

Case Study: WinnerScape Entertainment

Enterprise Strategy Division



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Overview

What Matters

- Growing our online sports betting presence
- Our Stakeholders: Customers, Investors, Community

What Works

- Established customer base (Brick & Mortar)
- Innovative design & engagement features

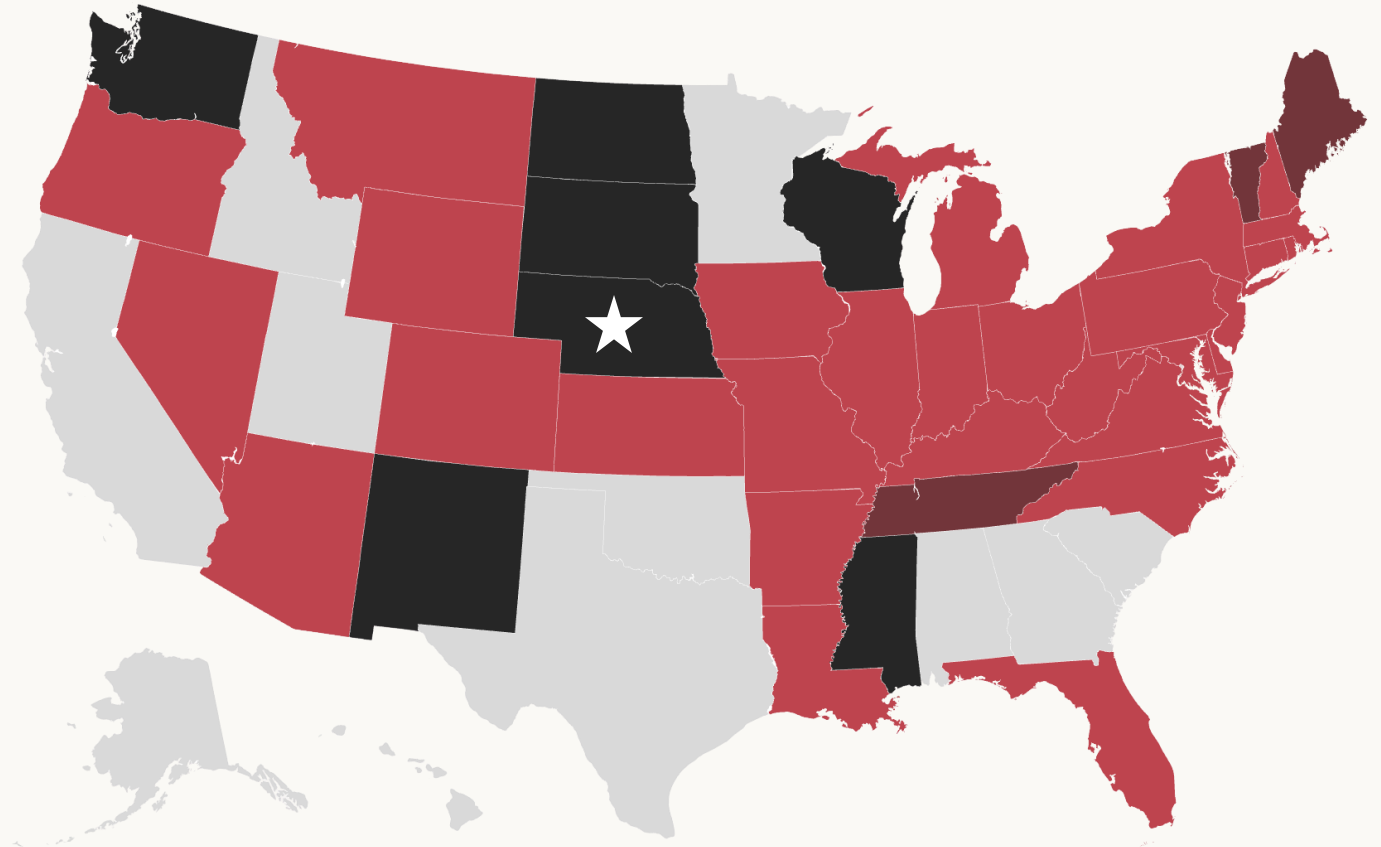
What Lasts

- Investing in proactive safety features
- Reframe of the sports betting narrative



Legal Background

- **39 states** allow sports betting
- **32 states** allow **both** retail and online betting
- Voter sentiment **leaning positive**
- Effective July 1, 2026:
 - Anyone 21+ can place wagers via sportsbooks apps
 - Sports betting kiosks permitted in retail, entertainment, and stadium venues



● Online & Retail ● Retail Only ● Online Only ● Not Legal



Responsible Marketing

- Promotions cannot be directed toward college students
- Alumni networks and responsible-gambling education campaigns are **permitted**
- All individuals and messaging in ads must be and include **21+**
- Terms implying guaranteed or “risk-free” bets are **prohibited**

AGA CODE OF CONDUCT FOR RESPONSIBLE GAMING



Market Overview

- U.S. commercial gaming revenue: \$71.9B in 2024
- Draft Kings & FanDuel control over 75% of the market
- Strong community around sports, especially football
- First mover advantage in emerging Nebraska market



WinnerScape's Position

- Niche: Community & Ethics
- Responsible gambling, transparency, and player protection
- Few competitors lean into responsible & social as their core differentiator
- Enables college & community partnerships competitors cannot credibly pursue



Competitive Landscape

More Profitable



More Ethical



Core Ethical Concerns



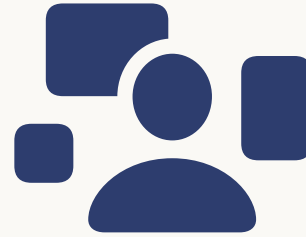
Transparency in Marketing

Young adults are most vulnerable to unethical marketing practices



Targeting Risks

Marketing to college students presents challenges if not framed correctly



Profit vs Public Good

Balancing shareholder returns with community well-being

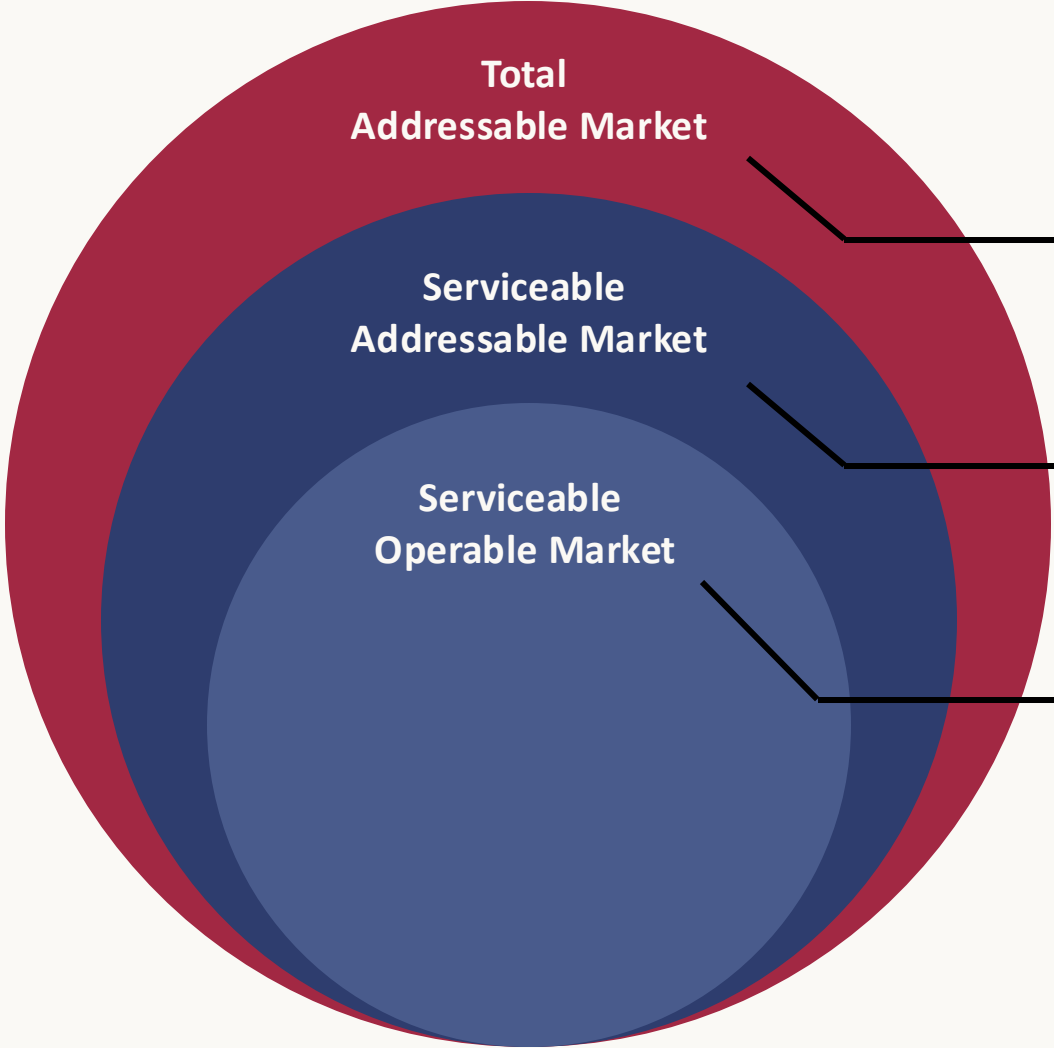


Potential Addiction

Betting on sports may encourage problematic behaviors



Target Market



- 1.45 million adults (21+)
- ~290K–360K annual sports bettors (20–25%)
- 85–90% of wagers are mobile
- Nebraska’s online betting market worth ~\$556–566M
- 5–10% market share in Year 2; 10–15% by Year 3
- Year 1: \$44.88M potential GGR
- Year 3: \$84.15M potential GGR

Challenge Statement

WinnerScape Entertainment must balance **market expansion**, **innovative design** and **ethical practices** to ensure the continued profitability of the company and the **wellbeing of the communities it operates in**.

