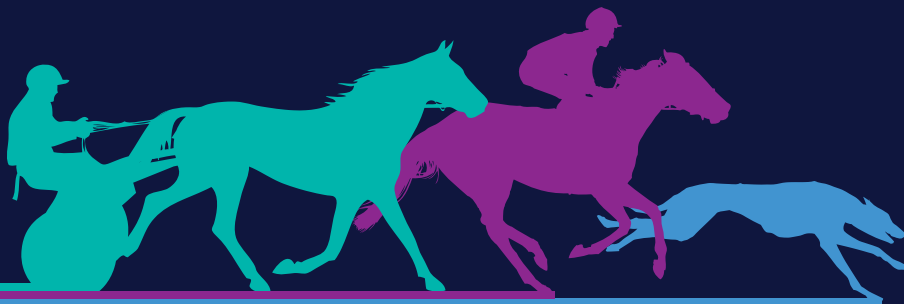


OCTOBER 2015



INSIDE RUNNING

MESSAGE FROM JOHN



Kia ora tātou,

A variety of projects have progressed since I last wrote for Inside Running in July. In that issue I talked about the reshaping of the NZRB Leadership Team, and the challenge of both revitalising our core infrastructure and products, while reining in costs and living within our means.

On the first point, I'm pleased to announce the final three appointments to the Racing Board Leadership Team. Shaun Brooks has taken up the General Manager Finance role, Patricia (Trish) Bolger has joined as General Manager People, Culture and Talent, and Andy Kydd will join us in early January 2016 as General Manager Broadcasting.

They complete our top team, joining Gary Woodham - General Manager Customer, Stephen Henry - General Manager Services, Colin Philp - General Manager Technology, and Glen Saville, General Manager Betting.

I'm extremely pleased to have such a quality group of people leading the NZRB. They bring a huge range of knowledge and experience across a range of fields, and will be instrumental to NZRB in meeting our challenges and opportunities head on.

While we've been in the process of making these appointments, progress has continued on developing our digital channels and the capability of our information technology support services.

Changes to our Technology team have continued at a great pace. We are partnering with Spark, who will provide our internal IT support and server housing. This will lower our annual IT costs, allows us to scale our infrastructure depending on demand, and gives us more server security and reliability. It will also greatly lower our overheads and costs in providing hardware and software for our business, particularly in the long-term.

As a whole, our digital channels continue to go great guns. This is evidenced by a record number of customers betting with us; over 165,000 unique TAB account bettors in the past 12 months, an 11.4% increase on the previous financial year.

Our digital channels – tab.co.nz, the TAB Mobile App and our i.tab & m.tab mobile sites – are a huge area of growth for us, so we've continued to make enhancements in this area, including a new Multi page, Watch&Bet improvements, more content on tab.co.nz and a greater number of options, specials and products for our customers. The Mobile App is also going from strength to strength, as you will see in the article below.

We must continue to make progress in the digital space. This is an area where new customers are won and lost, and in which our competitors are most active. Developing our digital products and infrastructure requires significant investment, which is where the challenge lies in balancing expenditure versus opportunity. To lower operating expenses in the long term, and prepare our industry for further growth, we need to investment in the areas our customers demand, and digital is key to this.

Earlier this month I attended the Standardbred Breeders conference in Christchurch and the Greyhounds New Zealand conference in Palmerston North. In Christchurch, much of the conversation centred on how the various stakeholders – owners, breeders, trainers and NZRB – can work closer together to tackle the issues identified. It was encouraging to hear open discussion and ideas around these issues are and how to address them.

In Palmerston North, much of the discussion was focused on the code funding model. The major feedback I received is that a new model is needed- reflecting margin, not just turnover and that we need to invest for the long term and that the NZRB needs to better manage its costs.

At both forums I was pleased with the robust conversations around what we need to do together to improve and grow. Please don't hesitate to get in touch with me at insiderunning@nzracingboard.co.nz, I'm always open to your feedback and questions.

