

Food for thought gathered in Istanbul

The Asian Racing Conference, held in Istanbul over five days in the middle of July, was an impressively comprehensive affair. With over 500 delegates, plus staff from the hosts, the Jockey Club of Turkey, and members of the media, this conference is numerically a gathering on the scale of a medium sized primary school. Same number of heads, almost the same enthusiasm, only a bit more advanced. A whole range of topics were discussed and presented. Notes on, and reflections made in the wake of, the conference to follow.

The first session was opened by Winfried Engelbrecht-Bresges, Chief Executive Officer of the Hong Kong Jockey Club, who gave an introductory speech – serving an «as is» assessment of the challenges to racing in the digital age. With 90% of information today being relayed digitally, versus just 10% face to face, racing needs to embrace technology as a key driver for business growth. Fine. But in this scenario it is also worth remembering that with so much digital communication, there is always a danger of confusion caused by too much information, combined with changes going on all the time.

“Surveys show that 40% of people are today happy to communicate via devices, rather than face to face”, Engelbrecht-Bresges said.

One cannot help but ponder; In such a rapidly growing 'digital world', will it not be the case that any message brought across face to face will have incredibly high value, and will be seen as quality information? Perhaps, but there is no way horseracing can escape the digital age, and why should it. After all, our leisure product is probably the one in the world best served by, and suited to, the internet. Followers of international horseracing can today watch races from just about any corner of the world streamed live on the web. Just over 20 years ago, anyone who wanted to keep up with the action abroad sat patiently waiting for his or her weekly magazine to arrive from across the oceans. By the time a reader in Europe had read the reports of last week's races in North America, many of the horses involved were back in fast work and aiming for their next big tasks.

Today, it makes no difference where you are in the world, by the time the horses are pulled up, you know the result. Not just that, you have seen the race on your computer screen. Internet is perfect for horseracing, and racing is perfect for the internet. For viewing and for betting.

Why then, are we lagging behind many other entertainment products in what can best be described as digital race for customers and their business? Figures show clearly that horseracing is not a big player. Engelbrecht-Bresges explained that, while games such as poker have grown rapidly in the international e-markets of wagering, horseracing only has 5% market share.

Since 2000, global internet access has grown by 528% and these days the mobile betting market plays a significant role. Paddy Power Bookmakers already take 38% of their turnover via mobiles, and William Hill Bookmakers targets 40% by next year. Five years ago, no more than 5% of the betting turnover on the French PMU came from digitally placed wagers. Today, more than 13% of the PMU turnover comes digitally.

These figures send out a powerful message that cannot be ignored. Embracing the technology is perhaps the best plan of action, though knowing the lay of the land is of course just a vital. Though, as the NBA's speaker Dan Markham pointed out, the lay of the land is changing all the time. "We work with one-year plans", he said, "never five-year plans".

Paul Lee, Global Director of Technology, Media and Telecommunications at Deloitte Research, says that "racing is not reaching young people, who are the primary users of devices". Lee argues that horseracing must use devices more, and reminds us of how the world has changed over the past half century; "Back in 1950, there were five big computers in the world, one on each continent", Lee said, "and by the end of 2012 the world markets will have sold 500 million smart-phones each costing \$100 or less".

One problem horseracing is facing, when competing with others sports for young fans, is of course the fact that horseracing is funded mainly through betting – and many of the young fans are too young to bet. By the time they reach the age when they can bet, most of them will have been captured, so to speak, by other sports, such as football, basketball, golf and tennis. Another factor worth bearing in mind is that, while most young people will have had the opportunity to try out many of these sports themselves, that is hardly ever the case with horseracing.

WI-FI SO IMPORTANT, BUT NOT ALWAYS WELCOME

"If you have a venue, customers today expect wi-fi connection", Lee also hammered home, "and you must provide this service". It leads me to think of the racecourses back home in England, where many of them do not allow the public to carry iPads and tablets connected to the internet. Not that it matters all that much, for the courses do not offer wi-fi and on big racedays the mobile networks get so congested it is virtually impossible to get a signal for an iPad anyway. Mobile phones get priority. If the course offered wi-fi that would solve the problem. It is a bit strange that, when the rest of the world is surfing on this digital boom, racing administrators manage to ignore it, even block it out.

