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EXPLORING STRATEGIES FOR ACQUIRING AND RETAINING LONG-TERM CUSTOMER RELATIONSHIPS IN THE ONLINE GAMBLING INDUSTRY

Bachelor's thesis

International Business

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The purpose of this thesis was to analyze the online gambling industry, find out what is online gambling by considering its definition and segmentations, figure out the business creation in the industry, and then describe what strategies and approaches used are not only for acquiring, but also for retaining long-term customer relationships in the online gambling industry.

For this thesis, the author proposed to analyze the online gambling industry in the context of acquiring and retaining long-term customer relationships, to help the commissioning company - SIA Suppline provide a better customer experience, improve existing strategies and create new strategies and approaches for attracting and retaining customers.

Customers are an integral and crucial part of every business, especially in the online gambling industry, since they are one of the main sources of profitability. However, because of the rapid growth of the online gambling industry, it becomes harder to attract new and retain existing customers, therefore companies constantly create new strategies and approaches to stay at the forefront of the industry.

To gain more reliable information regarding customer relationship creation in the online industry, the author decided to conduct a literature review using a qualitative research method, which also included interviewing three representatives of different companies in the online gambling industry on the topic of acquiring and retaining long-term customer.

Based on the results of the thesis, the author figured out what marketing strategies and technological approaches are used in the online gambling industry not only to attract but also to retain long-term relationships with customers. Moreover, the author came up the ideas of how to develop the current marketing strategies and create a better customer experience of the commissioning company.

Keywords   Online gambling, customers, retain, acquire.

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1 Introduction

In an era of relentless evolution of technology and the profound influence of the digital landscape, the online gambling industry stands as a quintessential example of a dynamic and ever-expanding business sector.

The online gambling industry is an incredibly fast-growing and constantly evolving digital landscape, where businesses operating in the realm of online betting and gaming, face a unique set of challenges and possibilities. With the global reach and accessibility of the Internet, the industry has witnessed enormous growth of businesses in recent years, attracting a diverse range of customers seeking entertainment and fortune. Undoubtedly, the number of businesses in the industry continues to increase rapidly thereby driving businesses to develop brand-new marketing strategies, tactics, trends, and approaches to not become outdated and remain at the top of the industry.

The online gambling industry is definitely a highly competitive arena, where the customers are one of the most crucial aspects of the industry since profitability is mainly based on customers. The ability to not only attract new players but also to keep them engaged and loyal over the long term is essential for sustainable success.

In this thesis, the author aims to delve into the multifaceted strategies and tactics employed by businesses in the online gambling industry to acquire and, more importantly, retain customers in a market characterized by rapid technological advancements, shifting regulations, and ever-changing customer preferences.

The author is working for a Latvian company named SIA Suppline (Spinwise), in the position of customer service specialist. SIA Suppline (Spinwise) is a well-known online gambling company in different markets. (Spinwise, n.d.)

The commissioning company for this thesis engages in the online gambling industry by providing its customers the great opportunity to try their fortune in the five well-known casino brands, which are top performers in the market. Those casino brands include a wide range of different games, such as over 500 unique slots from trusted gaming providers, and a lot of live games such as Baccarat, Blackjack, and different roulettes and Poker. (Spinwise, n.d.)

For now, the company's main markets are Finland, Estonia, Poland Ireland, Austria, Hungary, Norway, and New Zealand. From year to year, to not be outdated and outperformed by competitors since it is a highly competitive business area, the company continues to expand and cover new markets by creating new marketing strategies, and affiliate campaigns, and implementing new trends and industry approaches to attract as many potential customers as possible. (Lursoft, 2017)

Since the author is working very closely with the customer support sector the question has arisen what strategies and approaches could be implemented to help the company not only attract but retain customers and therefore create a better customer experience?

Therefore, the reserach question for the thesis is:

"What strategies and approaches do companies use in the online gambling industry to attract and retain long-term relationships with customers?"

Answering the question of the research allows the author to serve customers more qualitatively and effectively. Moreover, the results of the research will help the commissioning company improve existing or implement new strategies and approaches for attracting and creating long-term customer relationships.

2 Theoretical Framework

2.1 Definition of online gambling

Online gambling is the remote act of betting money or other valuables on various games or events over the Internet. Online gambling has two main forms: online wagering and online gaming. Online gaming mainly involves placing bets in casino games generated by software providers, for example, NetEnt, Yggdrasil, and Evolution Gaming. There is a wide range of various games as slots, where the results are determined randomly, and live games as roulette, blackjack baccarat, and poker. Online wagering involves sports and esports betting, it is an act of placing bets on different outcomes of a physical or online event. However, online gambling also includes different gambling activities such as lotteries, poker and bingo. (Cohen, McCormick, 2007, p. 1)

With the rapid development of the Internet and technology online gambling is relatively easily accessible. To get the journey started in online gambling all potential players need to have a personal computer or mobile device, a payment method for depositing, and the Internet to access online gambling websites or apps. When the deposit has reached the betting website or online casino the players can start playing casino games or live games, place bets, and potentially win or lose money. (Schelin, Zetterberg, 2017, p. 1)

2.2 Online gambling industry presently

Due to the path-breaking developments in the 1990s, which laid the foundations for the establishment of the online gambling industry, nowadays it is one of the most well-known and profitable industries in our world. From year to year, the industry has been steadily growing and not only attracting a larger customer base but undoubtedly increasing revenue. From 1994, when the first online casino was created, the world has faced a lot of changes in regulation and licensing, now, increasingly, countries have legalized and regulated online gambling, which helps the industry continue developing and expanding to new markets. For instance, today online gambling is legal in several European countries (Germany, France, Spain, Switzerland and etc.), Australia and New Zealand, Asian countries (Japan, Philippines, and Kazakhstan), African and American countries. (Parke, Wood, Williams, 2012, p. 7)

In fact, the undisputed success of the industry is also conditioned by using innovative technologies, artificial intelligence, and technologies for personalized user experience. When the first online casinos and sportsbooks were created in 1994, the websites were not offering a wide range of entertainment activities, including only classic games such as poker, blackjack, roulette, and slots and betting, but now the industry offers a various number of games, which obviously contributes to attraction of new customers. (Parke, Wood, Williams, 2012, p. 5)

As of 2023, the estimated market value size of the online gambling industry is equal to 95 billion dollars. However, according to specialists' reports forecasted value size in 2027 will be equal to 131.91 billion dollars. (Statista, 2023)

2.3 The structure of online gambling

The online gambling industry covers a significant number of activities, and its structure can vary depending on the specific platform or website, the jurisdiction it operates in, and the type of gambling being offered. However, the structure of the online gambling industry typically includes common components and processes, which the author will consider in this part of the research. (Breen, Dowling, Hing, Rockloff, Russell, Smith, Thorne, 2022, p. 2)

Every business in the online gambling industry begins with the selection of the most reliable and trusted Software provider on which will be based website or platform. The software provider provides all the essentials needed for website or platform creation, which include back and user-friendly front-end technologies, gaming management systems, back-office management systems, payments gateway modules, and CRM services. Choosing the right software provider is essential, because website or platform accessibility, quality, profitability, and overall user experience depend on it. Furthermore, since online gambling is a regulated industry and laws and regulations can vary from one jurisdiction to another, In order for this business to be legal, it is imperative to obtain a license from the region, where the business will operate. In addition, according to the license, the online gambling operator must provide protection of users' data and financial transactions, by implementing encryption, authentication, and anti-fraud technologies. (Parke, Wood, Williams, 2012, p. 54)

