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Introduction

One of the most noticeable product innovations in sports betting in recent years is the increasing use of customer personalization, as evidenced in the strategies outlined in multiple annual reports by bookmakers (see, for example, Paddy Power Betfair plc, 2019^[1], William Hill plc, 2019^[2]), and noted by gambling industry insiders^[3]. Personalization is used to “tailor information to an individual user’s specific needs and preferences” (p.1)^[4]. By personalizing their products, gambling operators seek to adjust their offer to the individual expectations of each customer. Related to personalization is customization, which is frequently (and erroneously) assumed to be a synonym. However, customization refers to the process conducted by users to ‘make changes to the experience to meet their specific needs by configuring layout, content, or system functionality’(p.1)^[5]. In essence, what differentiates customization from personalization is that the former is consumer-driven whereas the latter is company-driven.

Providing customers with greater levels of personalization and customization is widely seen as a positive throughout the gambling industry^[6,7]. Personalization is thought to increase user satisfaction, aligning more efficiently consumer preferences and company’s offerings. For instance, targeted personalized marketing messages should be less annoying because they identify more appropriately the time, channel, and content to be delivered. Customization tools allow players to format their gambling sites to their liking, selecting the most attractive bets (e.g., preferred sporting competitions, favorite players and athletes, etc.), or removing the features that generate noise in the interface.

However, in this paper, it is argued that personalization and customization also have to be critically examined in relation to responsible gambling issues. More specifically, the paper outlines the logic of both these processes and how bookmakers use them to create value in their products. Also, a model for understanding how customization and personalization operate is presented, and its implications of responsible gambling are discussed. Finally, a specific type of a popular customization in European sports betting market (i.e., ‘Request Your Bet’), is examined as a case study in order to illustrate the argument.

Why is personalization and customization so important to bookmakers?

From the standpoint of consumers, the gambling industry is arguably formed by largely interchangeable operators that supply fundamentally identical products^[8]. Globally, legal online gambling has been in existence for around two decades, depending on the jurisdiction. This relatively short period of time has witnessed a simultaneous emergence of online gambling operators in distant parts of the world, but with little product differentiation. Generally speaking, operators have tried to counterbalance product similarity by focusing on price differentiation, resulting in the tightening of their profit margins.

This strategy has caused a gradual increase in the return-to-player percentage in most online gambling products as compared to traditional offline gambling forms such as lottery tickets and electronic gaming

machines^[9,10]. Additionally, and despite the overall online gambling industry enthusiasm, market-wide used price-based advertising tactics comprising ‘free money’ promotions such as welcome bonuses, cash rebates, ‘safe bets’, and similar enticements, have further raised the cost of acquisition of new customers from the hands of rival operators^[11].

Some industry voices have argued that, in a saturated gambling market, a war on prices is not a sustainable long-term strategy and that real differentiation should come from other areas^[12,13]. Some attempts have focused on building brand identity, but many operators have found little success in this approach because of (but not limited to) poor pre-existing symbolic capital^[14]. This is arguably due to poor product differentiation which makes the argument circular. Other scholars, as in most market saturation situations^[15], have proposed technological innovation as the key differentiator. In this context, personalization and customization have emerged as important determinants in creating differentiation in bettors’ gambling experience and brand recognition.

How does personalization and customization operate within betting products?

In its simplest terms, consumers customize gambling products to make them look attractive, display information and/or respond to input according to their preferences. Some of the most typical customizing actions (among others) include (i) making cosmetic changes, such as formatting the app appearance (e.g., change of color, density of display), and displaying bets (making preferred bets more accessible), (ii) applying functional changes, such as notifications (e.g., sound alerts, pop-up messages), utilizing automated functions (e.g., cashing out once a gain or loss has been reached), and setting deposit limits.

Traditionally, these customization options have largely been peripheral and did not affect core aspects of bets. However, more recently, customizable items have expanded to editing bets during games (i.e., via cash out functions), bet aggregation (i.e., accumulators, often referred to as *accas* in gambling marketing and advertising), and player props (i.e., betting on specific players). The most recent customization actions incorporate the possibility of bets being proposed by gamblers instead of the bookmakers, extending the array of betting options traditionally covered by gambling operators (this is further elaborated on below). When engaging in all or part of the processes described above, gamblers generate behavioral data of all sorts that is automatically sent to bookmakers, in a model theorized in Figure 1.