WinnerScape has the **unique opportunity** to capture valuable market share while **rewriting the social narrative** surrounding gambling.



PLAY IT FORWARD

PLAY

Engaging and Enhancing the User Experience

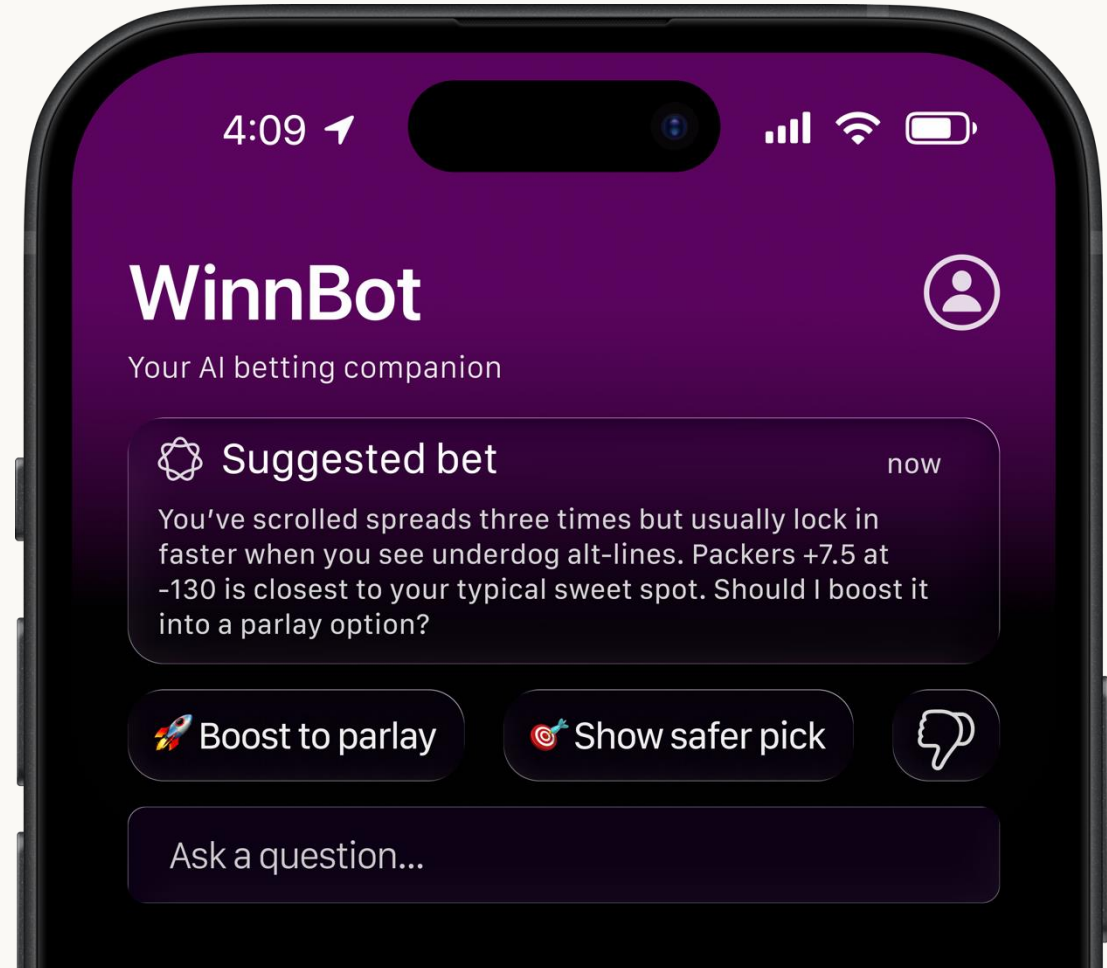
Sports Betting Kiosks

- Physical integration
- Transitional Factor
- Allows bets to be placed in & outside casinos
- 20 Kiosks in Winnerscape casinos
- 175 post-legalization in sports bars across Nebraska
- Kiosks have strong success in South Dakota

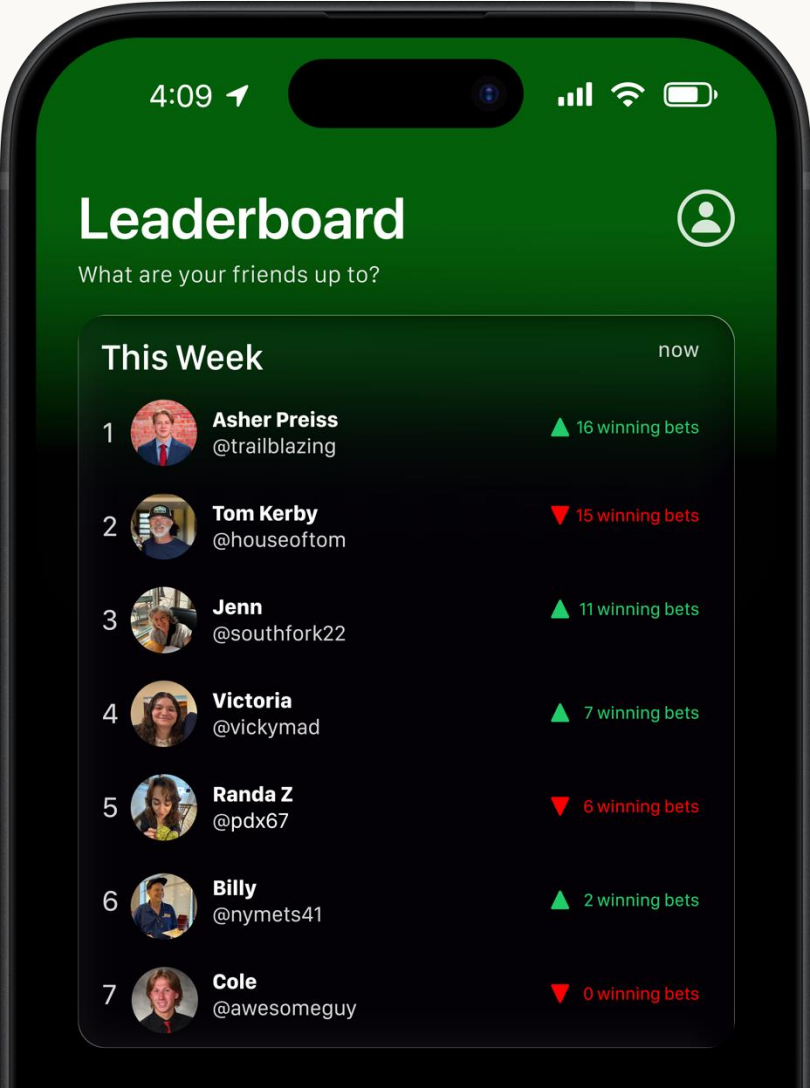


AI Betting Assistant

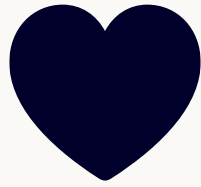
- Tracks your betting style and serves personalized picks, odds comparisons, and performance stats
- Reacts in real time to game data like injuries and points scored
- Can explain recommendations or breaking news
- Personalizes home feed for user interests based on past activity



