

# ONLINE GAMING: LOCATION, LOCATION, LOCATION

By Robin Bernhard, senior manager of marketing and education at BMM Testlabs

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**O**NLINE gaming is quickly becoming one of the fastest growing sectors of the casino industry.

Pundits, futurists and stakeholders all talk breathlessly about the boundless limits of virtual reality, the possibilities of new hardware, AI, social and multiplayer functionality. There are many good reasons for the optimism and excitement. The opportunities for technology and business to expand online are huge and growing exponentially every day.

For online gaming to move forward, stakeholders in the industry must recognise an essential element in this new frontier: geolocation. It's easy to think that geolocation is a somewhat modern concept that gained traction when you first frowned at people walking around looking for Pokémon characters on sidewalks and into traffic.

People think of satellites, servers and devices. However, interest in location goes back to the earliest days of civilisation. It's a modern term but is inextricably linked to the very first practices of navigation and cartography (the science and art of map making). For insight and perspective on geolocation, below are excerpts from an interview with Anna Sainsbury (pictured), chairman and founder of GeoComply.

## What prompted you to start GeoComply?

“My plan was not to start a geolocation company but having grasped the compliance-grade geolocation opportunity, should the market go live, I cobbled together the idea for a solution with David Briggs. In terms of what I initially thought would be required to what we have today, they're very different. Trends in technology emerge and either gain traction, or don't.

“Look at the release of HTML5 as an example. HTML5 promised us highly accurate geolocation data for every website. It was an internet beyond IP, but it never really took off. It's not compliance-grade and there are probably 50 times more tools to mask your HTML5 location than there are companies that even look at your HTML5 location.”

## Where do you see the casino industry keeping pace with technology?

“New Jersey regulators follow trends and understand technology; especially as new technology applies to their market. They work with companies like GeoComply to make sure their market is relying only on the most compliant and trustworthy data sources that

can also be independently verified as valid and unaltered.”

## Where have you seen geolocation spoofing outside of online casino gaming?

“When I moved to Canada, I'd see Canadians churning through and testing different VPNs to see which one will allow them to see Netflix US, which has more selection than you get in Canada. There are about 15 million extremely talented geolocation hackers in Canada just because they want to access US content sites.

“Do you remember Pokémon Go? Essentially, when this game came out, the entire game relies on knowing where you are. Without that geolocation being compliance-grade, all sorts of computer savvy players could sit anywhere, not walking around but getting to participate in the game without moving. In the case of Pokémon Go, it ruined the integrity of the game.”

## Are there places in the gaming industry that have a blind spot to geolocation?

“How do I say this? In the gaming industry, we loosely use the words 'online gaming', 'land-based gaming', 'lottery', 'horse racing' and 'sports betting', but I think to an outsider, to a vulnerable consumer, it's all the same thing.

“Some of those areas of the industry have regulators, as you see in New Jersey, who educate themselves and take a very hard line on jurisdictional requirements. Unfortunately, there are a lot of other places in the US where you can lay a bet that don't consider best practices in terms of age, identity, payment processing or geolocation.

“Racetracks and lotteries tend to have a risk profile that doesn't meet compliance-grade standards for geolocation. Some do, however most don't because they view their activities as different. But as I said, to most it's all the same thing.”

## What is the future of geolocation?

“I think there are a couple of areas to address in looking at the future of

geolocation. First, looking at geolocation as a compliance or regulatory requirement. Secondly, the industry must also consider putting ownership on the operator to both do a real-time geolocation and follow the trends that are revealed through data. Lastly, the industry has to monitor device updates to keep pace with new technology to maintain the same level of integrity.

“In the gaming industry, we have this federal regulation that says the user and the operator must be in the same state and we are going to hold everyone accountable, including the payment processor. The industry already has so much integrity attached to the land-based casino space. As gaming goes online, geolocation is about maintaining that integrity.” □