After the website is created and licenses are obtained, it is important to make the platform or website easily accessible and user-friendly, so every customer can register. The user registration process involves providing personal details, verifying age and identity, and agreeing with the website's terms and conditions. Gaming account funding and withdrawal are integral processes of online gambling platforms or websites to allow customers to participate in gambling activities and cash out their winnings. It is important to provide the most suitable payment methods for depositing and withdrawing since different payment methods can be unavailable for different regions, therefore the most commonly used payment methods are credit cards, bank transfers, e-wallets, or cryptocurrencies. Mainly, online gambling operators offer various types of games, where players place bets or wager their funds. For example, casino games: slots, blackjack, roulette, and baccarat, sports and esports betting, poker rooms, online bingo, and lotteries. (Cohen, McCormick, 2007, p. 5)

The last common component that unites all gambling operators is CRM services. The customer relationship management services allow websites and platforms to enhance customer experience, increase profitability and loyalty of customers by building and

maintaining strong relationships via customer support and personalized marketing, retention strategies, and customer data collection. (Costantini, Faganel, 2020, p. 4)

2.4 Market segmentation of Online Gambling

Market segmentation is a crucial strategy that is used by companies engaged in online gambling to target specific and desired groups of customers based on their demographic, psychographic, behavioral, and geographic characteristics. Market segmentation is used by companies to understand their use base, which allows more effectively tailor marketing efforts, create targeted marketing campaigns, game offerings, and user experiences to better meet the needs and more importantly preferences of different customer segments. (Cohen, McCormick, 2007, p. 3)

2.4.1 Demographic segmentation

Demographic segmentation is used to understand who potential customers are and in what entertainment activities they would be interested in online gambling in order to better meet the preferences of different customer segments. The most common demographic factors used in online gambling include age, gender, and income. (Chagas, Gomes, Griffiths, 2021, p. 918)

Age

The online gambling industry covers different age groups that have varying levels of interest. For example, there are young adults from 18 to 35 years old, who mostly may be attracted to brand-new and innovative online gambling platforms and games with simpler and straightforward rules, such as esports betting, slots, and live games. While middle-aged adults from 35 to 55 years old may be attracted to skill-based games that require analytical thinking, such as poker and blackjack. However, from 55 to 75 years old customers are typically attracted to the simplicity of in-game design and accessibility features as it was in the past. (Chagas, Gomes, Griffiths, 2021, p. 919)

Gender

Historically, gambling has always evoked a significant response among men, however, nowadays the female demographic continues to rapidly grow as more females have become

attracted to online gambling. Tailoring targeted marketing campaigns that equally resonate among male and female customers and an inclusive online environment is essential. (Chagas, Gomes, Griffiths, 2021, p. 924)

Income

To determine what games and promotions are most suitable for customers with different financial capabilities companies use income segmentation. For instance, high-income customers are usually attracted by high-stakes games or big welcome bonuses, while low-income customers are attracted by offering budget-friendly options, such as no-deposit bonuses, cashback, etc. (Chagas, Gomes, Griffiths, 2021, p. 919)

2.4.2 Psychographic segmentation

In the online gambling industry, psychographic segmentation is used to divide a target market into smaller, more specific groups based on psychological traits, attitudes, and behaviors. The companies use psychographic segmentation as an essential approach for targeting different types of gamblers. Psychographic segmentation in online gambling mainly includes recreational gamblers, problem gamblers, social gamblers and high rollers. (Estevez, Griffiths, Lopez-Gonzalez, 2018, p. 1361)

Recreational gamblers

Recreational gamblers group includes individuals, who consider online gambling as a form of entertainment and relaxation and mainly seek enjoyment and thrill of the process rather than profit. Typically, they deposit smaller amounts of money and therefore place smaller bets and tend to set limits on deposits and gambling budget overall. (Barsky, Tzolov, 2010, p. 1366)

High-rollers

This particular group of gamblers is the most important for companies since gamblers are motivated by high stakes and potential significant wins, which may lead to large financial gains, therefore they deposit larger amounts of money, however, lose a lot as well. Based on their gaming activity they are immediately noticed by companies that do whatever is possible to retain long-term customer relationships with them by offering VIP and loyalty programs, which include larger cashback and rewards, better deposit bonuses, and faster withdrawals. (Barsky, Tzolov, 2010)

Problem gamblers

This group of players is one of the most problematic in online gambling since individuals are addicted to online gambling and cannot control themselves. They are driven by the desire for profit and consider gambling as a main source of income and spend excessive amounts of time and money on gambling trying to chase the fortune, but cannot stop and lose everything in the end. They have significant difficulties with quitting gambling and typically request refunds and make complaints, that affect the companies' reputation. (Estevez, Griffiths, Lopez-Gonzalez, 2018, p. 1369)

Social gamblers

The social gamblers group includes individuals, who enjoy playing with friends and share their experiences on social media platforms: YouTube, Twitch, and Twitter. Usually, those individuals are bloggers or streamers, who put social aspect of gambling over winning. Such individuals are also one of the most important customers because they can measurably (increase the popularity of a particular company and as a result, attract more customers. The companies create affiliate agreements with especially well-known individuals. (Barsky, Tzolov, 2010)

2.4.3   Behavioral segmentation

In fact, there are various games in the online industry, including slots, and live casino games, such as blackjack, poker, roulette, and sports and esports betting. Behavioral segmentation helps to figure out the most preferred games by players. For example, if a wider range of customers prefer playing only slots and live casino games it measurably helps a company to increase focus on providing slots and casino games and create more promotional activities for slots and live games. Moreover, online gambling operators take into consideration device and platform usage, since there are players who use only mobile devices or desktop computers or there might be even multiplatform users. Therefore, online gambling operators seek to create mobile and desktop-friendly websites, so every customer can have access to them. (Hand, Sing, 2014, p. 10)

In addition, preferred playtime also plays a crucial role, since gamblers may have different timezones, so understanding the time, when the majority of players start playing sessions

allows the creation of better customer support services, so in case there are technical issues, players could always contact live supports. (Hand, Sing, 2014, p. 3)

Furthermore, every online gambling company has different types of customers - bonus hunters, who frequently take advantage of the bonuses and promotions, loyalty customers, who prefer no-deposit bonuses such as cashback or daily rewards or no-bonus gamblers, who are not interested in any type of bonuses and play only on their own funds. The understanding of bonuses and promotions usage - what type of customers prevails allows companies to increase focus on different types of promotions and bonuses. (Hand, Sing, 2014, p. 10)

2.4.4   Geographic segmentation

Geographic segmentation in the online gambling industry is based on dividing the market into distinct geographic regions based on various location-related factors and is used to better suit the preferences and legal requirements of specific geographic areas. The geographic segmentation includes the following key aspects: legal regulations, responsible gambling measures, payment methods and currencies, and language and localization. (Parke, Wood, Williams, 2012, p. 271)

Legal regulations

It is important for online gambling operators to always stay updated regarding changes in legal regulations in different regions to comply with the laws and stay compliant, and competitive. Laws and regulations regarding the legality of online gambling vary from one jurisdiction to another, thereby various countries may have different types of licensing and authorization, age restrictions, and taxation. For example, to legally operate in Estonia, the particular company must obtain a license from the Estonian Tax and Customs Board. According to the Estonian license, the company commits to comply with strict requirements related to responsible gambling measurements, taxation, game selection, data protection, anti-money laundering, etc. (Parke, Wood, Williams, 2012, p. 272)