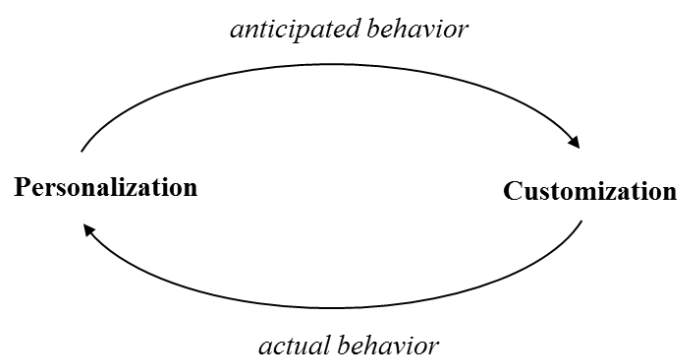


Figure 1. Iterative generation of gambler-related insight

Customization information that bookmakers receive corresponds to actual decisions conducted by real gamblers in real-world conditions. Once this information is processed and analyzed (by means of machine learning, for instance), it creates the basis for the personalization process, which reciprocates the incoming flow of information by arranging a series of custom-made choices that aim to anticipate the presumed behavior and preferences of the gambler. Some of the most common personalization features

provided by contemporary sports betting operators include: (i) sport, team, and competition preferences, (ii) bet display (prioritizing frequent bet choices or in-play events on top of the screen), (iii) default stakes, (iv) targeted marketing promotions (e.g., individualized emails, user-relevant content), (v) live streaming options, and (vi) special offers (e.g., birthday promo codes). Data exchange from customization and personalization is circular and iterative, and insights from one process feed the following step. It is important to note that customization actions only represent a small portion of all behavioral data generated by a single gambler, and that personalization includes insight from many other areas such as time and money spent, markets selected to bet, team/athlete identity, age, and gender.

A closer look at responsible gambling implications of customization

Issues involving personalization have already been discussed in relation to consumer protection and privacy^[16]. Similarly, connatural features of personalization in gambling such as geolocation have also been examined in terms of player data protection and privacy^[17]. Personalized marketing can be damaging for those who are experiencing gambling problems, especially in those instances in which problem gamblers who are trying to cut down or discontinue gambling continue to receive commercial marketing enticements^[18]. Nevertheless, here, the focus is specifically on customization-related implications.

From a responsible gambling perspective, customization processes are not psychologically neutral, and might have undesirable effects on the way gamblers conceptualize their betting attitudes and conduct. As explained earlier, the key distinction between customization and personalization lies in the proponent (i.e., gamblers customize whereas gambling companies personalize). This means customizing is a proactive action by the gambler toward the gambling operator, which translates into a greater customer engagement. In fact, such engagement is arguably of greater quality because it is not demanded nor imposed by the gambling operator but spontaneously initiated by the gambler. Customer engagement is central in marketing because “it can enhance the experience of the core offering [...] by strengthening existing psychological connections to the core offering (e.g., task-based)” (p.313)^[19].

In the case of sports betting, the implications of customization in bettors’ psychology via engagement are significant. With greater engagement, the locus of control of gambling gets *internalized*^[20] as opposed to being externalized, which would mean that the bettors neither have nor perceive to have any kind of control in themselves over the outcome of bets. In other words, the engagement produced by customizing the betting experience or betting platform arguably constitutes an illusion of activity, a simulation that the bettor is actually doing something, in contrast to simply waiting for the sporting event to unfold. In this sense, platform customizations, with no real contingency, could be acting as a modern-day equivalent of classical lottery experiments facilitating the ‘illusion of control’ in which individuals who picked their own lottery numbers felt more confident than those whose lottery numbers were assigned externally^[21].

Although the effects of customization on sports bettors’ behavior have not been studied, evidence from a similar domain such as fantasy sports, point in the direction of a customization effect. An experiment found that fantasy gamers in a high-customization condition (who selected a starting lineup of made-up players) increased their expectancy of winning in comparison to a low-customization group (for which the lineup was automatically formed with one click)^[22].

If the zero contingency relationship between customization and gambling outcome is not clearly explained by service providers, or understood by consumers, it might result in a case of illusory correlation, that is, a cognitive distortion that enhances the illusion of control among gamblers^[23]. Within the broader scope of sports betting advertising, which typically resorts to narratives that emphasize the perceived control of bettors over their outcome of their bets^[24], particularly when accentuating the influence of technology^[25], customization options that are performed within bookmakers’ gambling

platforms and mobile sites are likely to be interpreted as providers of greater control for bettors. In the final section, a case study to illustrate this tendency is discussed.