Community-Building



Existing Features



Loyalty program



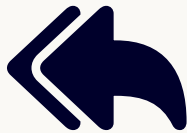
Bet protection



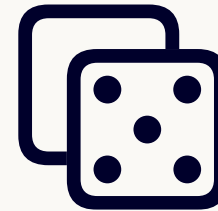
Parlay boosts



Referral bonus



Loss rebates

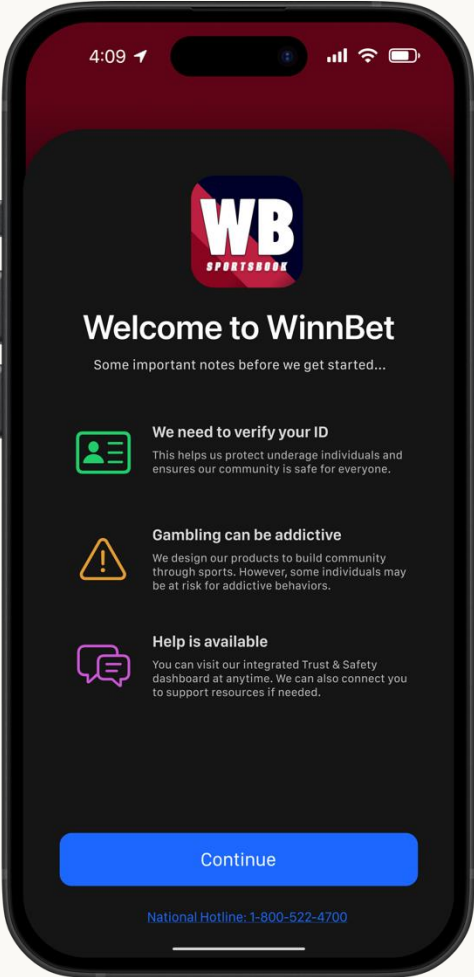


Spin for reward

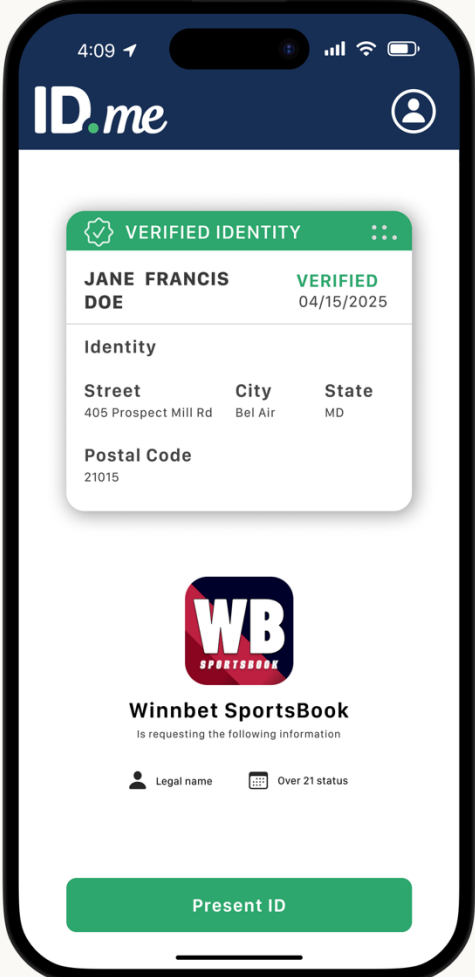
FORWARD

Cultivating and Safeguarding the Community

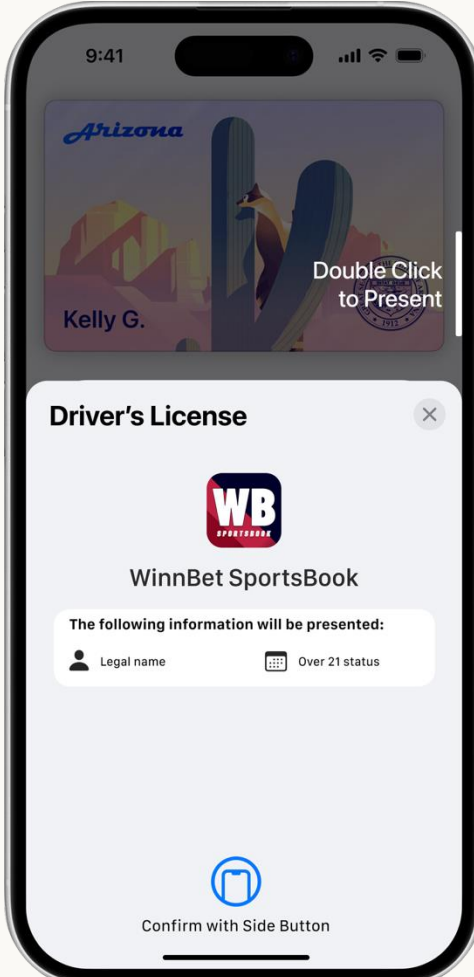
Trust



Splash screen greets new customers

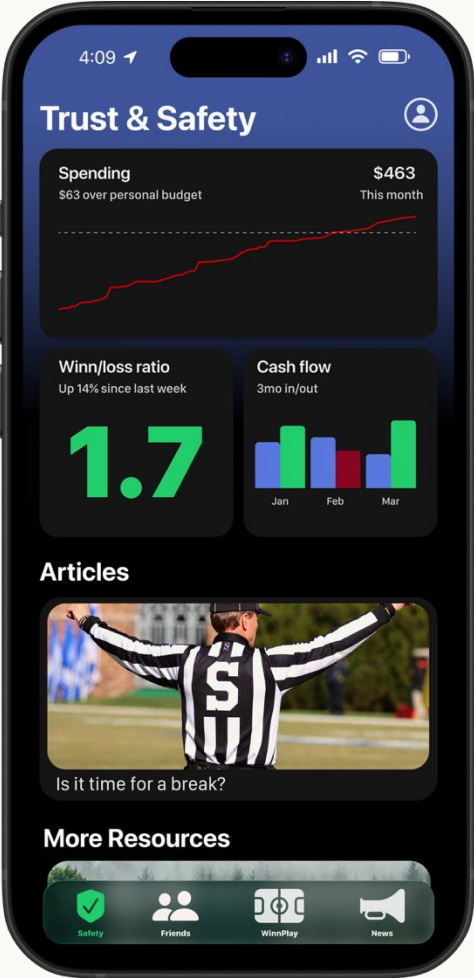


ID.me for ID Check

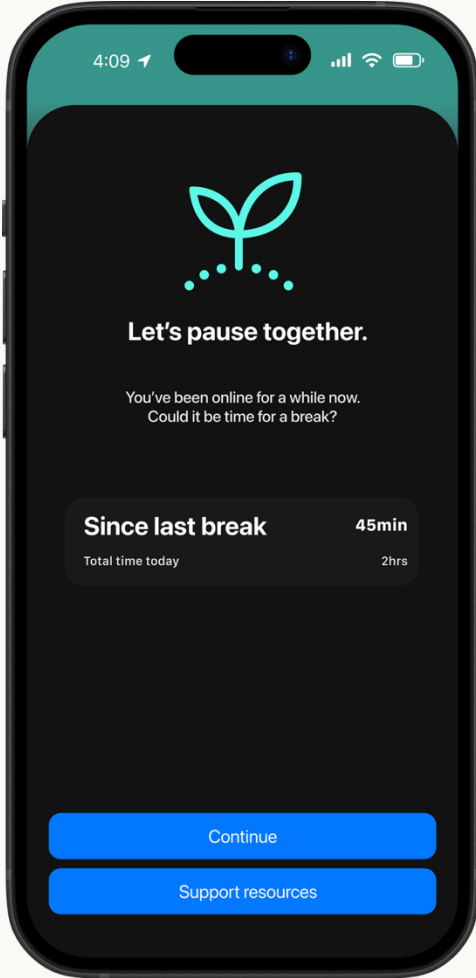


Mobile Driver's License for ID Check

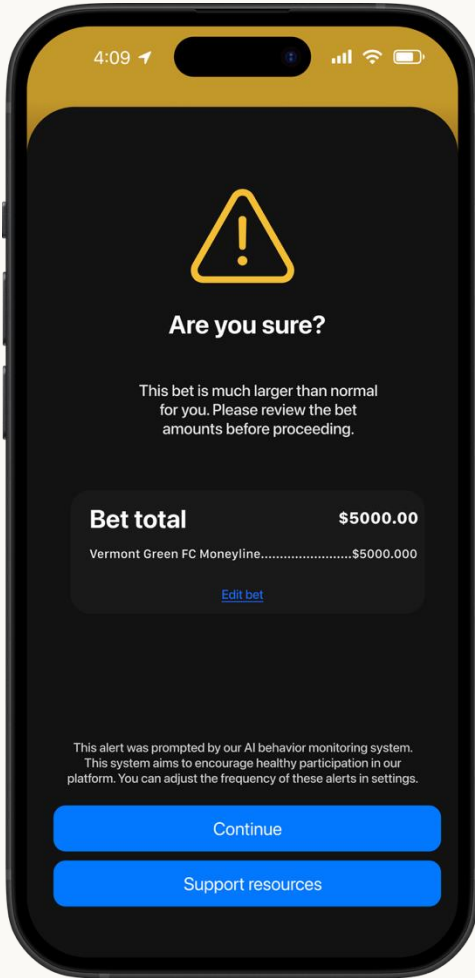
Safety



Trust & Safety Dashboard

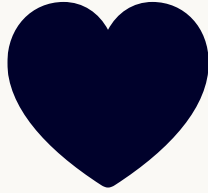


Time Check



AI Prompted Bet Check

Existing Features



Trusted contact



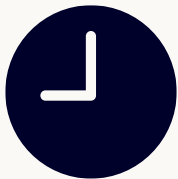
Voluntary bet limits



Self-exclusion



Hotline information



User-set time limits



Deposit limits

Community Impact

“Play it Forward” Weekend

- Last weekend in October
- Donate 1.5% of revenue

Stadium Presence

- Activation booths located in general admittance entrance
- Advertising in Memorial Stadium

Donations to Organizations

- Lincoln Sports Foundation
- Nebraska Sports Council



PLAY IT FORWARD

Market Strategies



Positioning

- Nebraska's ethical betting partner
- Transparency, safety, and community reinvestment