Regards,

John Allen



GOVERNMENT WORKING GROUP COMPLETES REPORT

The Working Group established to shed light on the growth of offshore bookmakers has reported back to the Government.

The Working Group was appointed in April 2015 and led by former Minister Chris Tremain. Over the past 6 months the Working Group has met a range of stakeholders in the racing industry to discuss and assess the growing impact of offshore bookmakers on the industry and develop practical solutions.

Ministers will now consider the report's recommendations. An announcement about the public release of the report and the Government's response will be made in due course.

"When New Zealanders place their sports and racing bets with overseas betting operators online, they operate outside of our regulatory framework. This means that offshore organisations make money on New Zealand

racing and sports without paying their fair share of tax, or making contributions back to the racing industry or sporting organisations that make the betting possible in the first place", Racing Minister Nathan Guy stated at the time of announcing the Working Group.

Mr Guy says that this is the first real attempt to clarify the extent of the problem and work towards developing solutions.

"Given the global trend towards online betting, this issue will continue to grow and needs to be addressed now."

The Working Group was chaired by Hon Chris Tremain. Other members included New Zealand Racing Board Chief Executive, John Allen; breeder, racehorse owner and NZRB's Thoroughbred nominee Greg McCarthy, Chair of Sport New Zealand Sir Paul Collins and two senior Internal Affairs officials.

ADDINGTON ADAPTS TO CLAIM CHAMPION CANTERBURY BUSINESS AWARD

Addington Raceway & Events Centre has reaped the rewards of a progressive business model and bold moves into the Christchurch entertainment market, winning the Retail/Hospitality Award for medium/large enterprises at the prestigious Champion Canterbury Business Awards in September.

Focusing on building a profitable club through new commercial opportunities and the development of existing assets which cater to the needs of the wider Christchurch community, Addington has positioned itself to become a true hub in the area, where people come not just for racing, but for dining, functions, events and socialising.



"The move of businesses and people away from the city centre, and into the suburbs, has been a challenge for many," says Addington Chief Executive Dean McKenzie. "We saw growth in the Addington area, and looked at how we could make the most of it. It's been a gradual process rather than an overnight success, so getting a little bit of recognition shows as a team we've made some good decisions along the way which is very satisfying."

The development of Spectators bar & bistro, capping off its second year of operation, has earned rave reviews and a 1100 strong supporters club. Spectators provides a quality dining option for those in the area, as well as the many fans attending Crusaders and Canterbury games at the AMI Stadium and events at Horncastle Arena next door.

Revenue generated outside of race meetings now sits at around 53% of total revenue showing just how important developing additional commercial opportunities have been. With over 200,000 people using Addington's facilities for conferences, trade shows, meetings and dinners in 2014, and over 22,000 diners coming through in the period between Cup Day and Christmas alone, it's clear the club has grabbed its opportunities with both hands ahead of Cup and Show week next month.



A NEW WAY TO TAKE A CLASSIC BET

A new Sports Multi page was introduced to tab.co.nz earlier this month, making it easier for customers to build sports Multi bets.

The addition of the sports Multi page is the first step towards completely revamping our Multi interface on tab.co.nz. The new page features an improved look and layout, a bet builder sidebar, related options notations, upcoming events functionality and more.

The second phase of the project will see Racing Multis included in December. Complex multi functionality will also be added then, allowing for percentage betting, anchors and 'any of' functionality. The third phase of the project is to add in specials and other short term exotic options.



Users of the TAB Mobile App will recognise the layout and feel, which is being used across our developments in the digital space. For those who haven't yet used the App or the new Sports Multi page, there will be plenty of time to cross over, as the original Multi page will be available until early 2016.

You can find the new Sports Multi page on the main tab.co.nz navigation menu, or to read more, visit [News & Tips](#).

MOBILE APP CUSTOMERS UP 50%

The introduction of more racing options and Multi functionality has seen TAB Mobile App usage boom 55% since June, with approximately 7,000 users logging on each day in October.