A case study: ‘Request Your Bet’

A paradigmatic case of contemporary sports betting customization is ‘Request Your Bet’ (RYB), a type of bet offering that have become increasingly popular in most European sports betting markets. RYB products are broadly provided by most bookmakers in an identical fashion, although each one commercializes the functionality under a different name. Examples from the British market include ‘Bet Builder’ (*Bet365*), ‘#yourodds’ (*William Hill*), ‘#whatodds’ (*Paddy Power*), ‘#oddsontat’ (*Betfair*), ‘Market Maker’ (888), ‘#getaprice’ (*Ladbrokes*), #betyourway (*Betway*), or ‘#pickyourpunt’ (*Betfred*). RYBs permit bettors to request a bet that has not been quoted by bookmakers. Given the virtually unlimited number of aspects of a sport event that can be bet upon, bookmakers cannot supply odds for every possible circumstance within a game. If gamblers want to bet on a very specific outcome or set of outcomes, they can ask a bookmaker via *Twitter* if they are willing to accept the bet and at what odds. Some real-life examples from soccer bets are provided in Table 1. They illustrate how bettors request ‘exotic’ bets that were not covered by bookmakers’ current offers. In these selected examples, the requests were accepted, but on many other occasions the bookmakers turned them down.

Table 1. RYB examples on soccer bets accepted by UK bookmakers extracted from *Twitter*

Operator [date]	User request	Response from bookmaker
Betway [June 24, 2019]	#betyourway Alexis Sánchez and Cavani both to score. Medel and Torreira both to be carded in Chile vs Uruguay.	Interesting prediction there... what are the odds? According to our traders 50/1*. Find your market under the #Betyourway tab here: [URL supplied]
William Hill [June 22, 2019]	Spain at least one corner every 15 minutes (Spain-Poland U21) #yourodds	#Yourodds are 11/2**. Place your bet here [URL supplied]
Ladbrokes [June 24, 2019]	#Getaprice Ianis Hagi to score from outside the penalty area	Hey, thanks for choosing #GetAPrice. Your price is 16/1***. Get on it here: [URL supplied]. Good luck, should be a cracking game. Keep your requests coming! #GetAPrice!

*50/1=Decimal: 51; American: 5000. **11/2=Decimal: 6.5; American: 550. ***16/1=Decimal: 17; American: 1600.

Following the argument outlined in the previous section, RYBs exhibit some of the elements that make customization a concern for responsible gambling policies. First, because a request is initiated by the user, the internalization of the locus of control appears more plausible. Second, from a marketing standpoint, user initiation could be thought as a byproduct of customer engagement. By persuading customers to actively engaged with their products, it is likely that the gambling industry will see a reduction of the bad attitudes associated toward it^[26], and consequently, a reduction of the perceived risks associated with it^[27]. Arguably, the human-to-human interaction that precipitates the obtaining of the quote for betting odds, and the hyperlink to place the bet, further allows the gambling industry to present itself in a close, friendly light. Third, an active demand of a quote for a bet makes more sense to occur when a bettor has an affective attachment or, at the minimum, a vested personal interest in the teams

and/or athletes involved, meaning the bettor would be more likely to accept betting odds that are particularly disadvantageous, even more so if the aforementioned engagement with the bet is factored in.

Finally, another relevant aspect of RYB type of products is that these tend to contain an above-average house edge, and therefore, a reduced return-to-player percentage. As such, RYBs are more likely to result in quicker losses of money. This assumption derives from research comparing the mathematical expected value of different betting products. In general, simpler forms of betting (e.g., home-draw-away bets with only three possible outcomes) have in-built smaller house edges (around 4%), whereas the more complex the calculation of the bet becomes (e.g., first goal scorer, accumulators, both with multiple outcomes), the larger the profit for the bookmaker is expected to be^[28,29]. Thus, RYBs, as complex bet types, are more likely than not to contain worse expected value for bettors, and the calculation to determine their relative value against other bet types is more complicated to regular bettors^[30].

Concluding remarks

Sports betting products differ from many other gambling products in that they integrate skill and chance contingencies in a single product (i.e., similar to poker but unlike lotteries, bingo, or slots). Broadly speaking, bookmakers market these products by enhancing the control bettors can exert when wagering on them, while downplaying the role of chance and the in-built house edge such products are designed with. Many of the new features that betting products incorporate share the common denominator of enhancing the perceived control in consumers while keeping stable the actual control that gambling operators relinquish. The content of this paper stems from a larger debate about pseudo-skill features in fundamentally chance-based products, and aligns well with parallel concerns regarding the gamification of gambling (or alternatively, the convergence of gaming and gambling industries) with the conversion of passive gamblers into active, engaged gamers, and its long-term implications for responsible gambling. The use of personalization and customization tactics is widespread in many areas of modern marketing, but this paper contends that in the case of customized sports betting products, such tactics demand an added responsibility from providers due to their potential capacity to facilitate an erroneous illusion of control when none is actually provided.

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