

From Strategy to Execution: Building a Winning Presence in Latin America

A Case Study on iGaming Expansion in Peru by Telematic Interactive Bulgaria AD

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TELEMATIC
I N T E R A C T I V E

The logo for Telematic Interactive features the word "TELEMATIC" in a white, uppercase, sans-serif font, centered within a solid green rectangular bar. Below this bar, the word "INTERACTIVE" is written in a smaller, black, uppercase, sans-serif font, with wide letter spacing.

Introduction

Capitalising on Latin America's Growing iGaming Market

- Why Peru?
- Providing a comprehensive guide for operators aiming to build a successful foothold
- Insights into some specifics of the regulatory landscape, cultural localisation, technological adaptation, and execution steps



Why Latin America and Why Peru?

Rapidly growing iGaming adoption, driven by economic dynamics

Peru:

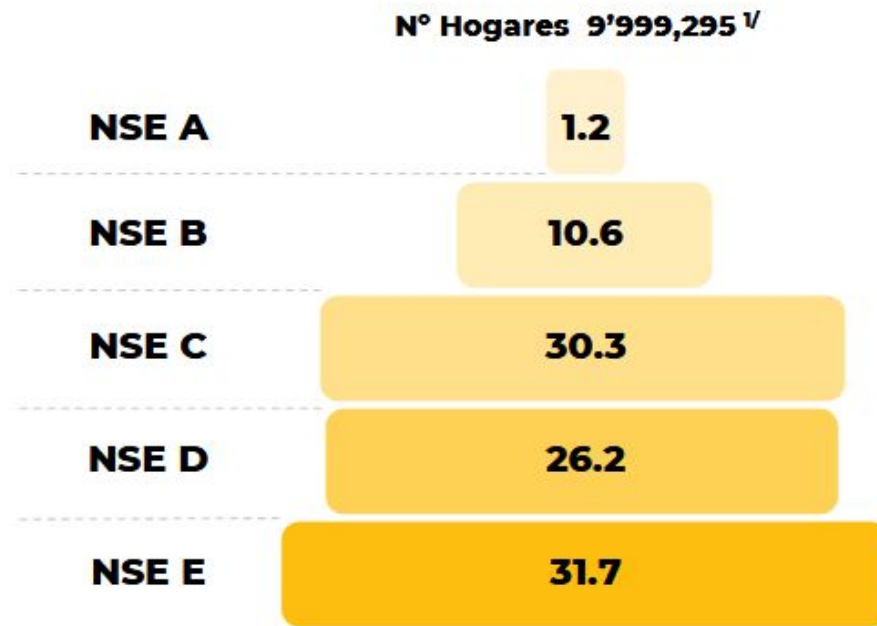
- Dynamic economy with a growing middle class.
- The post-COVID boom in online gaming - Peru's online market growth post-COVID increased exponentially



Peruvian demographic

Socioeconomic status of the population:

- Peru has a big middle class that spends at least 2% of their salary in Entertainment



NSE	Estrato	Porcentaje
A	A1	0.2
	A2	1.0
B	B1	2.3
	B2	8.3
C	C1	17.8
	C2	12.5
D	D	26.2
E	E	31.7

APEIM 2023

APEIM 2023: Data ENAHO 2022
^{1/} Hogares 2022 según ENAHO

Peruvian expending habits

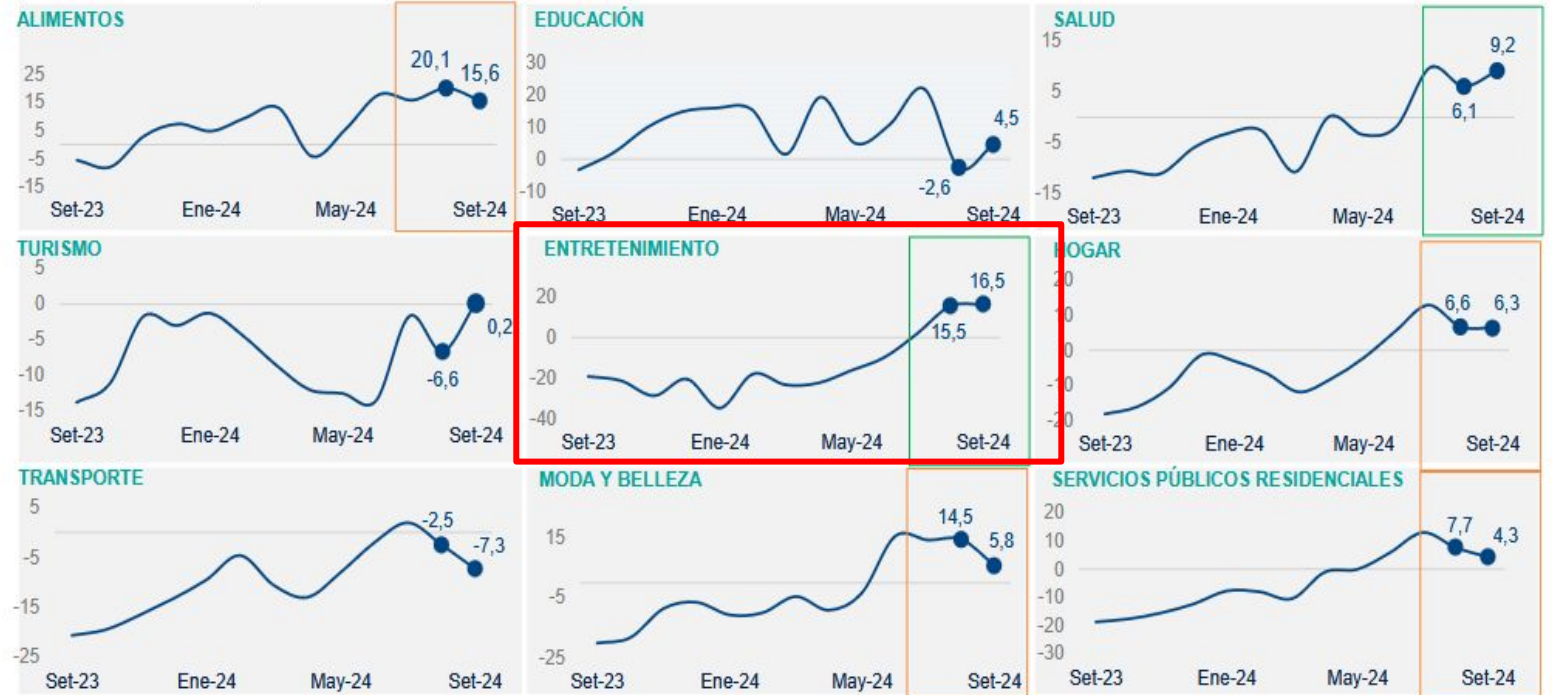
Índice Big Data de Consumo por componentes