Responsible Gambling

In order to comply with the desired country's laws and regulations and provide a better customer experience, online gambling operators must take into consideration responsible gambling measures of the particular region. In fact, responsible gambling measures may

vary from one jurisdiction to another. For instance, online gambling companies operating under an Estonian license must provide self-exclusion programs, and responsible gambling tools to their customers to prevent them from gambling addiction. (Parke, Wood, Williams, 2012, p. 191)

Payment methods and currencies

Payment preferences and currencies vary from region to region. Geographic segmentation allows online gambling operators to offer payment methods or currencies that are widely used and more importantly trusted by customers in specific areas. For example, customers from Estonia may prefer bank transfers or credit card payments in euros, while customers from Poland may prefer e-wallet payment methods in Polish Zloty or even crypto wallets.(Parke, Wood, Williams, 2012, p. 55)

Language and localization

Providing gambling services, including website, or app interface, promotional materials and customer support in the local language is essential for attracting and retaining customers. Effective localization plays a crucial role as well since it enhances the user experience and makes online gambling platforms more accessible for a wider audience. (Parke, Wood, Williams, 2012, p. 70)

2.5 Strategies for acquiring customers

Acquiring customers in the online gambling industry is a crucial and challenging process since it is a highly competitive business area, which makes it challenging to attract new customers. However, companies can achieve a significant customer base with a clear understanding of online gambling market segmentation and with more reliable and effective strategies and approaches. In this part of the research, the author will explore the most relevant customer acquisition strategies implemented in the online gambling industry. (Guillou-Landreat, Gallopel-Morvan, Lever, Le Goff, Le Reste, 2021, p. 2)

2.5.1 Content marketing

Content marketing in the context of online gambling is the art of communication, without direct sales. Content marketing is based on investing in the enlightening audience with the

purpose of keeping players always updated with new trends, developments, interaction campaigns, and communication materials, which allow players to perceive themselves as customers, not buyers. The most common forms of content marketing are video content, promotional content and blogs/articles. (Guillou-Landreat, Gallopel-Morvan, Lever, Le Goff, Le Reste, 2021, p. 3)

The main purpose of video content is to boost engagement with the audience in a dynamic and visually appealing way by demonstrating relevant and brand-on video materials related to the platform or website's services and products, which drives brand awareness and builds trust among the customers. There are different types of video content, which may vary from one online gambling platform to another. For instance, educational video content that explains the rules strategies, and nuances of various casino games or sports betting. Moreover, customers most frequently are attracted to interface and registration simplicity, therefore online gambling operators create step-by-step video tutorials on how to register and navigate the website, make deposits and withdrawals, place bets, and redeem bonuses. These videos are created for new user base acquisition, so new players can understand how to play and more importantly increase their confidence in the website's services and products. (James, Bradley, 2021, p. 237)

Promotional content in online gambling is the act of communication through advertising the website's offerings and implemented with the purpose of engaging with the brand. Promotional content is designed to highlight special promotions, bonuses, and offers available to players and therefore is used to inform, attract, and encourage potential players to participate in various gambling activities on the website and persuade them to take the desired action. Promotional content may vary since different online gambling operators may be involved in different gambling activities. However, typically promotional content includes information about welcome bonuses for first-time customers, reload bonuses for already existing players to incentivize them to make additional deposits, VIP and loyalty programs to encourage players to continue playing to be invited in VIP and loyalty programs and receive exclusive perks, such as higher bonuses, faster withdrawals, or personal account managers, cashback on recent losses offering by providing a percentage of losses back to players and hosting tournaments and leaderboards for particular gambling activity to encourage the competition among players. (Guillou-Landreat, Gallopel-Morvan, Lever, Le Goff, Le Reste, 2021, p. 4)

Blogs and articles are a way of communicating with customers via sharing essential information related to online gambling that will resonate among them. Blogging and article

creation are used by online gambling companies to spread messages or share content with players. For instance, companies use blogs and articles to spread the information about most relevant information related to the changes in regulations, technology, and trends in the online gambling industry. Some blogs and articles may have a more casual and entertainment-oriented approach, they are used to share other customers' experiences. Other blogs and articles are oriented toward the promotion of responsible gambling practices, so players can always control their gambling. (Bradley, James, 2021, p. 236)

2.5.2   Social media marketing

Social media marketing in the context of online gambling is a form of communication with customers via social media platforms for marketing and business purposes. Social media marketing is a powerful marketing tool, that helps online gambling operators reach recognition and popularity among targeted audiences, promote gambling events, and increase profitability. Moreover, social media marketing might be challenging due to the laws and regulations of different countries and jurisdictions, because in some countries online gambling may be fully legal, while in other countries it may be partially legal, meaning that not all gambling activities are allowed, so to use social media for advertising, companies. have to gain written permission from a particular social media platform. However, with the right market segmentation, social media marketing may significantly increase the number of potential users. (Bradley, James, 2021, p. 236)

Facebook is one of the most used social media platforms for social media marketing in the online gambling industry since it provides extensive targeting options, allowing to reach specific demographics, geographic, interests, and behaviors. Furthermore, Facebook has different ad formats, including image and video ads, carousel ads, and slideshow ads. However, Facebook is mainly used for text and image advertising, which includes promotional posts that highlight upcoming events, biggest jackpots, special offers, bonuses, and promotions. Usually, these posts consist of bonus, promotion, or event text descriptions and also include images of casino games, sports betting, tournaments, or other thematical gambling activities. (Bradley, James, 2021, p. 236)

As in Facebook, so in Instagram, online gambling operators implement pretty similar marketing approaches, however, Instagram is used for increasing the visibility of the brand and its services and products. Online gambling companies create visually appealing images and video posts to showcase their services. Typically, the most commonly used Instagram advertisements by online gambling operators are image posts, videos, or stories. The image

posts consist of descriptions of upcoming sports events with mentioning bet coefficients, upcoming new promotions, reminders regarding existing ones, welcome or reload bonuses, casino games, or results of jackpot events with brief and catchy text. Video posts and stories consist of sports results, entertainment videos, showcasing the competitive and thrilling aspects of gambling, testimonials from users who have experienced success on the platform, and visualized videos showcasing the excitement and potential winnings associated with offerings. (Bradley, James, 2021, p. 241)

YouTube marketing is the practice of using the YouTube platform to promote products, services, brands, or content to a wider audience via high-quality video content and live streaming. The videos posted on YouTube channels may vary from one online gambling operator to another since services and products are different. However, online gambling operators frequently post educational content, tutorials, or guides related to registering and navigating the website, making deposits and withdrawals, placing bets, and redeeming bonuses, so to make the processes visually understandable for customers. Moreover, the YouTube platform is a great place, where companies post memorable commercial videos that encourage customers to start playing or news videos, to keep viewers always updated regarding the latest news and developments related to the online gambling industry. (Bradley, James, 2021, p. 239)

Undoubtedly, special attention is paid to promotional videos, upcoming gambling sports events, online gambling tournaments, and other gambling-related activities. Furthermore, YouTube is a multifunctional platform and allows not only post videos but also conduct live broadcasts. Companies use live streaming to broadcast real-time gambling activity - casino games, sports bets, online poker or blackjack, bingo, and others. In fact, generally, companies are not involved in such activities by themselves, they collaborate with other YouTubers, streamers, or influencers in the online gambling niche. (Guillou-Landreat, Gallopel-Morvan, Lever, Le Goff, Le Reste, 2021, p. 18)