Lee also reminded the audience, who themselves were proof of the credence of his statement, that "people like to do things in groups". Hence the success of social networks, such as Facebook and Twitter of course, and the fact that people enjoy doing things in groups leads me to the thought that this creates another vast difference between horseracing and other sports. While fans at a football match or a basket game get the 'team experience' and go to the event in groups, racing fans seldom do just that. Is racing doing enough to create, if not the exact same feeling of being 'part of' then at least a more social aspect to enjoying the sport? Probably not. Though simple steps can sometimes work wonders.

ONE MAN HOOKING NEW FANS, FOR FREE

When visiting a friend in a small town in Sweden recently I decided to have a crack at the incredibly popular, yet terribly tricky, bet called the V75, setting the punter the challenge of picking the winners of seven races. If you want some cover, it becomes expensive and my budget for harness race betting is not negotiable.

“Why don't you get a share in Leffe's syndicate?”, my friend said. Everybody knew Leffe, who held the ATG license in his busy 'Bets and Tobacco Corner' down by the market place. Good name for what started as a sweets and news shop, by the way.

Soon I knew Leffe too. He was a shrewd form expert. Every week, he compiled a solid V75 ticket, which was way out of anybody's budget, never mind mine. He made photo copies of the bet, displayed it in the shop, and offered punters shares. Did they buy shares? You bet. This syndicate was rumoured to be the best thing since motorised snow ploughs. I wonder how they trust the man, I was thinking while taking the short walk to join the syndicate. After all, if they won millions one day, he would be the one holding the ticket. It might be tempting to close up shop and swap picking horses and clearing snow in Sweden with an easy life on some beach in Brazil. No problem. When I told Leffe I would like a share in his bet, he took my cash, punched the ticket, and out of his machine came a betting slip. Which was mine to keep. Not for the whole amount of course, which was based on one krone per line. No, what I got was a tenth of that, as his machine was able to process a bet with just 10 öre per line (less than a pence). I had bought my own ticket of course, still I was part of a group, and I could go to the pub and watch the races with other members of this group. We all had the same horses to cheer for. Small punters thus got a piece of the action, sensibly reasoning that it's better to have a small share in a big cruise ship that's thriving, than owning a small and sinking trawler outright.

So, because people like doing this in groups, a group had been easy to form. Leffe's turnover increased, and harness racing did, more or less by default, get new customers. What's more, down at the pub I got to know interesting people I would normally never have met. We did not win on the night, as Leffe had failed to go for cover in the race won by a 45-1 shocker, but it was still a win-win scenario. Not least for the sport itself.

The beauty of the whole scheme is that people actually learn about the sport this way. 'Why did Leffe pick that horse as a banker'... 'and why did he not pick the favourite in the first?'... 'how on earth could that horse suddenly improve?' There can be no doubt that these small time punters were far more likely to become more serious gamblers than those buying a 'lucky dip' ticket. And if they did, they would be sticking to betting on horses.

Australian author Les Carlyon, who sat in the panel on the session on how to use popular culture to build bridges to a broader audience, summed it up well when saying; “The answer is more creativity”. This also goes for anyone involved in creating and promoting betting products. Horseracing could do with a few more like Leffe, that's for sure. His idea has spread quickly across the nation.

Imagine if the Scoop 6 in England could offer similar opportunities to what this man came up with. It is a ridiculously expensive wager, with £2 per line, and of no interest to small time players at all. Not least since the media tends to help the big players when they come to the fore and look for partners and co-investors. No wonder it has never really taken off. The Swedish model, and their weekly V75 bet, has. This product is sold abroad, and the turnover on a Saturday is typically around 70 million kroner (£6,7 mill. / €8.4 mill.). Not bad, for a nation of just over nine million people. As a comparison, on the Saturday of this year's Cheltenham Festival, only £222,860 was bet on the English Scoop 6. Totepool's spokesman George Primarolo called it 'massive' but in truth it is an embarrassingly small pool.

INTERNATIONAL PRODUCT – INTERNATIONAL RULES

Touching on betting products offered in various countries leads us to another topic discussed in Istanbul, during a session with the headline “Re-writing the Rules Book; Reform and the Rules of Racing in the 21st Century” - the one session that was rather a tame affair in my opinion. The discussions never had any punch to them, perhaps yet another sign of defensive everyone still is in this field. Nevertheless, one message that came across was that international racing rules are important if we are going to expand the international betting markets. North American racing fans would find it hard to swallow seeing a horse keeping the race after having caused marked interference, as is so often the case in England, while English racing fans feel hard done by when horses are strictly disqualified for seemingly minor interferences, as is often the case in France. In football and basketball a goal is a goal and a foul is a foul. Horseracing is not so clear, and observing how rules are interpreted in different ways in different jurisdictions can be confusing to say the least. Also, it can all too easily make neutral observers question the seriousness and integrity of this sport.