Features

- AI Betting Assistant
- Friends and Notifications
- Leaderboard Among Friends



Engagement

- Memorial Stadium partnership
- Kiosks to help transition



Campaigns

- "Play it Forward" Weekend
- Responsible play features



Visibility

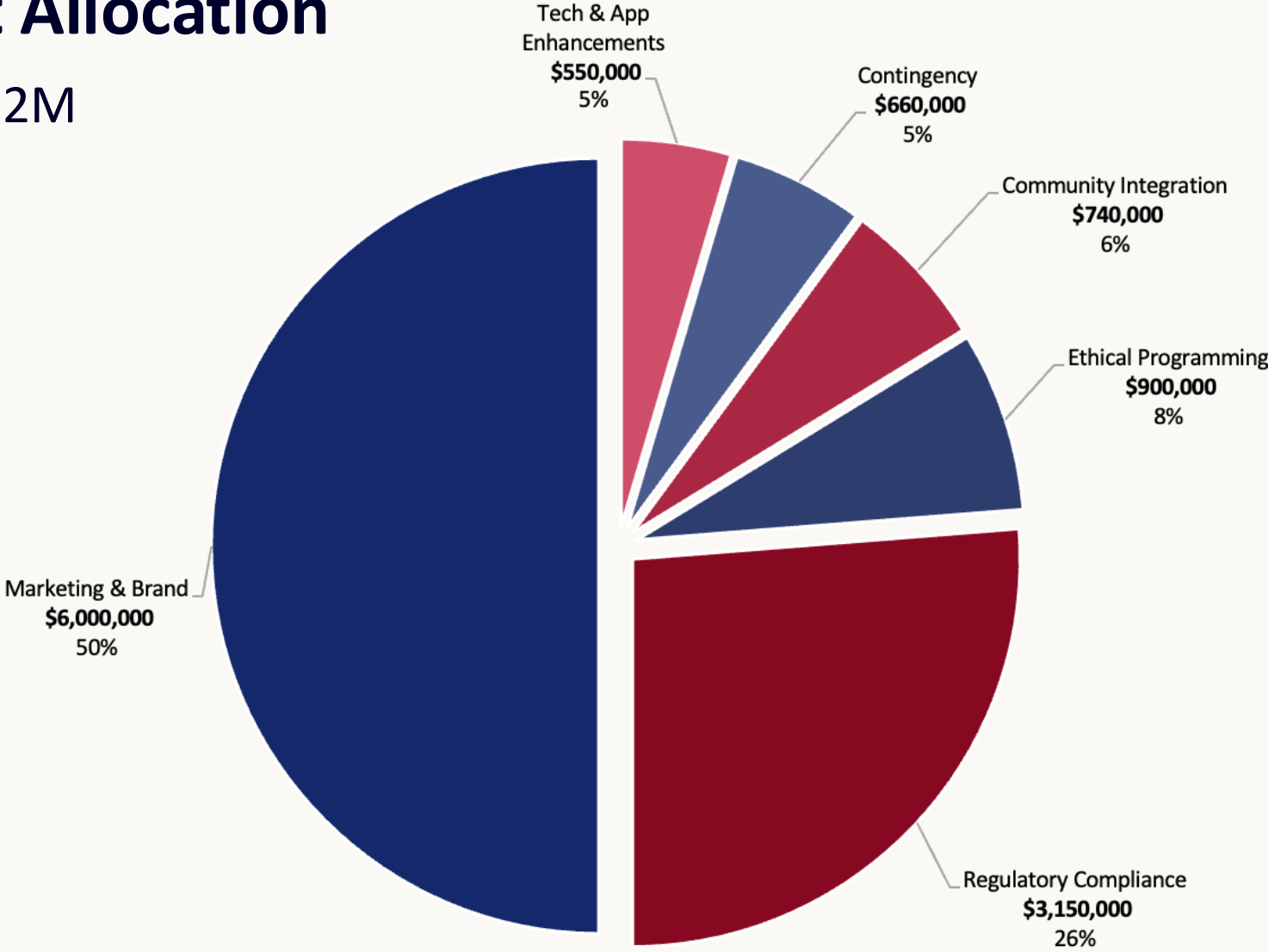
- Annual Responsible Gaming & Community Report
- AI behavior monitoring

Timeline

	Year 1				Year 2				Year 3			
	Establish trust, an ethical reputation, and a strong local presence in Nebraska.				Scale engagement, solidify community trust, and refine features.				Position WinnerScape as a national leader in ethical, community-driven betting.			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
App Development	Ongoing											
Strategic Planning, Compliance		6-8 Months										
Market Entry			3 Months									
Engagement & Retention		Ongoing										
Community Initiatives		Ongoing										
Expansion Prep				8-12 Months								
National Expansion								12+ Months				
Year-end ESG Report				3 Months				3 Months				3 Months

3-Year Budget Allocation

➤ Total Spend: \$12M

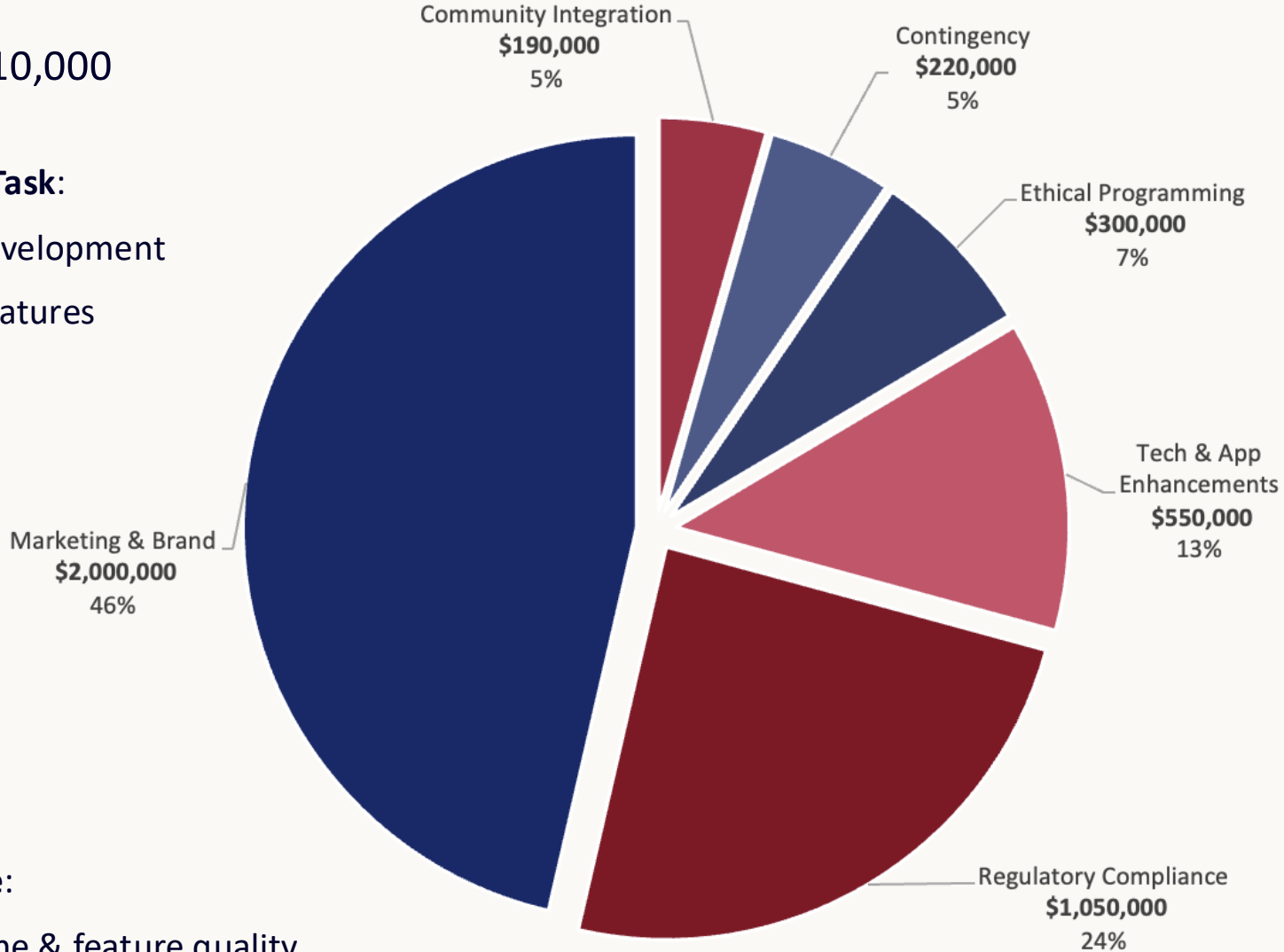


Year 1

➤ Total Spend: \$4,310,000

➤ **Essential Budgetary Task:**

- Technology & App Development
- Implementing new features



➤ **Contingency Purpose:**

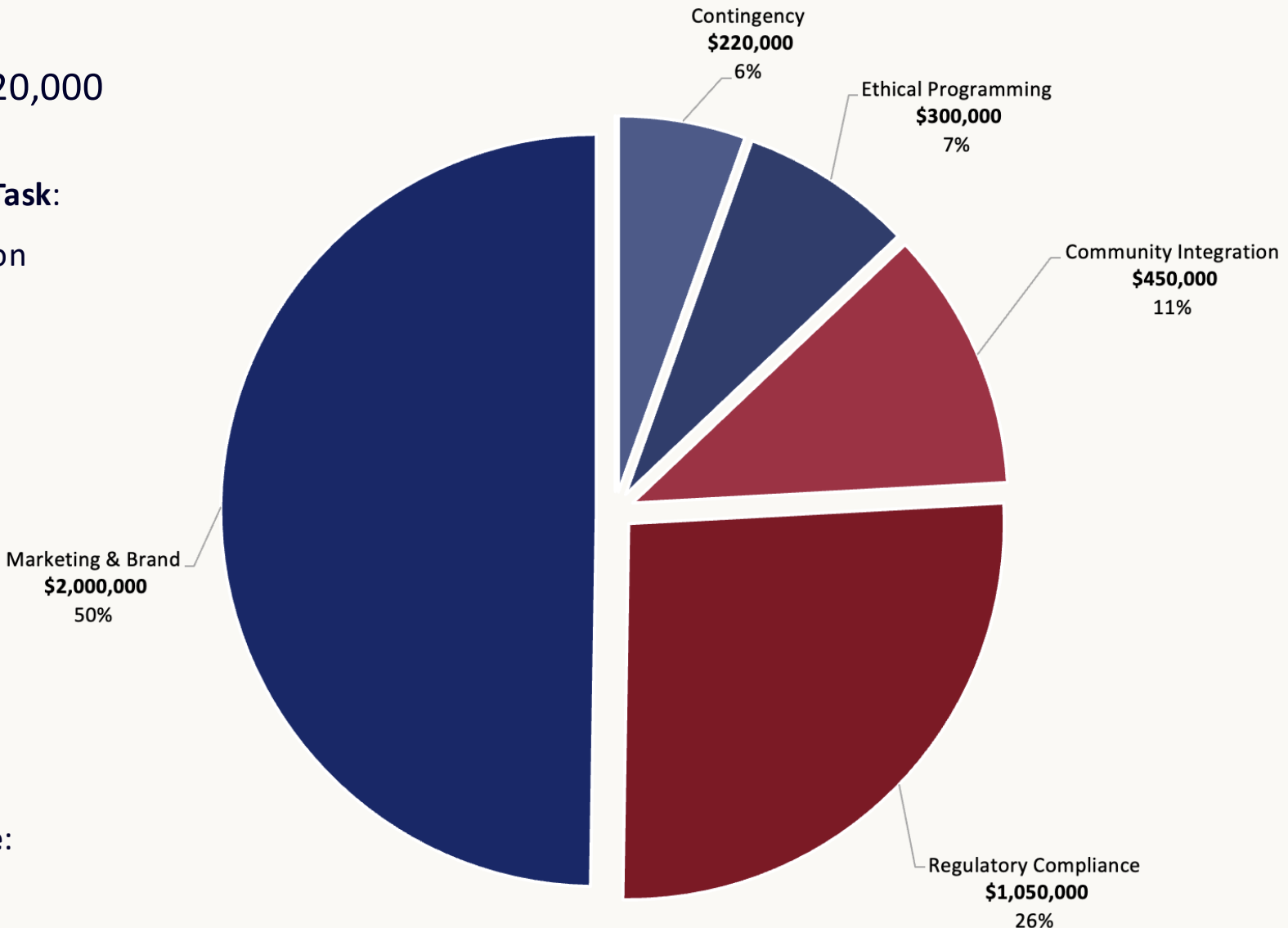
- Protect launch timeline & feature quality