Twitter as a tool of social marketing in the online gambling industry applies as an interaction platform, where companies communicate directly to the customers. The main purpose of Twitter is to provide customers an opportunity to share their experiences and encourage them to express their emotions and thoughts about products, services, or events. (Otterbach, Kufenko, Singer, Wöhr, Wuketich, 2022, p. 1372)

The vast majority of content on Twitter is news. The news category of content usually is informative rather than promotional, For instance, companies address content to online

gambling-specific activities, such as information on new sports teams creation, upcoming jackpot events, software provider developments, new games, and announcements. However, companies also pay attention to advertising their products and services they use attention-grabbing tweets to inform customers about promotions, bonuses, special offers, time-limited deals, free bets, or deposit bonuses. In addition, companies share blog posts, videos, and infographics related to online gambling to provide value to the followers. (Otterbach, Kufenko, Singer, Wöhr, Wuketich, 2022, p. 1347)

2.5.3 Traditional marketing

Traditional marketing in the online gambling industry is a multifaceted approach that combines various offline and online strategies to attract a targeted customer base and therefore build brand recognition. It is worth noting that the effectiveness of traditional marketing is directly dependent on the targeted audience, location, and specific marketing goals, since the regulations and marketing standards may vary in respective regions, in some countries online gambling advertising may be allowed on the internet, but, strictly forbidden on the TV or radio, due to higher accessibility of those among youths. Therefore, nowadays, online gambling operators less and less use traditional marketing approaches for advertising. However, traditional marketing still plays a role in reaching specific audiences and is used by some online gambling operators. (Griffiths, Parke, Zangeneh, 2008, p. 137)

Television advertising is one of the most popular approaches in the context of traditional marketing, but at the same time is one of the most regulated approaches to advertising. Depending on the specific region, advertising standards may vary. For instance, content and tone, duration and time restrictions, and awareness of responsible gambling during the advertisement have to comply with specific regions, which means that television advertisements have to avoid content that glamorizes or trivializes gambling but include content increasing responsible gambling awareness and resources for responsible gambling tools with the purpose of protection vulnerable populations, such as minors and individuals with gambling addiction issues, who seeks help. Moreover, duration and time restrictions may vary, in some countries gambling advertisements can be aired only at specific times, to limit exposure to minors by prohibiting gambling ads during programs that are likely to have a significant youth audience, such as children's shows. Taking into consideration regulations and marketing standards, online gambling operators usually use Television for broadcasting advertisements, which highlight the excitement and rewards of placing bets on a specific website or app, but at the same time promote responsible gambling messages, to prevent gambling addiction. Usually, such advertisements are shown during sports events or other

television programs that are least demanding among youths, they are shown at a specific time, when young individuals or children are most likely not in front of the TV. (Griffiths, Parke, Zangeneh, 2008, p. 148)

Radio advertising for online gambling shares similarities with television advertising in terms of regulatory concerns, responsible gambling practices, and potential impact on audiences. Most commonly the approach is used by online lotteries and sports betting companies. Radio advertisements include promoting upcoming sports or lottery events, announcements of the results of recent sporting events or the biggest lottery jackpots, and promoting special offers for new customers. (Griffiths, Parke, Zangeneh, 2008, p. 148)

Another most commonly used approach in the context of traditional marketing is sponsorship and partnership. Online gambling companies, especially sports betting operators, enter into sponsorship agreements with sports teams, leagues, and events with the primary goal - through different sponsorships and partnerships to increase brand visibility, customer base, and therefore profitability. Sponsorships typically involve agreements on the basis of which online gambling companies sponsor sports teams, leagues, or even events, which in turn promote services or products and the brand itself of a particular online gambling company. For instance, sponsorships with sports teams usually involve the display of the company's logo on team jerseys, while sponsorships with events or leagues related to gambling activities involve the display of the online gambling company's name or logo on event promotional banners and flyers, providing discounts tickets to customers, who for signed up or purchased the sponsor's products and services, and advertising sponsor services, products and promotions during the commercial breaks. (Guillou-Landreat, Gallopel-Morvan, Lever, Le Goff, Le Reste, 2021, p. 18)

2.5.4 Affiliate Marketing

Affiliate marketing in the online gambling industry is a marketing style based on performance, in which a business pays affiliates for each new customer brought due to efforts of affiliates' own marketing endeavors. In other words, online gambling operators pay money to affiliates to promote products or services of their business, in exchange for a commission based on player referrals or other performance metrics. Typically, affiliates can be streamers, website owners, or companies that have websites, blogs, social media accounts, or other online platforms with a substantial following or user base. They enter into partnerships with online gambling operators to promote their brands. (Griffiths, Parke, Zangeneh, 2008, p. 146)

Affiliates use various promotional methods to drive traffic to the gambling operator's website. The most commonly used approach is unquestionably social media marketing, where affiliates create blog posts, articles, reviews, and other online gambling-related content that may arouse the interest of the company's services among potentially new customers and post them on the most famous social media platforms - Twitter, YouTube, Instagram, Facebook. Another long-term marketing approach of affiliates is SEO. Affiliate search engine optimization, in the context of online gambling, refers to the strategies and techniques to improve the visibility and ranking of gambling-related websites in search engine results pages. Affiliates use SEO to Identify and target relevant keywords that potential players might use when searching for online gambling services. This includes keywords related to specific casino games, betting types, or online gambling platforms. (Bradley, James, 2021, p. 241)

2.6   Strategies for retaining customers

In the rapidly developing and growing landscape of the online gambling industry, one of the most crucial factors along with the process of acquiring customers is the process of retaining customers. This dynamic and highly competitive industry thrives on engagement, loyalty, and excitement, which in turn make customer retention an integral part of the success of online gambling operators. Undoubtedly, amid the rapid expansion of the industry, the customer retention process became a significantly challenging process, which includes different strategies and brand-new approaches to retain the loyalty of customers, with the main goal of creating long-term relationships with them. In this part of the research, the author will explore approaches and strategies, which are used by online gambling operators for retaining customers. (Coussement, De Bock, 2013)

2.6.1   Mobile Gaming

In the online gambling industry, mobile gaming refers to playing casino games, poker, sports betting, or other forms of online gambling via specially created mobile apps by online gambling operators, which gamblers may download on mobile devices such as smartphones and tablets. The mobile gaming trend in the online gambling industry has grown significantly and impacts substantial progress in the effectiveness of retaining customers, which in turn allows users to enjoy various betting and gambling activities online via mobile apps. This convenience has contributed to the overall expansion and accessibility of online gambling services.(James, O'Malley, Tunney, 2016, p. 9)

In the context of customer retention approaches in online gambling, mobile gaming is a powerful tool and plays a significant role, since it allows flexibility to access games anytime, anywhere, which in turn increases the time users spend on the platform and also enhances overall satisfaction. This level of convenience is a major factor in retaining customers. In order to encourage players to use mobile apps, online gambling operators use cross-promotion. The cross-promotion practice involves promoting special events, new games, and exclusive offers for players using mobile apps. Moreover, mobile apps provide the perfect channel for sending targeted push notifications. To keep players engaged and interested online gambling operators use this feature to inform and update customers. Furthermore, mobile gaming is a great possibility for online gambling operators to integrate social features, which allows to make the platform more sticky and enhance enjoyment. Online gambling-related mobile apps allow players to connect with friends, share achievements or even compete against each other. For example, online poker mobile games allow players to compete against each other on real money and even more have a live conversation via chat during the game, which causes a sense of a real presence in a casino. In addition, online gambling operators implement exclusive loyalty programs connected to mobile gaming, which increase the use of mobile apps and as a result, increase the loyalty level among customers and create long-term customer relationships. (James, O'Malley, Tunney, 2016, p. 10)