NEW WHIP RULES REDUCING INTERFERENCE CASES

The use of the whip, and its regulations, has become an hotter topic these days, and some interesting points were made on this. Jamie Stier, Director of Raceday Operation and Regulations at the British Horseracing Authority, explained that the current system in England, which has taken some time to be ironed out, is acceptable, as “the horse needs to be in contention, the horse must respond, and the horse must be given time to respond”. The first point, being in contention, is easy to observe and define, the other two perhaps not so easy to assess. Stier also told the audience that since the new whip regulations were introduced in England, Stewards' reports show that cases of interferences have dropped by 20%. This is particularly interesting, since many argue that the whip is vital for the riders for safety reasons. It does not seem to quite add up. Whether the English system is good or not so good, it is worth mentioning that, on the day this conference ended, the riders of the first three home in the 'King George' at Ascot were all punished and given bans for excessive use of the whip. Though the owners of these three horses all kept the prize monies and valuable Group One status for their horses.

Sven Hanson, of Pride Racing Club's colt Reliable Man, who finished fourth at Ascot, says; "I find it a little strange that the only ones losing out are the owners of the horse that was ridden within the rules. The same thing happened in the Grand Prix de Paris, where the winner held on by a nose, while his rider broke the rules about the use of the whip". He does have a point.

The whip has been a part of horseracing since day one, so any radical changes are not going to come easily. Personally, I have my doubts about horses running that much faster for being whipped. I have yet to see any evidence of that. What we have seen, however, are jockeys riding badly because they are too eager with the whip, and we have all heard how people from outside the sport feel disgusted when seeing horses come under the whip in races. Just like you and I would, if when out walking in the park we met a man who was repeatedly hitting his dog.

David Muir, former Commander of the Mounted Branch of the Lancashire Constabulary and today an RSPCA consultant in England, is not impressed by recent developments in the UK:

"Inflicting pain is unacceptable", he said, "and defining safety purposes is impossible". He went on to say that the term 'discretion of the Stewards' creates a 'state of fog' and called for stricter, and more clearly defined, rules.

"They had it right but they moved back", said Muir, with reference to the U-turn made in England after they first introduced much stricter regulations last autumn, "they have simply lost the plot", he argued, "having the whip for safety, yes, but it has to be strictly controlled. The problems we saw before are beginning to come back".

Four days later we saw those three jockeys dominating the finish to the King George VI & Queen Elizabeth Stakes at Ascot. It seems that Mr Muir could rest his case.

ATTRACTING NEW FANS, YOUNGER FANS

How can horseracing attract new customers, young people, and how can horseracing appeal to women. These questions were continually repeated and debated at the Asian Racing Conference. There are various ideas, tools and programmes one can suggest. They all have one thing in common; make the sport a nice experience, and make sure the information is absolutely first class. Something that, sadly, is not the case everywhere these days. Simple mistakes are made, indeed repeated, on a daily basis.

Conservatism is a serious problem in this industry, and in many cases create an absolute stumbling block. It strikes me that administrators have little or no clue of very simple moves that would make it easier for the public to understand and enjoy the sport. Take English courses, where they have still not introduced big, clearly visible number cloths on the grooms leading horses in the parade ring. They work in Turkey, they work at Saratoga, so why not in England, where the paddocks are often huge. That small number plate flipping around on the groom's arm is hardly customer friendly, and at Nottingham racecourse these numbers plates don't even display what race the horse is running in. Meaning that if you like horse number five in the pre-parade ring you have no way of knowing whether the animal is due to run in race two or three.

At principal racecourse in France, one is still operating with starting stalls without number plates displayed above each stall. What is the point in informing a punter that his chosen horse is in stall five, when it is impossible to tell exactly which stall that is when the gates open? Such amateurish ways of doing things beggars belief, and they do make it easy to understand that any newcomer in the stands finds it hard to keep up with the action. And it is pretty hard to enjoy the action, when the picture is as blurred as this.

Most of us have heard W.L. Bateman's famous words;

“If you keep on doing what you've always done,
you keep on getting what you've always gotten”.

Some argue that these words no longer hold much credence, as doing the same thing today will get you less and less. For the horseracing industry, that is probably the case. Therefore, more conferences like the one staged in Istanbul would be welcome. Very welcome indeed.

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