product and marketing decisions and delivers insight that goes beyond transactional data analytics.

Because of the consent-based engagement with players, Sky Bet has free rein to talk to customers whenever they need to without having to go to their CRM team to get a list first.

With a relentless focus on actionable results for stakeholders, the team ran almost 80 studies in 2018, averaging six per month. For comparison, the cost of previous methodologies would have enabled fewer than six studies per year for the same investment as The Clubhouse.

Sky Bet is impressed with the always on nature of The Clubhouse and having the richly profiled members ready to give feedback whenever they need. Sky Bet's early adoption of Member Hubs has contributed positively to member engagement.



For a business like Sky Bet which combines short-termism with a propensity to plan for the ultra-long term, an insights platform must be multi-purpose, it must be always-on and it must be easy to use and report from. The Clubhouse provides this one-stop-shop, a phone call with thousands of customers in real time would undersell it – the range of functionalities means it's almost like having them in the room.



Jonny Watts
Sr. Research Manager
Sky Betting & Gaming

Overlaid customer segmentation enables easy deep dive targeting

Sky Bet overlays a comprehensive segmentation on top of their customer base to inform everything the business does from a marketing, CRM, product, and trading perspective. Each customer falls into a segment depending on their onsite and betting activity, with the four most important segments termed GOAL segments. The segmentation is stored in their internal data warehouse and replicated in The Clubhouse so they can talk to specific customer sets quickly and effectively without having to repeat screening questions or run additional data analysis. The ability to repeatedly engage known customers and feed that insight back into their CRM enables Sky Bet to develop product features, advertising, and promotions that set them apart from other brands in the industry.

Consent-based data refines and improves data models

The insight team has a collaborative relationship with the data science team. Consent-based data from The Clubhouse is an input to data models. The team can also test model accuracy by digging into the outputs with The Clubhouse. The trading risks analytics team uses Clubhouse data to forecast prospective stakes, as well as churn opportunities and risks regarding racing concessions.

Sky Bet is in the process of fully integrating their data warehouse with The Clubhouse, gaining access to real time data in order to increase the accuracy of their research. They will have the ability to look at a research problem e.g. "Why did people avoid our Soccer Saturday Price Boost?" and correctly target the football customers in the The Clubhouse that did not bet to ask them why. The implications of this are exciting to both the insight teams and senior stakeholders in the business.

Another point of excitement is the opportunity to integrate automated data analysis and machine learning intelligence capabilities. Soon, the extent to which their databases link will mean that as segments change day to day based on player behavior they can trigger automated surveys or quick questions to invite The Clubhouse members to tell them about their betting or gaming behavior in real time.

Beta testing group always on hand for agile insight

Sky Bet enrolled 20% of The Clubhouse into a beta testing group. This is a core group of their most engaged members who feed into real-time developments by being involved in all stages of the beta processes. Not only do these customers see first-hand the results of their feedback, they also have early—and continual—access to Sky Bet's bleeding edge technological developments. This is a big deal as most staff don't even have this kind of access. In return, Sky Bet gains qualitative and quantitative feedback to inform and validate early product development stages and dovetail with the product roadmap. Beta testing typically starts with a discussion forum between the targeted testers and the tech developers. There may be several iterations of qualitative and quantitative work throughout the process. And then, they finish off by getting final overall opinion on the product. Customers get updates regularly so they can see their feedback in action in real time. The beta testing group has become an intrinsic part of their product development process, and Sky Bet doesn't know how they would manage without it.



Knowledge is power - the more informed our people are about who are customers are and why they do things - helps to drive action in the business. We wouldn't be where we are today without the actionable insight we get from The Clubhouse.



Ben Fox
Group Head
of Research
The Stars Group

Outcome

Sky Bet's internal stakeholders are so attached to The Clubhouse that they call the insight team by the same name. The competitive advantage gained from deep customer understanding led to additional insight communities to dig into the non-customer perspective and other categories.

The Clubhouse is used to validate Sky Bet's entire product, trading, and marketing approach across their four key segments, influencing PR strategy, product innovation, go-to market, and advertising.