2.6.2   The importance of Cryptocurrencies

Cryptocurrencies play a significant role in the online gambling industry as an increasing number of online gambling operators have started to accept and use cryptocurrencies as a form of payment method either for deposits or withdrawals since cryptocurrencies offer enhanced security and privacy transactions not only for gamblers but also for online gambling operators. Nowadays, cryptocurrencies are well-established in the online gambling industry and are used to enhance the overall user experience and build a more loyal customer base. The most commonly used crypto by online gambling operators include Ethereum, Tether, Litecoin, Bitcoin, Ripple, Solana, and Matic. (Blaszczynski, Gainsbury,2017, p. 3)

One of the most important aspects that encourage gamblers to use crypto is anonymity and privacy, as cryptocurrencies provide a higher level of anonymity compared to traditional payment methods, such as credit cards or bank transfers. Customers can gamble and engage in financial transactions without revealing personal and banking information and it approach is well-suited for those gamblers, who do not want to connect their bank account's

transaction history to online gambling platforms. Another great advantage of crypto, which measurably assists in retaining customers is the fact that cryptocurrencies are not bound by borders, allowing for seamless international transactions. This is advantageous for users who want to participate in online gambling sites that may not accept their local currency. For instance, an online gambling operator may have a lot of customers from Israel, but unfortunately, the platform or website does not support Israeli Shekel currency, so to keep customers engaged might be offered cryptocurrency payment methods. (Blaszczynski, Gainsbury,2017, p. 4)

Moreover, cryptocurrency transactions typically have lower fees compared to traditional banking methods. Undoubtedly, this can be beneficial for both online gambling operators and players, as it reduces the overall transaction costs associated with deposits and withdrawals. For example, if a player decides to make a withdrawal via bank transfers, there usually might be an additional fee of around 5-7 EUR, however, a withdrawal via a crypto wallet will be a commission free. As has already been mentioned above, crypto transactions offer enhanced security, which is allowed due to blockchain technology, which underlies most cryptocurrencies. Transactions are recorded on a decentralized ledger, making it difficult for fraudulent activities to occur, but contribute to a more secure and trustworthy online gambling experience. Furthermore, an integral part of the success of the usage of cryptocurrencies is transaction speed. Cryptocurrency transactions are typically much faster compared to traditional banking methods. This speed is particularly beneficial for withdrawals, allowing players to access their winnings more quickly. For instance, bank transfers might take up to 3-5 business days to reach the customers, while crypto withdrawals take up to a few hours. Blaszczynski, Gainsbury,2017, p. 5)

2.6.3   Importance of customer support service

Customer support service is an integral part of the creation of long-term relationships with customers in the online gambling industry, as the main purpose of support representatives of every online gambling operator is to provide the most suitable assistance to customers' inquiries. The customer support service plays a crucial role because depending on the work of support agents, players receive an impression of services that directly affect their trust and attitude towards a particular online gambling operator, which in turn unquestionably has an impact on long-term relationship creation. (Costantini, Faganel ,2020, p. 3)

At the heart of every gambling-related activity, the basis involves real money transactions and personal information, which can be an extremely sensitive process for some customers.

However, a reliable customer support service helps build trust and credibility among players, by providing assistance, guidance, and explaining why the processes are implemented. For example, some online gambling operators might have KYC (Know Your Customer) procedures, which means that customers must confirm their identity and age, before starting playing and to build trust customer support representatives assist with verification processes and assure players that online gambling operators have to comply with the law and the license requirements. Moreover, problems and queries are inevitable in the gambling industry. This can include addressing technical glitches, payment concerns, or game-related inquiries, therefore, support agents can provide players with the most suitable assistance or forward inquiries to the further departments.(Schelin, Zetterberg, 2017, p. 12)

Online gambling operators have a lot of new players every day, who may be new to online gambling or specific games. Reliable customer support service serves as an educational resource, providing information on rules, and strategies of different games, bonuses, or tournaments. For instance, a first-time gambler would like to receive the first welcome deposit bonus, so the purpose of a customer support representative is to provide all the essential information regarding the bonus conditions to the customer and make an enjoyable and safer gaming experience and as a result enhance customer satisfaction. Furthermore, since the online gambling industry operates around the clock, the players may need assistance at any time, to enhance the retention rate the customer support service is typically available 24/7 through different communication channels, such as live chat, email, or phone call to ensure that players can get help whenever they need it, regardless of their time zone. (Schelin, Zetterberg, 2017, p. 30)

In addition, customer support channels are used by online gambling operators as a highly valuable source for collecting feedback from players. This feedback can be useful in identifying areas of improvement for the platform, whether it is related to user interface, game variety, or overall service quality. (Schelin, Zetterberg, 2017, p. 25)

2.7 CRM as the tool for retaining customers

2.7.1 What is CRM

Customer relationship management or CRM is a complex process of retaining customers by attracting and differentiating them. CRM software increases the efficiency of these processes by storing and retrieving relevant customer data, which usually includes, contact information,

game, slot, or sports betting type preferences, customer's status, playtime duration, amount of deposits and withdrawals in total, average bet, win and loss, and frequency of visiting the website. CRM software connects different departments in a company allowing each to input and customize data about customers that may be utilized by all departments. Typically, the CRM departments of online gambling operators consist of security, loyalty or VIP, technical, financial, compliance, and customer support departments. For instance, if a customer contacts the support department of a particular online casino platform and requests a no-deposit bonus such as cashback or free spins, the support agent using CRM system analyzes the player's gaming account details, including deposits/withdrawals ratio, status, preferred games, and based on the gaming account details support agent either informs the player that unfortunately no-deposit bonus is not available at the moment or forwards a request to the VIP or Loyalty department, where VIP managers take into consideration the player. Undoubtedly, knowledge of the customers encourages them to feel that they are valued by the company. (Hsieh, 2009, p. 48)

CRM allows online gambling operators to incorporate a concentration of the organization on communication with and the behavior of the customer and as a result, improve customer satisfaction. In addition, to measurably increase the company's profitability online gambling operators use CRM software to utilize the data regarding customer preferences and behaviors to create processes aimed at improving effectiveness and efficiency. For example, based on CRM the most preferred payments are e-wallets, therefore online gambling operators could increase the focus on providing more e-wallet payment methods. To make an effective CRM and achieve the company's goals, its essential focus must be the customer, this means that relationships must be formed with each type of customer, who should be treated differently based on data stored about customers. (Hsieh, 2009, p. 48)

2.7.2   CRM in practice

As has been mentioned before, CRM networks different departments and levels of an organization that utilize it in different forms. The customer support department is the first level, where subsequent processes originate. The main purpose of the customer support department is to provide assistance, answer inquiries, and serve as a bridge between other departments and customers. For instance, the player contacted the support agent with a technical issue request, regarding a missing bet, the main responsibility of the support department is to figure out the problem of the issue by using CRM - identify the time when a bet was placed, the amount of the bet, the slot or game where the bet was placed, and forward the situation for further investigation to the technical department. Another similar

example may be the situation when the customer has a payment issue, related to a missing deposit which through a support agent will be forwarded to the financial department. In this case, CRM will be used to identify the time, amount, payment provider, and reason for the missing deposit. Moreover, CRM connects other departments, such as the security department. Mainly security department uses CRM software for players' documents and payment methods verification according to the license and blocking and unblocking gaming accounts procedures. The loyalty or VIP department uses CRM to provide existing VIP players with extra rewards or identify potential VIP players based on deposits/withdrawals ratio and invites to loyalty programs. The compliance department works with CRM to implement KYC (know your customer) procedure to verify the identities of players and ensure that they meet age and other eligibility requirements, and to implement and maintain procedures to prevent money laundering and terrorist financing activities. This involves customer due diligence, transaction monitoring, and reporting suspicious activities to regulatory authorities. The compliance department also uses CRM to oversee data protection and privacy measures, ensuring that customer data is securely stored and processed in accordance with applicable data protection laws. (Hsieh, 2009, p. 48)