Recent developments also have seen the introduction of promotional banners on the homepage, and the development of custom Multis available since August. Promotional banners will provide one touch navigation for all Australasian Group One races while custom Multis let customers add selections to their Multi from anywhere in the app, to a betslip which can then be modified.

Sports betting customers, the first to get used to the app, have increasingly been taking a punt on new available racing options, ultimately growing the pool of racing punters betting with the TAB. Boxed Quinellas, Trifectas and First4 bet types have given these customers more options on the App.

And it's not just new betting features that have been added. Users may have noticed increased speeds on the app, with development of the back-end meaning that average load time is now under a second, and a higher number of users can use the app at any one time. This work is on-going, and will be important in the lead-up to the Melbourne Cup and Cup & Show Week, where App usage will hit new heights.

With just under 2,500 new accounts created since the start of August, we're looking forward to seeing more new customers with the TAB Mobile App in the palm of their hand.

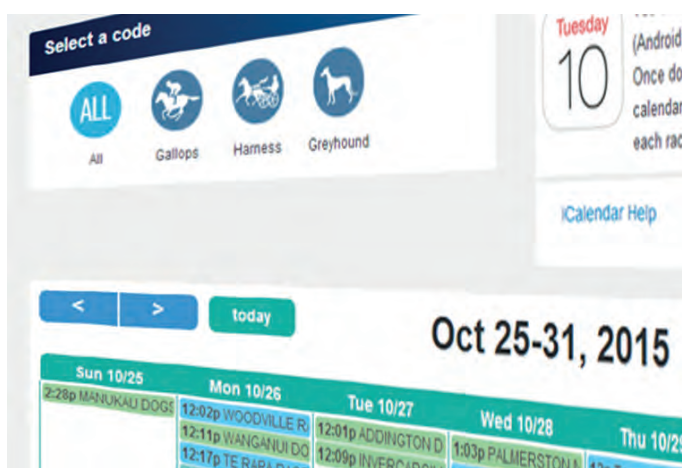


RACING CALENDAR GOES DIGITAL

The 2015-2016 NZ Racing Calendar is now available in digital format.

With the [TAB Digital Racing Calendar](#), you can now add race meetings to the calendar app on your personal devices, and set reminders so you'll never miss a race meeting again.

The calendar, in its digital format, is easy to use and can be added to your desktop or mobile calendars. Functionality includes being able to filter by code, as well as view meetings by the month, day or week on a clear, easy to navigate web page.





TAB GRANDSTAND

CUSTOMERS GET THEIR SAY FROM THE GRANDSTAND

A new TAB research initiative, TAB Grandstand, was launched in late August, aiming to engage our customers and find out more about their TAB experience.

Approximately 5,000 customers have joined TAB Grandstand at www.tabgrandstand.co.nz, where they share their thoughts and experiences on a huge range of topics that relate to the TAB.

Each month our customers engage in new discussions and surveys that will help to shape the future of the TAB's products, with a range of prize draws on offer for participating Grandstanders.

If you are interested in joining the TAB Grandstand, head over to the website, sign up and take a seat in the Grandstand - we're always interested to hear more from those in the industry about their TAB experience.

RACING INDUSTRY INTEGRITY LINE



0800 RIU 123
0800 748 123



CLEAN RACE - FAIR CHANCE
If you have something to report, call the anonymous Integrity Line 0800 RIU 123
www.riu.org.nz

INSIDE RUNNING SURVEY

Thank you to everyone who completed the survey released in the last issue.

The results will help us to cover the topics you want to hear about.



INSIDE RUNNING DISTRIBUTION

Inside Running is emailed to Codes, Clubs, and other recognised industry bodies, along with other industry partners.

This may be freely circulated to respective committees, members or other interested persons.

A copy will also be placed on the NZ Racing Board website (www.nzracingboard.co.nz).

If you wish to be added to the initial circulation list, please provide your email address to insiderunning@nzracingboard.co.nz

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