Insights from The Clubhouse contributes to the YOY uplift in key metrics such as loyalty, share of wallet, brand awareness, and attribution and volume of customers. Sky Bet is now the #1 online bookmaker in the UK in terms of customer numbers and #1 in terms of game players on Vegas. Key drivers behind these uplifts were created and validated through The Clubhouse.

The Clubhouse also has a noticeable commercial benefit due to the increased proximity and engagement with the SBG brand. By appending each Sky Bet member's transactional behaviour from the database, they can see the noticeable increase in worth of an average member versus an average customer. For example, The Clubhouse members have 79% more Bet Weeks per year and are worth 165% more to the business than the average customer.

The value derived from The Clubhouse from a cost saving perspective is huge. For the cost of The Clubhouse for one year, Sky Bet could have previously only conducted five studies. In 2019 Sky Bet ran 69 studies, averaging six per month. Since 2017, The Clubhouse has saved £2.1 million GBP in opportunity costs.

The success of the program is due in large part to the trust and confidence Sky Bet has in feedback from The Clubhouse members, pairing transactional data from their CRM, and the relentless focus on delivering actionable insight that will influence revenue. Customer understanding is now more important than ever before to successfully and responsibly acquire customers and grow the business conscientiously for a sustainable future. Since 2017, The Clubhouse has saved £2.1 million GBP in opportunity costs.

Takeaways

Customer understanding accelerates innovation and grows customer loyalty

Seamless integration between CRM and consent based insight to uncover "why"

Co-create new products with customers to optimize and ensure success



Consent-based engagement is more important than ever before to successfully and responsibly acquire customers and to grow our business conscientiously for a sustainable future.



Scott Easton
Group Head Senior
Bet Research Analyst

Deep Dive—Group Bets Product Innovation

Sky Bet had a new product idea - Group Betting - that had never been done in the industry. Essentially the product enables a group of people to put money into a pot and work as a syndicated group against an accumulator.

They had an inkling from face to face research that this was going on in the wider world and wanted to see if this could be turned into a viable product that promotes responsible gaming, identifies new players, and further differentiates Sky Bet.

This is the phased approach to product development that Sky Bet followed leveraging The Clubhouse:

1. What proportion of Sky Bet's loyal base already does a group bet across sports? Discovered that 20% do.
2. Recontacted people in Leeds who participated in the first round to come into the office for beer, pizza and football watching. The team had 3 friendship groups participate in a live group bet they could watch and document.
3. Sky Bet wireframed concepts together to test with the The Clubhouse and used the highlighter tool to collect feedback
4. An external development house built the concept into a prototype to iteratively test with The Clubhouse
5. Recruited for qualitative to meet up at a pub and interact with the prototype in person
6. Beta tested with a group of 4000 people from The Clubhouse. The product was served up through Sky Bet's app. People tested, prioritized, and did a final test to try to break it
7. In market, ongoing feedback to iterate on what Sky Bet should add, change and uncover whether people are telling their friends about the new game

Group Bets is doing well. The number of users interacting with the product is comfortably in the 6 figures and it has an incremental effect on customer value for Sky Bet.

About Sky Bet

Sky Betting and Gaming is the United Kingdom's leading mobile-led betting and gaming operator, providing real-money gaming and a diversified gaming product portfolio to customers in the UK, Ireland, and across Europe. Operating five principal brands, Sky Bet, Sky Vegas, Sky Casino, Sky Bingo, and Sky Poker, Sky Betting and Gaming is now Great Britain's most popular online betting brand and online casino brand with the number 1 ranked iOS and Android sports betting app. They attribute their success to a long-term strategy focused on their ability to know and understand their customers better than any other brand in the industry.

About Vision Critical

[Vision Critical](#) builds customer trust and creates new business value through the collection and application of consent data. With its unique, relationship-based approach, Vision Critical's Sparq platform lets brands directly interact with insight communities of opted-in customers. Unlike traditional voice of customer methods, Vision Critical unlocks the real-time feedback that companies need to build better products, deliver better services, and achieve better business outcomes hand in hand with their own highly engaged, well-profiled customers.

Hundreds of high-performing organizations across multiple industries benefit from Vision Critical's technology and guidance. To learn more about Vision Critical, follow us on [LinkedIn](#) and [Twitter](#), or visit us at www.visioncritical.com.