2.7.3 Customer Segmentation

CRM allows online gambling operators to segment their players based on various criteria, such as demographics, geographics, playing behavior deposits/withdrawals ratio, and status. An efficient CRM system helps to classify types of customers into proper segments, based on which provide personalized offerings accordingly. For example, an online gambling company may have two types of customers. There may be a high-roller customer who deposits a lot of money and prefers playing live casino games such as baccarat or roulettes five times a month, while there may be a recreational gambler, who deposits small amounts of money and prefers playing only slots two times a month. Unquestionably, both customers are important to the company, and it is important to retain long-term customer relationships with both of them, however, they will be treated measurably differently. High-roller customer will be identified by the VIP or loyalty department as high-income, and potentially profitable player, and will be offered the biggest deposit bonuses, special rewards and loyalty programs to encourage continue playing, while recreational gambler will be also offered special rewards and loyalty programs, however, with smallest deposit bonuses and special rewards. (Hsieh, 2009, p. 50)

2.7.4 Personalized marketing

As has been mentioned before, every online gambling operator has different types and segments of customers, high-rollers, recreational gamblers, social gamblers, and problem gamblers. However, CRM systems enable operators to send targeted marketing messages and promotions to specific player segments. Personalization includes tailored bonus offers, game recommendations, and event invitations, enhancing player engagement and loyalty, to enhance player engagement and satisfaction. (Costantini, Faganel, 2020, p.19)

2.7.5 Customization of Customer Service

Customized customer support service is possible due to CRM. Unquestionably, online gambling operators may have a huge number of customers, who certainly have different behavioral patterns, a list of preferred games, and attitudes to gambling. However, the CRM system provides information regarding those essential players' characteristics, which in turn, give an understanding of what type of player is, what behavioral pattern he has, and in what gambling and promotional activities he might be interested in the most. Therefore, the approach to every single client is different and CRM helps to choose the right approach, while serving clients. (Costantini, Faganel, 2020, p. 19)

2.7.6 Responsible gambling

CRM system allows to implementation of responsible gambling features based on players' segmentation, behavior, patterns, and gaming activity. Responsible gambling features include deposit limits, in case players feel that they lose too much money they cannot afford, to make the gambling experience better, CRM allows to set of different deposit limits per week or per month, so players can feel their gambling under control and continue playing responsibly. Moreover, CRM provides a cool-off period or self-exclusion options with the purpose of protection by providing customers with a break from gambling, allowing them time to reflect on their attitude and behavior and seek help if necessary. These practices show commitment to responsible gambling to build trust with customers and therefore long-term relationships. (Costantini, Faganel, 2020, p. 18)

3   Methodology

3.1   Qualitative research

The research of the thesis was implemented using a qualitative method as the research consisted of searching for insights or expanding existing information about the subject of the research and gathering information from the interviewed people related to the online gambling industry.

The main purpose of the research was to explore and collect information related to strategies for acquiring and retaining long-term customer relationships in the online gambling industry, and as a result, figure out improvement ideas for the author's commissioning company strategies and approaches for acquiring and retaining long-term customer relationships.

3.2   Data collection and analysis

Data collection for this research consisted of interviews and literature research. Interviews were conducted using a semi-structured interview guide, implying one-on-one interviews with a predetermined number of questions that every participant was asked. (Dawadi, 2020)

The author interviewed the representatives of different online gambling companies, who have direct relevance to the online gambling industry alongside processes related to acquiring and retaining customers. The three interviews were conducted: the first on October 29, the second on October 31, and the third on November 2, all three interviews were held through an online Zoom meeting. The interviews were conducted to receive valuable insights into the research topic. In general, the outcomes of the interviews contributed significantly to gaining a comprehensive understanding of the topic and enhanced the overall value of this research project.

Literature research included analyzing reliable and valid books, and scientific articles related to the online gambling industry allowing the author to gather essential information to understand the online gambling industry and processes that are implemented to attract and retain customers. The Literature research mainly focused on articles related to the current state and structure of online gambling, market segmentation, strategies for acquiring and retaining long-term customer relationships in the online gambling industry, and the importance of CRM as a tool for retaining customers. (Parke, Wood, Williams, 2012)

Data collected from the conducted interviews was analyzed using thematic analysis, which included an analysis of qualitative data by identifying and interpreting patterns or themes within the data. (Dawadi, 2020). Data collected from literature research is analyzed using content analysis, including identifying and interpreting patterns or themes within the text. (Wildemuth, Zhang, n.d). The results of collected data are used to make recommendations for the author's commissioning company, so the company could improve strategies and approaches for acquiring and retaining long-term customer relationships.

4   Results

As has been mentioned before, to complement the general understanding of what strategies and approaches are used for customer acquisition and retention in the online gambling industry in practice, the author interviewed three representatives of different online gambling-related companies, who have direct relevance to the online gambling industry alongside processes related to acquiring and retaining customers. The interviews consisted of 9 targeted questions, which were intended to provide answers to the main research question "What strategies and approaches do companies use in the online gambling industry to attract and retain long-term relationships with customers?".

4.1   Customer acquisition and retention of Olybet company

The interviewee is a customer support specialist working for Olybet company in Latvia for 2 years. The interview was taken on October, 28, 2023 through an online Zoom meeting.

From the conducted interview it has been observed that Olybet is an online gambling operator that provides players an opportunity to participate in activities related to online casino such as slots, live games, and sports betting, offering a wide range of offline and live sports matches in both regular and e-sports. The Interviewee admits, that customers play a crucial role since customers are one of the main sources of the company's profitability, so it is extremely important to keep customers satisfied and engaged. To identify and understand the target audience for online gambling services, the company dives into data and analytics. The interviewee notes that Olybet leverages a combination of demographic information, user behaviour analysis, and market research. By examining age groups, geographic locations, and spending patterns it is possible to create user personas that help to tailor services.

Considering strategies for acquiring and retaining new customers, the interviewee states that it is a delicate balance. To bring in new players, Olybet relies on a mix of targeted marketing strategies - online advertising, social media campaigns, and partnerships with relevant platforms. For example, the company has several social media platforms, such as Twitter, Instagram, and Facebook where they create compelling content that not only promotes services but also provides value and entertainment. To retain customers, the interviewee admits that Olybet prioritizes customer experience by offering personalized rewards, exclusive promotions, and a seamless user interface. For example, the interviewee notes that Loyalty programs are a crucial part of the company's customer retention strategy. The company believes in rewarding customers for their continued trust and engagement. The loyalty program is designed to offer exclusive perks, bonuses, and special promotions to customers who regularly use services.