Between 2023-2024 Entertainment expenses in the peruvian families has grown

- Despite the rest of the components of the expenses has being going up and down or decrease, the expense in Entertainment has gone up
- And inside the Entertainment Casinos y lotteries represent the 29% of the total expenses in Entertainment.
- So Peru has a growing interest in casino and sports betting and the capacity to play.

COMPRAS CON TARJETAS 1

(VAR. % INTERANUAL, EN TÉRMINOS REALES)



1: Se muestran componentes seleccionados. Información al 30 de septiembre de 2024. La corrección por inflación se realiza con el IPC de Lima Metropolitana. Para obtener la información con frecuencia diaria, revisar [aquí](#).
Fuente: BBVA

Online betting in Peru

Peruvian Market Behaviour: Pre-Pandemic

- Preference for physical stores due to limited trustworthy online payment options.
- Online shopping hesitancy caused by insufficient safety procedures.

iGaming Market Pre-Pandemic

- Established brands with land based or long-standing presence dominated.
- Trust in international companies drove consumer confidence.
- There were 4 important operators in the market and then some small ones, in total 30 or more official brands.
- Top brands had big budgets and covered all sport events, TV and street advertising
- There were also small brands that were operating as local betting businesses.
- Google Ads was forbidden for the iGaming market in Peru



Online betting in Peru

Post-Pandemic Growth (2019–2023)

- Online purchases grew by **200%**, from 11.8M to 16.8M transactions.*
- Online transactions increased from **12.5%** to **45%** of all payments.**
- Significant potential for further digital growth in Peru.

Post-Pandemic iGaming Expansion

- Online betting grew **128%** (2020–2022)***
- Peru positioned as a leading market with high potential in Latin America.
- Within pandemic some brands appear and started gaining more and more participation of the market
- In 2023 more international brands started operations in Peru and started to fight for the first positions.
- Now after the regulation more than 60 operators have registered.
- Online Ads became more important
- With the regulation also Google and Meta are available for this market in Peru.
- Top competitors still have the main presence in TV and sport events, being the sponsors of the main local soccer teams.

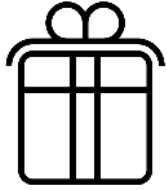


*Statista

**El peruano

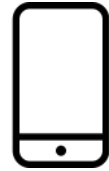
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Peruvian Player Behaviour Now



Bonuses and promotions

- **Casino:** Free spins without deposit, or deposit bonuses with easy conditions to convert.
- **Sports:** Free bets, zero risk bets



Online behaviour

- There is still some people who do not trust **online payments** so they prefer physical stores.
- 90% of users play from a **mobile device**.
- Between 80%-90% of sports bets are in futbol, specially on Champions League, Copa Libertadores and peruvian tournaments



Payment methods

- Peruvian users prefer **local and QR payment methods**, such as Yape or Plin (local bank's digital wallets to transfer just with the phone number or QR)
- They expect to have the **bonus money not related with their deposit money**
- For withdrawals they prefer **immediate payments**, 24hs is already a long period to wait.



Location

- Most of the players are **located in Lima**, the capital
- But a lot of players come from other **big cities, like Arequipa, La Libertad, Cusco and Piura**.
- There is still a **big market on the east** of the country but with little internet reach.

