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## *Newark Star-Ledger*

# Casinos take over airwaves in online gambling marketing blitz

By [Ryan Hutchins/The Star-Ledger](#)  
on December 22, 2013 at 6:15 AM

[ATLANTIC CITY](#) — It's nearly impossible to escape.

The TV commercials and radio spots are blasting into households all over New Jersey and neighboring states. Banner ads are plastered on news websites. Billboards line major highways. Marketing crews are in shopping malls and ferry terminals proclaiming the news:

Online gambling is legal in New Jersey and you should give it a try.

The marketing blitz — orchestrated by the Atlantic City casinos and several online gaming companies — is a sign of how big a deal internet betting is for the state. It represents the most significant expansion of gambling since the first casino opened in 1978. It also offers a look at a struggling Atlantic City's fight to survive.

"They are using every angle — every traditional media angle they can," said Donald Hoover, an expert on the casino industry and a professor at Fairleigh Dickinson University. "They are spending a lot of money advertising."

Not only have casinos and their partners bought spots on cable TV in New Jersey — the only place where Atlantic City can offer its online betting products — but some have made media buys on broadcast channels in Philadelphia and New York, where airtime does not come cheap.

And more ads are on the way: Caesars Entertainment, which has several online gambling websites through two of its four Atlantic City casinos, plans to launch its campaign in January.

"We will empty out our pockets in marketing dollars in 2014 and sort of judge things a year from now," said Seth Palansky, a spokesman for Caesars.

There's a big reason for spending so much: The companies aren't just marketing a product, they are trying to pitch a brand new industry, one state regulators began allowing just last month.

A new TV spot from the company Betfair, which is running an internet betting website in partnership with Trump Plaza casino, tries to explain how online gaming works.

The Betfair online gaming company unveils a new television commercial in Hoboken on Friday. Ben Solomon/For the Star Ledger

"Play Betfair online casino anywhere," a spokesman says as two men spin a roulette wheel on a tablet computer while standing on the edge of a basketball court, the New York skyline visible behind them. "Like, right here, on a basketball court."

Experts and industry executives say such a message is hard to get across in a single advertisement — it takes repetition and the use of many different media channels.

"It's important you get going right from Day One," said John Shepherd, a spokesman for bwin.party, which is running several online gambling websites in partnership with Borgata. "And to get going from Day One means you need to advertise."

There's a lot at stake for companies such as bwin.party and Betfair, which are based in Europe and have spent big money to open new operations in New Jersey, as well as for the casinos, which have seen revenues slide since new competition began opening in 2006.

Total gambling revenue for the city's dozen casinos has fallen more than 40 percent since then and more than half of those properties have filed for bankruptcy protection. Just Friday, word came down that the Atlantic Club casino has been sold to two competitors during a bankruptcy auction and will close its doors on Jan. 13.

Nearly three years into his five-year plan to revive Atlantic City, Gov. Chris Christie is anticipating online gambling will produce about \$1 billion in casino revenue by July. Several analysts, however, expect much less. So far more than 91,000 accounts have been created, but it's unclear how many people are actually playing.

"It's absolutely a pivotal year because we need to make continued progress in Atlantic City or we're going to need to start considering alternatives," Christie said in a news conference last week.

For the internet betting companies that have joined the casinos, New Jersey is seen as the start of something much bigger. Many expect more states will legalize online gambling in coming years — and that being a part of the market here will ensure a future elsewhere.

"Many of the operators are coming from Europe knowing that this is the most significant opportunity in the United States," Hoover said.

But all that marketing for the newest form of gambling does raise ethical concerns, experts say. There are an estimated 350,000 compulsive gamblers in New Jersey, many in recovery, and they are being bombarded by advertisements to visit virtual casinos that can be accessed from just about anywhere.

The casinos say there are many safeguards to help problem gamblers prevent themselves from playing on the sites and find help. But Olivier Toubia, a marketing professor at Columbia

University's business school, said it's important for advertisers to consider the effect of their work.

"It's an addictive product," Toubia said. "In some ways, it's similar to advertising alcohol or cigarettes or other addictive products. It influences people. So, on one hand you have free choice and people can ignore and choose not to gamble. On the other hand, we know advertising works and people tend to give in."