The interviewee claims that communication plays a significant role as it is very important to always keep customers engaged and informed. Olybet uses a multi-channel approach to reach customers where they are most comfortable. For instance, email newsletters is an effective method, providing a direct line to the users' inboxes. Social media platforms play a crucial role as well allowing to share real-time updates and promotions. Moreover, Olybet has a mobile app, where the customers can play the most desired games and participate in online gambling activities. Also, the mobile app serves for in-app notifications and personalized messages based on user preferences to keep the communication relevant.

Addressing customer concerns promptly and effectively is important to preventing them from leaving the platform. As a customer support specialist, the interviewee notes that Olybet has a dedicated customer support team that is accessible through various channels—live chat, email, and even phone call. This ensures that users can get assistance in the way that suits them best. Whether it's a technical glitch, a payment concern, or a general inquiry, Olybet aims to resolve issues as quickly as possible. In some cases, the extra mile is implemented by offering compensations or exclusive perks to show commitment to customer satisfaction.

The interviewee mentions that feedback is essential for improvement. The company has a systematic approach to collect and utilize it. For example, Olybet employs surveys, reviews, and feedback forms to gather insights directly from users. Social media channels also provide a platform for feedback and discussions.

4.2 Customer acquisition and retention of Optibet company

The interviewee is a marketing manager of Optibet company, who has had experience in creating various marketing campaigns, which were targeted at increasing the customers' number and customer retention rate. The interview was taken on October 29, 2023, through an online Zoom meeting.

From the conducted interview, the author observed that Optibet is an online gambling and sports betting company that offers a range of services, including casino games, live casino experiences, and sports betting opportunities. The interviewee states that customers are the heartbeat of Optibet company and admits that the company prioritizes delivering an exceptional and personalized experience to each customer as the company's attitude is built on a foundation of respect, responsiveness, and a genuine commitment to customer satisfaction.

The interviewee notes that identifying and understanding the target audience is an essential process for the marketing strategy. The company employs a data-driven approach that consists of using analytics and market research to gain insights into the preferences, behaviors, and demographics of customers. The company considers factors such as age, location, gaming preferences, and online behavior.

Taking into consideration the most effective strategies for acquiring and retaining new customers, the interviewee states that the most effective approach for attracting new customers is offering attractive welcome bonuses and promotions, these incentives provide an initial boost to engagement and encourage players to explore a diverse range of gaming options. Furthermore, the interviewee mentions that for customer retention the most effective approach is loyalty programs that are based on various rewards for customers for their ongoing engagement, providing incentives, exclusive offers, and bonuses based on their activity and tenure with Optibet.

The interviewee states that keeping the communication channels open and engaging with customers is key to a great experience. As a marketing manager, the interviewee admits that they use several methods to reach out, such as email messages, phone calls and text messages, social media, and affiliates, the main purpose is to encourage customers to feel like a part of something existing, so it is important to make sure that messages are clear, fun, and tailored to customers preferences.

Customer satisfaction is a top priority at Optibet, the interviewee notes that for addressing customers' concerns they use a customer support department that operates around the clock to ensure assistance is always available. Customers can contact the support department regarding a technical issues, depositing problems, or a general inquiry through the following channels: live chat, or email.

The interviewee states with conviction that customer feedback is extremely important and to receive it the company uses short surveys focusing on key aspects of customers' experience—from onboarding to gameplay to support interactions, when the feedback is received, the interviewee mentions that data analysts identify patterns and trends that help to pinpoint areas that need improvement.

4.3 Customer acquisition and retention of author's commissioning company

The interviewee is the head of operations of the commissioning company, working for the company since its inception. The interview was taken on November 1, 2023, through an online Zoom meeting.

From the conducted interview, it has been observed that the company is an online gambling operator, which concentrates only on online casinos. The company has several online casino brands operating under different licenses and in different markets, which offer a wide range of classic casino games such as slots, or live casino games such as poker, blackjack, and roulette.

The interviewee states that customers are significantly important and the attitude towards customers is rooted in respect, understanding, and commitment to their satisfaction, as without satisfied customers the company wouldn't thrive. In addition, the interviewee admits, that for customer satisfaction, the company prioritizes responsible gaming practices, transparency, and fairness.

In the context of identifying and understanding the targeted audience, the interviewee notes the most commonly used approach is market research, as it allows to stay attuned to industry trends and competitor activities to identify gaps in the market and opportunities for innovation, which in turn allow to ensure that the company not only meet the current needs of the audience but also anticipate and evolve with their changing preferences. The interviewee

admits the targeted customer is a person between 23 and 48 years old, with a stable job, family, car.

The interviewee states that the most efficient approaches for acquiring customers that justified themselves in practice are affiliate marketing, a user-friendly interface, generous welcome bonuses, fast and honest payments, transparent and clear rules and openness, willingness to take responsibility, and excellent customer support. For the strategies for retaining customers, the interviewee admits that the most commonly used strategies are personalized rewards and loyalty programs, which consist of rewarding players for regular play, typically rewards include free spins or cash back, and constant promotions and special events. The interviewee adds that combining these strategies not only attracts new customers but also keeps them engaged and loyal to the platform.

Taking into consideration communication with customers, the interviewee mentions that the key is to deliver relevant and timely information about promotions, updates, events, or bonuses to the customers and admits that the company mainly uses SMS messages, email or WhatsApp to reach out to customers regarding important updates and exclusive promotions or uses personalized email messages that relevant to each customer's interests.

The interviewee believes that addressing customer concerns and issues is a top priority and a lot of efforts are put into resolving them as quickly as possible, as the company recognizes that retaining trust is essential in the online casino industry and notes that for addressing customers' inquiries, concerns, and issues they have different departments. For example, there is a support department, that identifies a problem and forwards it to further departments, depending on the concern, it might be either the financial department if the concern is connected to deposit or withdrawal issues, security if the concern is connected to verification processes, technical department if the concern is connected to technical glitches or issues with games or compliance department if the concern is connected to a source of funds verification. In addition to this, the interviewee notes that the company has a compensation system, meaning that for all problems customers have been compensated, for example, in 2022 more than 700000 euros were compensated to the players.

The interviewee notes that feedback is a compass guiding to success and is mainly collected through the QA department and the customer support department. The interviewee admits that the company pays close attention to what players enjoy and what they think needs improvement. For example, if customers love a user-friendly interface or a specific game, the company emphasizes that in marketing campaigns, on the other hand, the registration

process might be too complex, or the bonuses aren't clear enough, in this case, the company does whatever is possible to improve it.

4.4 Analysis of the results

From the conducted interviews with three representatives of different online gambling-related companies, it has been observed that all three companies provide similar services, but only the author's commissioning company differentiates as it concentrates only on an online casino, and does not have sports betting, which in turn might be a disadvantage compared to other competitors. Moreover, all three companies pay crucial attention to the customers and put a lot of effort into increasing customer satisfaction, as it directly affects the companies' profitability. Because of this, all three companies take identifying and understanding the target audience responsibly as it provides essential insights about customers which helps to create tailored services and targeted marketing campaigns. However, it has been observed that approaches might be different - there might be used analysis of combinations of demographics, psychographics, behavioral and geographic segmentations, or even market research to identify gaps in the market and opportunities for innovation. Also, strategies and approaches for acquiring new customers are different, in the example of those three companies it has been identified that for acquiring new customers companies might use online advertising, social media campaigns, and partnerships with relevant platforms, attractive welcome bonuses and promotions or even affiliate marketing and user-friendly interface, excellent customer support, fast and honest payments, and transparent and clear rules. However, for customer retention, the most commonly used include personalized rewards and loyalty programs that reward customers for ongoing engagement, it is implemented to encourage customers to continue playing. Taking into consideration communication with customers all three companies believe that it is extremely important to keep customers always engaged and informed. Communication channels typically are the same - live chat, email, and SMS, but in addition to this social media platforms and phone calls are used by Olybet company as well. To prevent customers from leaving the platform all three companies' representatives admit that addressing customer concerns and issues is a top priority, therefore all of them use a dedicated customer support team, which is available around the clock, which proves that the support department is an essential mechanism not only for customer acquisition but retention as well. Feedback plays an important role in companies' strategies since it provides an understanding of areas that need improvement, to collect it the following approaches can be used: surveys, support and QA departments, reviews, and feedback forms.