Year 2

➤ Total Spend: \$4,020,000

➤ **Essential Budgetary Task:**

- Community Integration
- Wide Kiosk Roll-out



➤ **Contingency Purpose:**

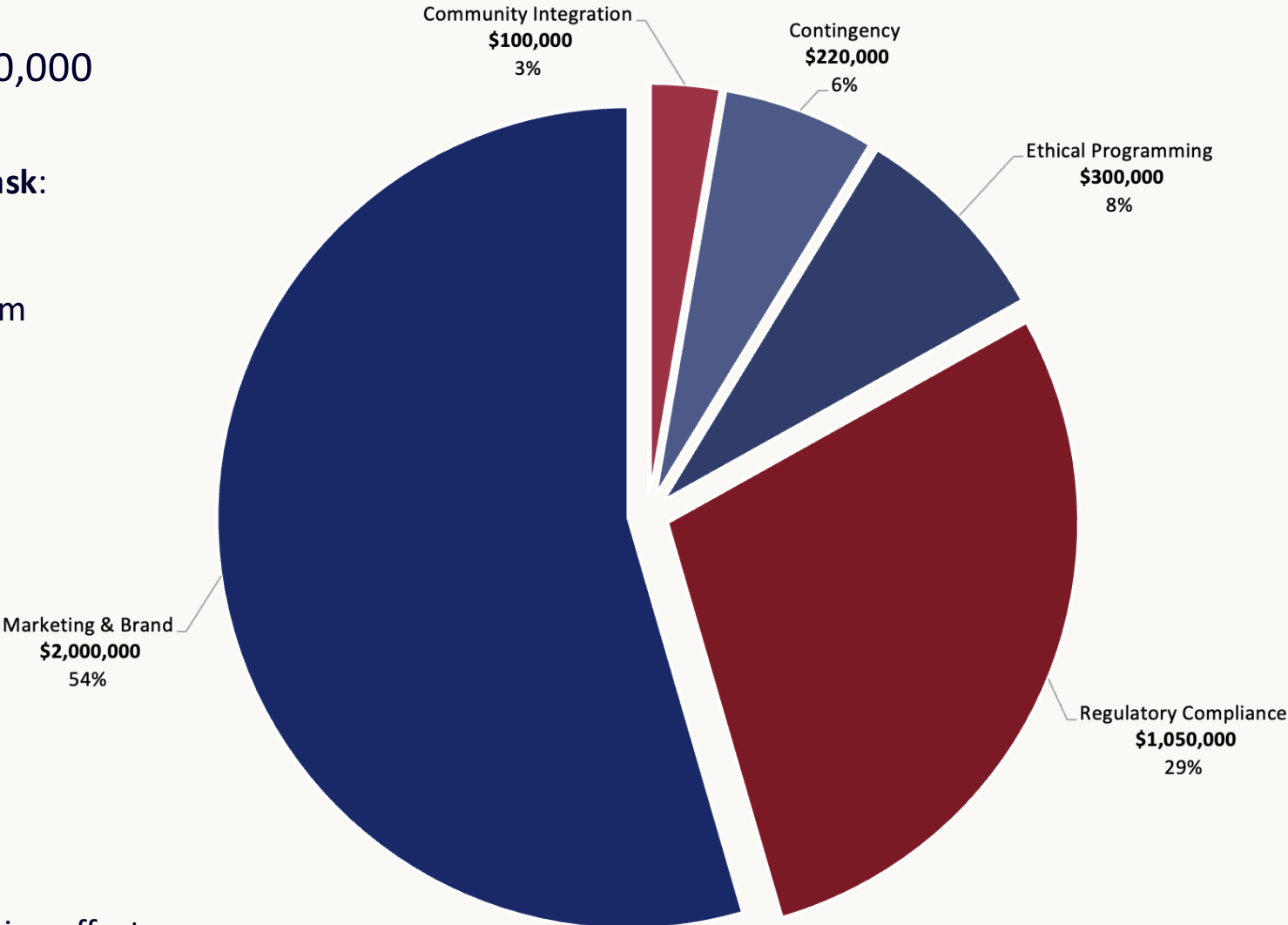
- Logistic support

Year 3

➤ Total Spend: \$3,670,000

➤ **Essential Budgetary Task:**

- Marketing & Brand
- Maintaining momentum



➤ **Contingency Purpose:**

- Buffer to boost marketing efforts

Key Performance Indicators



Market Share
by...

Year 2: 10%
Year 3: 15%



Active Users
by...

Year 2: 30K
Year 3: 45K



80% of Users
Activating
a Responsible
Playing Tool



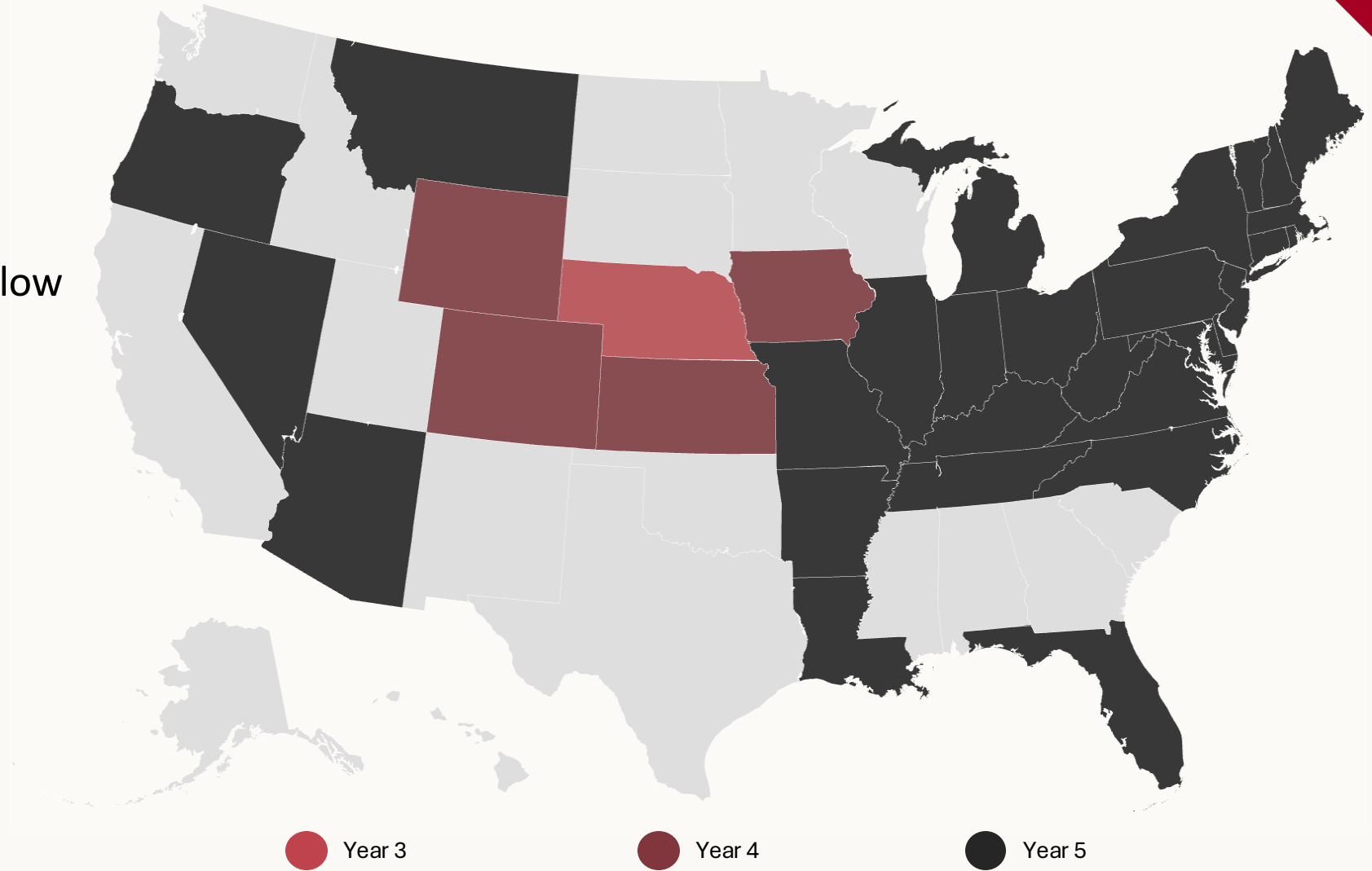
30% Kiosk-to-
App Conversion
Rate By Year 2



50% of surveyed
audience has a
positive brand
perception

Expanding to other states

- Phased expansion plan
- Two years post pilot
- Every state where regulations allow
- Adding states as reforms pass



Risk Analysis

Impact	Unlikely					
	Seldom			Political headwinds	Partnership Controversy	
	Occasional			Partnership breakdowns	Failure to scale	
	Likely		Ethical concerns	Weak brand recognition		
	Definite					
		Insignificant	Marginal	Moderate	Critical	Catastrophic
		Severity				

Situational Analysis



What Happened

T-Mac made controversial remarks causing major backlash



Our Stance

Ethics are not a feature of our platform; they are foundational to us



An Opportunity

Rewriting the social narrative around sports betting



Our Campaign



“I think the betting addiction is kind of a joke.”

