

TO WHALE OR NOT TO WHALE? THE COST OF HUNTING BIG BETTORS

joginvik, Saturday 10 March 2012 - 14:42:11

TO WHALE OR not to whale? is a question that many affiliates face when it comes to the topic of marketing to high-rolling depositors. These big bettors, more commonly referred to as whales, can bring in some serious revenue but their often-unpredictable behaviour can come at a price. If you're undecided about the topic of whales, there are some factors that affiliates may want to weigh before throwing a line to high rollers.

Is a whale just a big fish in a small pond?

Depending on what niche of the gaming industry you target, just exactly who qualifies as a whale can vary greatly.

To some affiliates, a whale is a player who gambles four or five figure hands- in a poker room while to others, he can be a casino player who makes three or four \$100 deposits a week.

Affiliates should manage their expectations before trying to catch a whale or two. It's unlikely that high rollers at the Bellagio are playing online slots at home in their boxers. The whales do exist online, but affiliates should ask themselves how much effort they want to put into capturing these big bettors.

Marketing to whales

If turning whales into depositors is important, high-quality content is crucial to capturing this demographic. The key is targeting these big bettors by their preferred gaming niches.

Affiliates in the sportsbook niche, for instance, should get acquainted with the demographics of various fan bases. Fans of national soccer teams from Dubai and United Arab Emirates are going to have much different social and economic demographics than say, fans for the University of Idaho's football team. Being attuned to the interests of these different demographics can make or break what sort of content is presented.

With a bit of research, affiliates should be able to geo-target what types of sports, teams and games attract high-worth players. Keep in mind that radical site or content changes could alienate the player base you've developed over time - and the base that could end up making more deposits in the long run. Your Kuwaiti soccer information may not appeal to your loyal American football bettors.

The pros and cons of high depositors

Before an affiliate makes the marketing plunge to high depositors, he or she should know that there can be unpleasant consequences.

The pros? Obviously, big depositors are likely to lose large amounts of money;

It's unlikely that high rollers at the Bellagio are playing online slots at home in their boxers. Affiliates should manage their expectations before trying to catch a whale.

It's as simple as that. With bigger bank accounts than the average player, they're more likely to keep playing and depositing. Like real whales, these bettors tend to swim in packs. If a site is whale-friendly, more of them may start showing up.

It all sounds great, but there are some negative side effects to whale hunting. Whales have the same capability of losing large amounts just as they are to winning them, which can put an affiliate's revenue stream in dire straits. Whales also have inconsistent behaviour patterns. A high roller who deposited \$1,000 this morning may pack up and never come back. Also, marketing your site to the preferences of whales may come at the expense of regular, more reliable customers who may not need all the bells and whistles.

Dealing with whales when working with a program with negative carryover can be even more disastrous. Negative carryover can dramatically affect current and potential earnings with big-betting whales. If a whale wins \$25,000, he could potentially leave a casino with all those earnings. You'll have to deal with the casino and beg them to remove that whale and his losses from your account. Why bother with that hassle? If you're trying to catch whales, definitely ditch plans with negative carryover.

Consider the long-tail

Affiliates contemplating whale hunting may want to take the business concept of the long-tail into consideration.

The long-tail theory states that businesses will have more success catering to a large number of customers who make small but consistent purchases over time rather than a few customers that make large purchases sporadically. There's something to be said about players who consistently deposit \$100 every few months rather than one person who deposits \$1,000 every so often.

Still, appealing to big bettors can be worthwhile if an affiliate knows what he or she is doing. For most affiliates, it's best to cast a wider net and capture the broadest possible audience.

To really determine whether to 'whale' or not to whale, an affiliate should ask 'What kind of player am I most like?' Affiliates who play to their own strengths may have the most success appealing to players with similar interests.