Overall, the results from the interviews demonstrated that all three companies have a lot of similarities as well as differences. However, the main purpose that is pursued by all of them is increasing the number of customers, which proves that the online gambling industry is a highly competitive sector since while having pretty similar services, approaches, and strategies the companies must still be unique and different, so the customers would choose their services.

Considering the practical findings, they partially mirrored the theoretical research outcomes, demonstrating a congruence between theoretical research and the practical results obtained. This alignment validates the robustness of the theoretical framework. For example, the most important similarities between the theoretical framework and the practical findings have been observed in approaches for acquiring customers such as the importance of the use of Social media (Bradley, James, 2021, p. 236) or affiliate marketing strategies. (Griffiths, Parke, Zangeneh, 2008, p.146). Moreover, there were similarities in strategies for retaining customers such as loyalty programs, attractive welcome bonuses, exclusive promotions (Barsky, Tzolov, 2010), and the importance of a customer support department and as a result CRM. (Hsieh, 2009, p. 48)

5   Recommendations

As a result of the examination and analysis of qualitative data gathered throughout the research consisting of the theoretical framework and research methodology, the author identified the following recommendations for the commissioning company: 1) Focus on creating a sports betting sector. As has been mentioned the company mainly concentrates on online casino services, which can be disadvantageous compared to other competitors, as the online gambling industry has a huge number of gamblers who are interested in sports betting, meaning that the author's commissioning company misses the opportunity to attract new customers and retain already existing. 2) Apply new content marketing practices, for example, create tutorial videos, showing the simplicity of use of online casino websites - how to register, make deposits and withdrawals, place bets, and claim bonuses, this could help to build trust among new customers.3) Apply social media marketing as the use of famous social media platforms such as Twitter, Facebook, Instagram, and TikTok could measurably increase the company's brand awareness. For instance, an Instagram account can be created to increase the visibility of the brand and its services and products.4) Add a new communication channel - phone calls. Sometimes old-fashioned customers may have trouble

using live chats or email, so adding phone calls may make use of services more enjoyable as assistance is always provided.

6 Conclusion

The online gambling industry is a dynamic and constantly evolving digital landscape, where companies operate in the realm of online betting and gaming. Due to the global reach and accessibility of the internet, the industry continues rapid growth attracting increasingly new companies and online gambling operators, making the industry a highly competitive arena, where one of the most crucial aspects is customers, as they are an integral part of companies' profitability. Moreover, to increase the number of customers and more importantly, customer satisfaction, online gambling operators implement various strategies and approaches for not only attracting but also retaining long-term customer relationships. Using the most efficient multi-faceted strategies for acquiring and retaining customers allows online gambling operators to significantly increase the number of customers, satisfaction, and therefore retention rate.

Analyzing the qualitative data and conducting interviews with representatives of different online gambling companies underscore the importance of customers and therefore the significance of acquiring and retention processes in the online gambling industry. The findings emphasize that in the online gambling industry, operators may use various strategies. For instance, market segmentation in the online gambling industry provides essential insights into the targeted audience allowing an understanding of customer behaviour and patterns, preferences, and the type of customers, and as a result, helps to tailor marketing efforts, and provide personalized experiences. Moreover, different marketing practices, such as social media, content, traditional, and affiliate marketing, allow online gambling operators to increase brand awareness and as a result attract more customers. Also, the use of mobile gaming and cryptocurrencies, helps online gambling operators to enhance the overall customer journey and satisfaction and as a result increase the retention rate. For example, offering cryptocurrencies as a payment method allows fast and secure transactions, or implementing mobile gaming allows the flexibility to access games anytime and anywhere. Furthermore, the integration and use of CRM allow online gambling operators to more efficiently attract and differentiate them by storing and retrieving relevant customer data. Even more, efficient CRM contributes to the development of predictive models for identifying potential churn and implementing proactive retention strategies.

Considering the previously mentioned results, the author formulated the answer to the research question: "What strategies and approaches do companies use in the online gambling industry to attract and retain long-term relationships with customers?". As has been mentioned before, the online gambling industry is an incredibly fast-growing industry, where customers are one of the most important aspects of the industry, therefore online gambling operators implement various multi-faceted strategies and approaches to not only attract but retain customers, starting from different marketing approaches and market segmentations to technological approaches such as mobile gaming, CRM, and cryptocurrencies with the purposes of increasing customer number and as a result the profitability and customer satisfaction.

The online gambling industry provides a great ground for thought, as it is an enormous and relatively new industry, that includes a lot of aspects that can be analyzed. The author analyzed the industry in the context of exploring strategies for attracting and retaining customers. However, the online gambling industry can be analyzed from a different perspective. For instance, can be made a comprehensive analysis of revenue generation strategies or a strategic analysis for business creation. Moreover, for further research, to receive a deeper and more diverse understanding the author would recommend interviewing more people related to the online gambling industry, but worth noticing that the industry is extremely highly competitive, so it might be really hard to find representatives who would be ready to share any information about the experiences and the company itself. In addition, as has been mentioned before, the online gambling industry is relatively new compared to other well-established industries, so it is worth dedicating more time to literature research as the information might be limited on specific articles.

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Appendix 1. Interview questions

1. In what niche in the online gambling industry operates your company?
2. Can you provide an overview of your attitude to customers? Are customers important to your company?
3. How do you identify and understand the target audience for your online gambling services?
4. What strategies do you find most effective for acquiring and retaining new customers?
5. Do you have any Loyalty programs and what role do loyalty programs play in customer retention?
6. How do you communicate with customers to keep them engaged and informed about promotions, new games, or other relevant updates?
7. How do you address customer concerns or issues to prevent them from leaving the platform?
8. How do you collect and utilize customer feedback to continuously improve both acquisition and retention processes?
9. Do you have anything to add? Do you have any recommendations for better customer retention and acquisition strategies?

Appendix 1. Thesis data management plan_Nikita Nikolajev

The research data for this thesis project as well as interviews with representatives of different online gambling-related companies, are stored in a highly secure manner - in digital form on a computer based on Mac OS with password and touch ID protection. The access to research data is limited and is available only to the researcher - Nikita Nikolajev. To prevent potential data loss - data backups are implemented regularly.

The commissioning company for this thesis is SIA Suppline, the author has established an agreement with the commissioning company specifying and justifying the circumstances and conditions for the utilization of data. In accordance with the agreement, the data is used solely for this research project and does not identify the interviewed person or the commissioning company.

This thesis project includes the processing of personal data through semi-structured interviews with persons working in different online gambling-related companies. Personal data involves participants' job positions within their respective companies. Before conducting interviews the author informed participants that their data would be used only for this thesis project and obtained permission from each participant to collect and utilize the data. To safeguard the anonymity of participants, the author has designated them as "interviewees".

The data and results gathered during the thesis project belong to the author - Nikita Nikolajev.