- T-Mac, Sports Betting Influencer

FACT CHECK

According to the National Council on Problem Gambling, an estimated 2 million U.S. adults meet the criteria for gambling addiction, and another 4-6 million are considered problem gamblers.

Pause & Pivot



Public Statements

WinnBet & T-Mac issue corresponding public apologies



Press Pause

Temporary pause on collaboration & promotions



Restoration

T-Mac returns, collaboration & promotions resume

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Bet Bold.

Make it Count.

Play it Forward.



Appendix: Table of Contents

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Appendix: Risk Mitigation

Risk	Mitigation	Residual Risk
Political Headwinds in Nebraska	ID verification, AI bet and time check, & Splash screen	Seldom Critical
Ethical concerns	<i>Play-It-Forward</i> campaign: promote responsible gaming features to build trust	Seldom Marginal
Low user engagement	AI Betting Assistant, Friends leaderboard, & push notifications to reengage	Occasional Moderate
Competitive disadvantage	Differentiate with Huskers partnerships, stadium activations, loyalty program	Occasional Moderate
Weak brand recognition	Memorial Stadium, Kiosks, transparency, & safety	Seldom Moderate
Failure to scale pilot to other states	Nebraska pilot playbook	Occasional Moderate
Partnership breakdowns (teams, stadiums)	Diversify with Huskers, sports networks, recreational leagues	Seldom Marginal

Appendix: Target Market

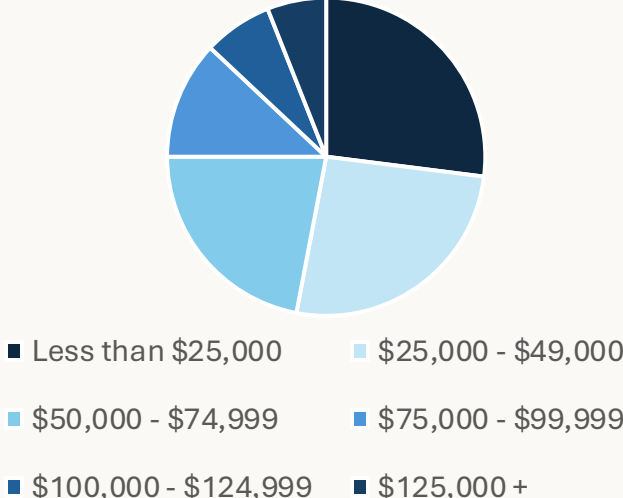
- 25–44-year-olds are highly active on mobile betting apps and responsive to AI-based personalization.
- Mid-income earners prefer platforms that clearly show odds, limits, and fair-play data.

- TAM:**
- Average annual spend per bettor in mature states (e.g., Iowa, Indiana) = \$2,200-2,500/year in gross gaming revenue (GGR)
 - $300,000 \times \$2,200 = \660 million potential annual betting revenue

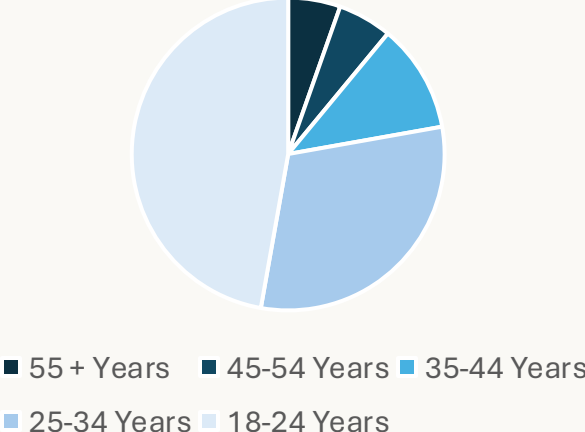
- SAM:**
- $\$660M \times 0.85 = \561 million annual online/mobile GGR
 - SAM equals roughly \$556–566 million in annual addressable market for mobile/online betting in Nebraska

- SOM:**
- Our target market share throughout the relaunch:
- 5–10% market share in Year 1 (with aggressive promotions)
 - 10–15% by Year 3 if retention + brand equity strengthen
- Thus:
- Year 1: $\$561M$ (SAM) \times 8% = \$44.88M potential GGR
 - Year 3: $\$561M \times 15\% = \$84.15M$ potential GGR

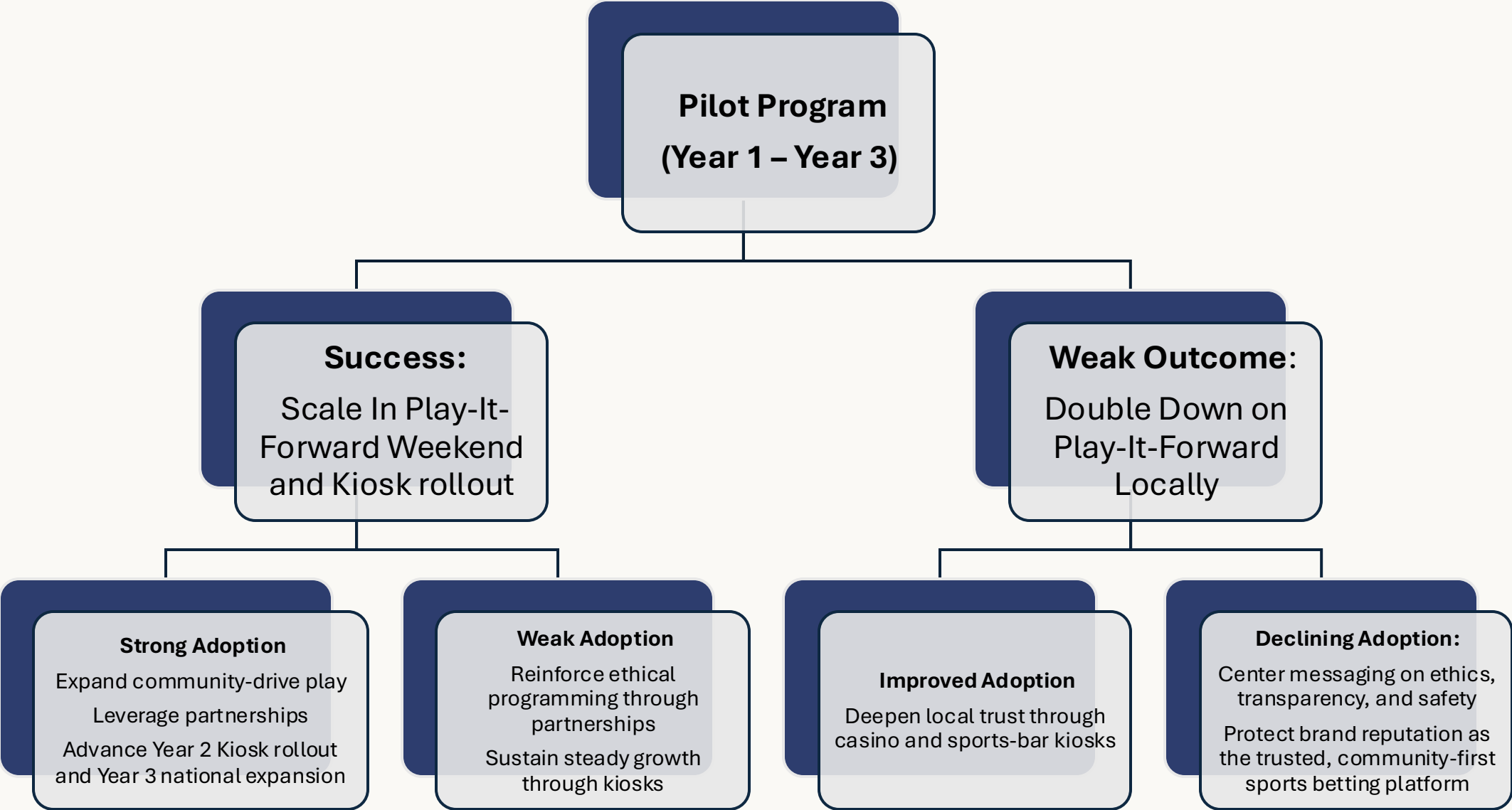
Income



Age



The Play it Forward Framework



Appendix: Porter's Five Forces



Threat of New Entrants

Regulatory scrutiny from the NRC and public sensitivity toward gambling discourages startups. However, digital entrants can still enter if regulations loosen such as the amendment in July 2026 suggests. Winnerscape's early move in Nebraska helps lock in local partnerships and brand trust.

Power of Buyers

Users have low switching costs so they can easily move to FanDuel or DraftKings apps. Loyalty is built through trust, transparency, and community connection, not just promotions. Arena's ethical design and Nebraska sports partnerships can reduce price sensitivity and increase emotional switching costs.

Substitutes

Substitutes include fantasy leagues, traditional casinos, and informal sports pools. While these provide entertainment, they don't offer Arena's ethical, transparent experience. As regulations evolve, keeping user engagement via AI Bet and community events will help prevent substitutes.

Power of Suppliers

Suppliers include data analytics firms, payment processors, AI integrations, and kiosk manufacturers. Since these are specialized technologies, their costs are high but negotiable. Long-term vendor contracts and internal tech like AI Bot can reduce dependency and costs.

Competitive Rivalry

National giants like FanDuel, DraftKings, BetMGM, Caesars, and ESPN Bet dominate market share (77%). Their scale allows aggressive promos, but their ethical credibility is weak. Winnerscape's advantage is reputation as the most trusted, community-first platform.

Appendix: Ethical Overview

Core Ethical Concerns in Gambling

- Addiction & Problem Gambling
- Transparency in Marketing
- Targeting Risks
- Profit vs. Public Good

Stakeholders Affected

- Customers, Community, Regulators, Employees, & Shareholders

Industry Precedents

- **Negative:** LSU & University of Maryland cut sportsbook deals after backlash (ads to underage students, reputational damage).
- **Positive:** MGM's GameSense program & NCAA's 2025 data/logo deal show ethics-based partnerships are possible if safeguards are strong.

PESTLE

P

Political

- Online sports betting to launch in Nebraska July 1, 2026
- Regulators are cautious around problem gambling

E

Economic

- Arena posted \$142M net loss in 2024, despite industry growth
- High customer acquisition costs amidst competition

S

Social

- Gambling stigma due to addiction concerns
- Primarily younger, college-aged demographic
- Sports culture offers an entry point

T

Technological

- Opportunity to leverage AI, dashboards, and gamification
- Current platform lacking differentiation from competitors
- Weak responsible gaming features

L

Legal

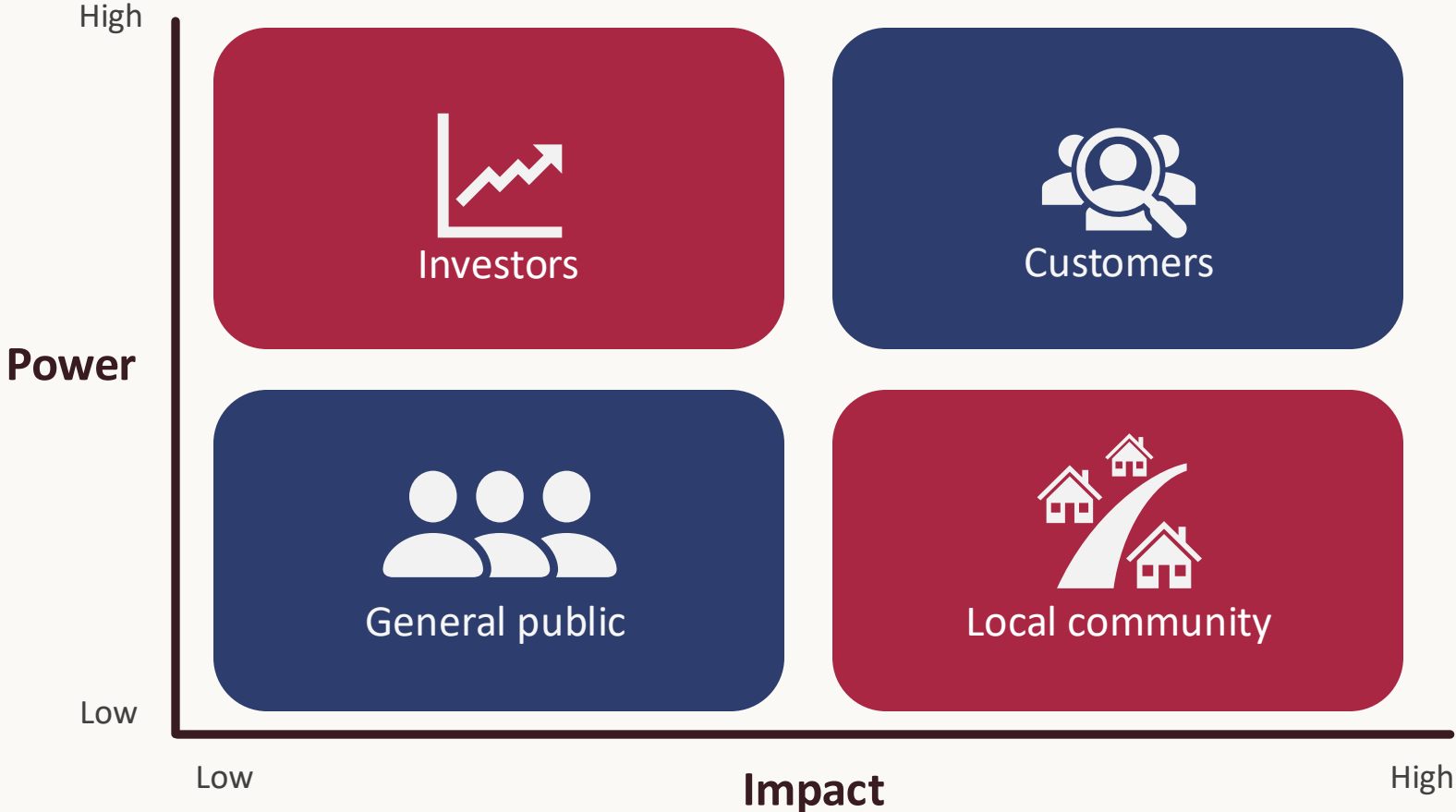
- Online betting legal in 39 states
- Failure to lead in ethics could trigger regulatory backlash

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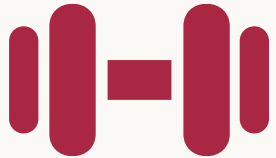
Environmental

- ESG expectations rising
- Current community contributions (1.5% net revenue donations) lack visibility

Stakeholder Analysis



SWOT Analysis



Strengths

Established brand in physical casino industry

Existing customer base

PlaySafe Promise and ESG reporting already in place

Fresh entry point for Nebraska's sports betting market



Weaknesses

Arena digital arm is currently unprofitable

Criticism of responsible gambling features

Declining overall revenue

Low brand recognition online



Opportunities

Nebraska legalizes sports betting in 2026

Potential to differentiate through responsible gambling and ethics features

Cross-promotion opportunities with Nebraska sports culture

Scalability to other states



Threats

Market saturation and competition

Regulatory risks

Negative public perception of gambling

Gambling addiction backlash

STAR Ethical Decision-Making Model

Stop

Recognize the Problem: WinnBet is underperforming.

Identify Stakeholders: Customers, Community, Regulators and policymakers, Employees, Shareholders and investors.

Develop Options: Aggressive marketing to maximize revenue, with minimal responsible gambling safeguards.
Balanced relaunch with strong responsible gaming programs.
Restrictive ethical-first relaunch prioritizing safety.

Test

Legality Test: Does it comply with Nebraska's July 2026 sports betting regulations?

Harm Test: Does this reduce the risk of addiction or harm to vulnerable groups?

Precedent Test: Will this set a standard (good or bad) for future state rollouts?

Act

Option 2: A balanced ethical relaunch.

High-Visibility Ethical Program: Partnerships with Nebraska nonprofits, built-in betting limit features, and transparent advertising.

Community Integration: sponsorships tied to responsible play, not just sports hype.

Tech Safeguards: pop-up reminders of time/money spent, AI detection of risky behavior.

Reflect

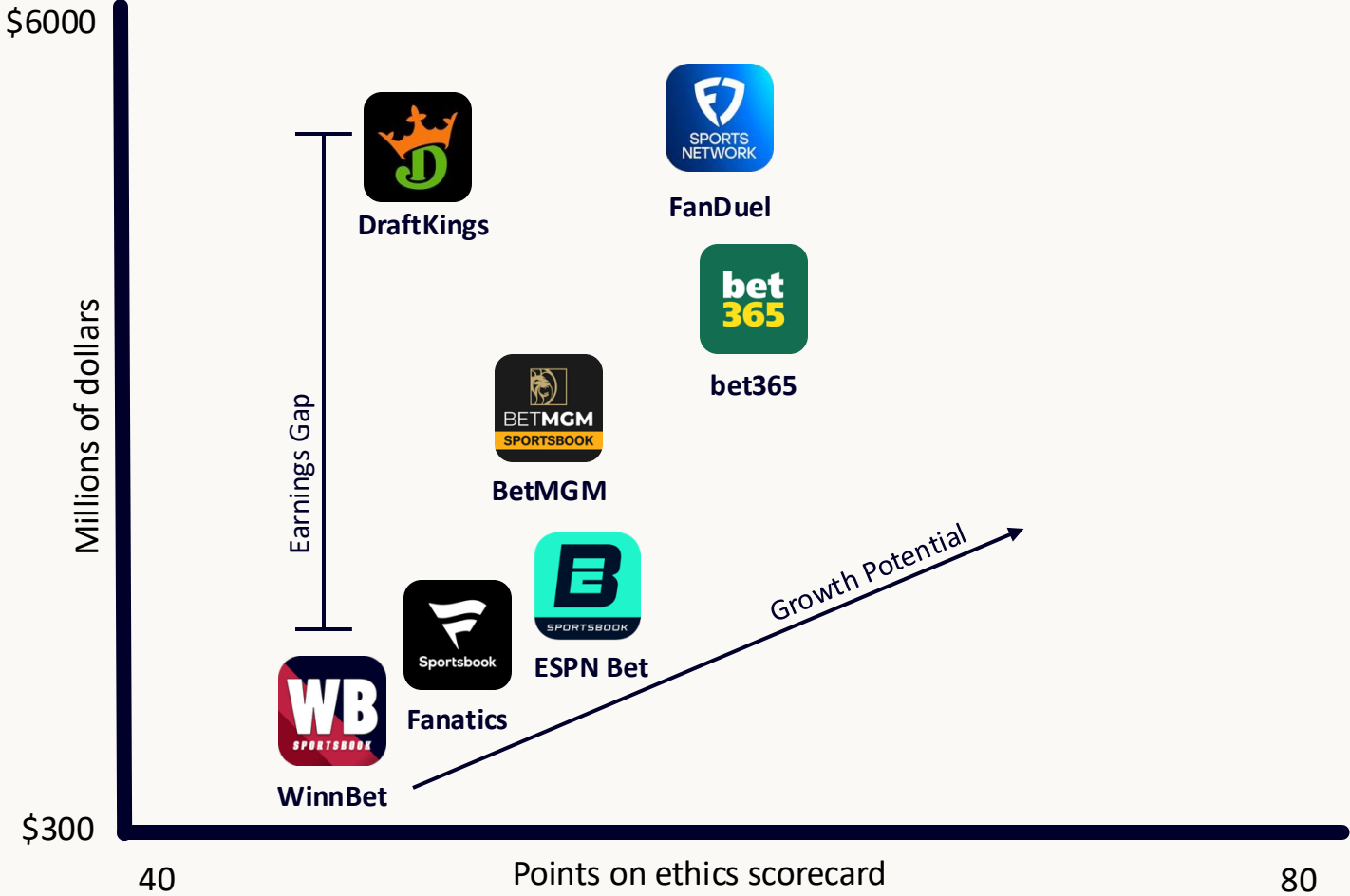
Evaluate Outcome: Did the relaunch increase trust and adoption while keeping problem gambling rates stable?

Responsibility: Winnerscape must publish annual impact reports to prove its commitment to ethics.

Adaptation: If metrics show rising gambling harm, tighten safeguards.

Appendix: Competitive Landscape

More Profitable



Ethics Scorecard	
Safety controls & dark patterns	20 points
Promo integrity & Product Transparency	20 points
Privacy & data minimization	20 points
Marketing Conduct	20 points
Accountability, accessibility, & redress	20 points

More Ethical

Appendix: Ethics Scoring

Safety Controls & Dark-Pattern Resistance (20)

- **Discoverability:** RG hub ≤ 1 tap from home; limits & self-exclude ≤ 2 taps.
- **Friction symmetry:** Lowering limits = instant; **raising** = delay (≥ 24 h) with cooling-off.
- **Session hygiene:** reality checks (time/money), optional session timers, auto-logout on inactivity.
- **Design nudges:** no countdown clocks, spin/confetti on losses, or aggressive color contrast making “raise limits” the default.
- **Exit friction:** cancelling deposits/bets isn’t hidden; self-exclude is not gated by chat/phone.

Dark-Pattern Index (DPI) rule: each of the following found (hidden RG > 2 taps, countdown timers, loss confetti, pre-checked promos, upsell on self-exclude) = **-2** bonus penalty (min 0 for this pillar).

Promo Integrity & Product Transparency (20)

- **Plain-English examples:** promos show cash vs credit + playthrough math with a worked \$50 example right on the offer.
- **Parlay/boost clarity:** displays true implied price vs “boosted,” and warns about parlay edge stacking.
- **Odds/house edge explainers:** help page linked from bet slip; expected value (EV) tips for novice markets.
- **Win-probability visuals:** avoids misleading “near miss” framing or celebratory audio for losses/refunds.
- **Withdrawal fairness:** no stealth withdrawal locks tied to unrelated wagering; transparent timelines.

Red flag: “risk-free” language with credit-only refunds or hidden rollover \rightarrow **-4** to this pillar.

Appendix: Ethics Scoring

Privacy & Data Minimization (App Store Label-aware) (20)

- **Tracking:** App Store “Data Used to Track You” = none (2), opt-out & easy toggle (1), mandatory tracking (0).
- **Linked data count:** total “Data Linked to You” types ≤5 (2), 6–10 (1), >10 (0).
- **Data controls:** in-app **delete account**, export data, granular permissions.
- **Minimization:** no contacts/photos/precise-location grabs unless strictly needed; background location off by default.
- **Security:** encryption at rest/in transit, breach policy, bug bounty or third-party security review.

Privacy penalty: each ad-tech SDK collecting cross-app identifiers without opt-out = **-1** (max -4).

Marketing Conduct & Comms Hygiene (20)

- **Opt-in by default:** pushes/email/SMS all off until user opts in; categories (promos, account, RG) separated.
- **Quiet hours:** default no promos 11pm–8am local; RG/withdrawal notices allowed.
- **No targeting high-risk:** suppresses promos for self-excluded, cooling-off, or flagged affordability risk.
- **Content ethics:** no “get even”/“can’t lose” vibes; no youth-coded memes near college events.
- **Transparency:** in-app marketing prefs page shows last 5 promo sends and why you got them.

Red flag: marketing to self-excluded users → **-8** to this pillar.

Appendix: Ethics Scoring

Accountability, Accessibility & Redress (20)

- **Independent audits:** recent (≤ 12 months) RG + security audit summaries linked.
- **Issue resolution:** in-app ticketing with ETA; ADR/ombudsman link; refund policy for obvious errors.
- **Accessibility:** WCAG 2.1 AA (focus states, scalable text, color contrast) verified on key flows.
- **Payments ethics:** credit-card deposits de-emphasized or blocked; no third-party lending offers in-app.
- **Public reporting:** annual RG transparency report (limit usage, self-exclude stats, intervention outcomes).

Red flag: credit-builder loans/BNPL embedded for deposits
→ -5 to this pillar.

Appendix: AI Mechanics

Action	Notes
User browses lines or builds slips	every action (scrolls, hesitations, picks) is logged.
System detects patterns	“usually takes underdog alt-lines” or “bets bigger after live momentum.”
Live game + odds data refresh constantly	injuries, line movement, weather, market shifts.
Matching engine scores top-fit bets	ranks options based on that user’s historical behavior.
AI formats the recommendation	turns the data into a one-liner like “ <i>Packers +7.5 fits your usual sweet spot</i> ”.
Displayed with quick actions	<i>Lock In · See Alternatives · Boost to Parlay.</i>
User taps, system tracks outcome	loop improves with every interaction.

Appendix: Financial Assumptions

Marketing & Brand

Memorial Stadium Advertising Costs: **\$1M per year/season**

Signage Type	Exposure / Description	Est. Cost per Game	Frequency	Est. Season Value	Benchmark
End Zone Boards	4 static boards behind goalposts, TV-visible	\$12,000	7	\$336,000	\$10-15K/game (IEG, EventMarketer); End-zone board packages at Iowa & Wisconsin
Corner Rotators (Towers)	Rotating LED panels, visible in stadium corners	\$8,000	7	\$224,000	Rotating LED panels at Penn State average \$7K-\$9K/game (IEG Sponsorship Report, 2023)
Ribbon Board Rotators	LED concourse banners along East/West stands	\$7,000	7	\$196,000	Ribbon board rotation packages = \$6K-\$8K/game at Big Ten venues (EventMarketer Sponsorship Trends 2023)
Replay Tag / In-Game Mentions	"This replay brought to you by..." on video board	\$6,000	7	\$126,000	Replay / branded content = \$5K-\$8K/game (Playfly Sports case data, 2023)
In-Game Feature Sponsorship	"Play of the Game" / "Drive of the Game" segments	\$10,000	7	\$70,000	Featured in-game sponsorships = \$8K-\$12K/game at Ohio State & Michigan (Partnership Activation Report, 2024)
Permanent Logo Placement (North End Zone)	Static branding visible all season	—	Annual	\$50,000	Permanent logo slots priced \$40K-\$60K/year (Playfly collegiate inventory deck, 2023)
TOTAL				\$1,002,000	

Appendix: Financial Assumptions

Marketing & Brand

Customer Acquisition Costs: \$1M/year

Benchmark	Customer Acquisition Cost
DraftKings	\$190
FanDuel	\$110
WinnBet (Nebraska Pilot)	\$150

Source: <https://www.usnews.com/news/articles/2015/10/30/draftkings-fanduel-and-gambling-on-the-world-of-fantasy-sports>

\$150 x ~13,333 customers = \$2,000,000 annual spend

40,000 customers acquired by 3 years

Appendix: Financial Assumptions

Tech & App Enhancements

- One-time investment, **\$550,000 total**
- Outsourced development by third-party
- Average Costs:
- **\$200,000** for additional feature implementations (Fulminous Software, 2025)
- **\$350,000** for AI integration (App Inventive, 2025)

Appendix: Financial Assumptions

Regulatory Compliance

NRGC Licensing Fees

Authorized Gaming Operators:

Year 1-5 \$1,000,000 + \$50,000

Years 6-20 \$50,000 only

\$5,000,000 to be paid over 5 years (Set Statute)

The first \$1,000,000 due at time of application

Appendix: Financial Assumptions

Community Integration: Sports Betting Kiosks

- Average kiosk price: \$2000/unit
- Year 1 kiosk rollout:
 - 20 units in Winnerscape casinos (10 in each casino) = \$40,000
- Year 2 kiosk rollout:
 - 175 sports bars across Nebraska (1 in each) = \$350,000

Appendix: Financial Assumptions

Community Integration: Game-Day Activations/Pop-ups

Cost Category	Annual Estimate (USD)	Description / Basis
Per-Game Activation Setup	\$84,000	Estimated \$12,000/game based on Alt Terrain (2024) benchmarks for high-traffic mobile activations (setup, staffing, security, and permits)
Stadium Premium Adjustment	\$16,800	+20% increase to reflect Memorial Stadium's 85K+ attendance and premium brand visibility
Support & Logistics	\$15,000	Transportation, storage, insurance, and maintenance (~15% overhead per Drive Sports Marketing, 2023)
Supplementary Pop-Ups	\$10,000 - \$15,000	2-3 smaller community or fan engagement events (e.g., tailgate zones, sponsor showcases) at ~\$5K each
Total Estimated Annual Spend	≈ \$125,000 - \$130,000	

Appendix: Financial Assumptions

Breakeven Analysis

- ARPU assumption (\$2200) based on average annual gross gaming revenue per bettor in comparable small-market states (Iowa, Indiana, AGA data)

Metric	Value	Description
Annual Spend	~4M	Average annual spend, based off \$12M 3-year budget
Nebraska Hold %	11.95%	Data obtained from NRGCC
Revenue for Breakeven	~33.4M	4,000,000 / 0.1195
ARPU	\$2200	Iowa & Indiana ARPU benchmark
# Users for Breakeven	~15,000	This target is hit by year 2

Appendix: Sources

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