Peruvian iGaming Market Today

Competitors

- Big top 5 competitors between locals and big international companies
- More than 60 operators in the market
- Between 2024 and 2029 the annual growth of the market is expected to be 5.97%

Advertising

- Huge budget
- TV Commercials
- Street advertising
- Branding campaigns
- Celebrities and influencers



What was our strategy?

Market Research and Entry

- Assess regulatory frameworks
- Analyze cultural and player behaviour trends

Platform and Content Localization

- Align content with local preferences
- Ensure technical compliance with Peruvian regulations

Building Partnerships

- Collaborate with local operators and tax consultants – there are certain specifics regarding taxation
- Leverage local marketing agencies to drive engagement

Execution and Growth

- Focus on player acquisition and retention strategies
- Continuously monitor regulatory updates

Regulations in Latin America

The iGaming market in Latin America is complex, the variety of cultures makes it rich and diverse, but also a market that takes time to understand.

ARGENTINA

- The iGaming market in Argentina depends on each province, whose authorities may or may not legalised online betting.

BRAZIL

- The market is in progress of regulation, all operators are applying for licenses.
- About taxing, operators have to pay 12% over GGR and have to withhold 15% tax on users winnings.

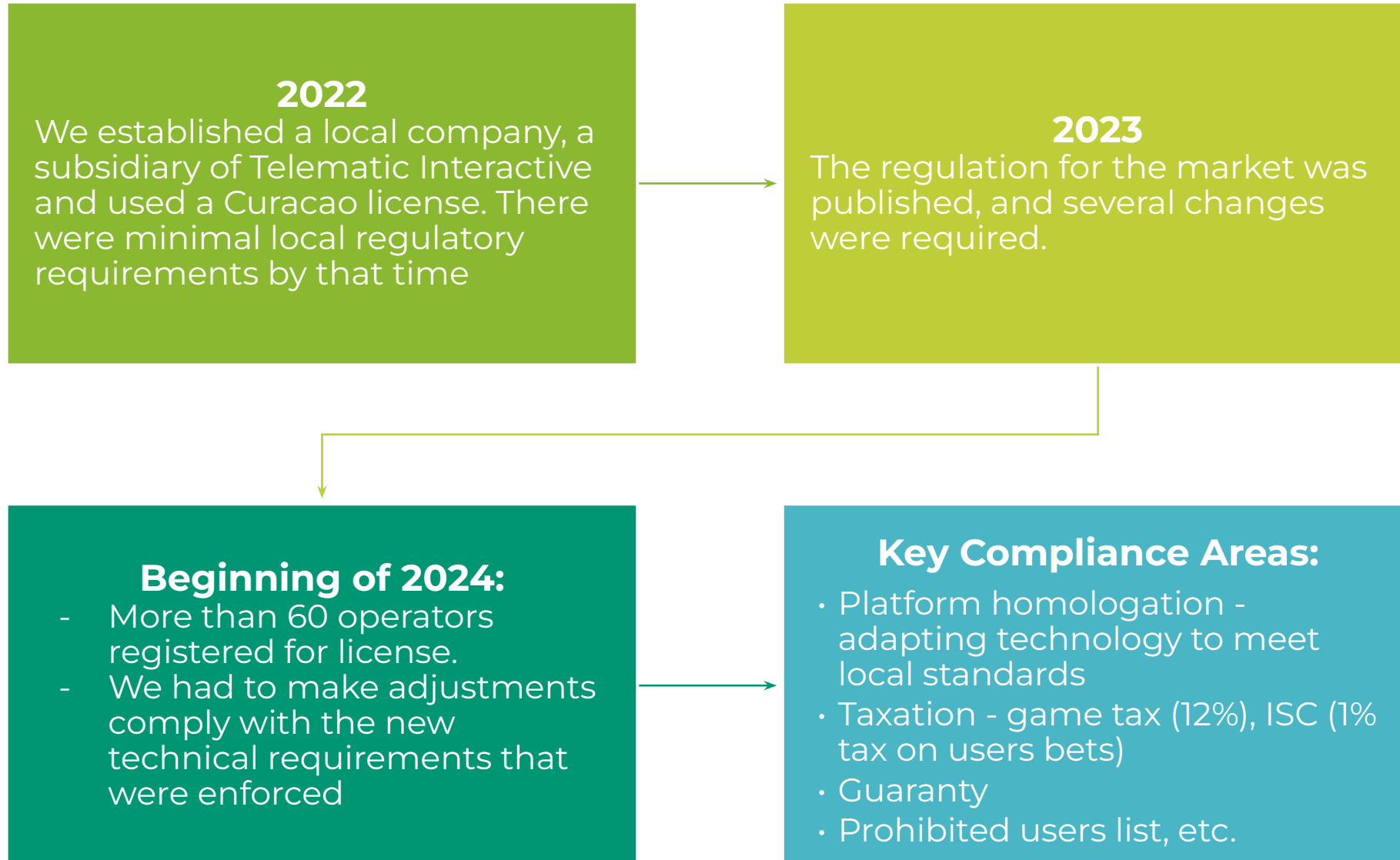
CHILE

- There is a law that was published in 2023, but it is in progress of being implemented.

COLOMBIA

- Colombia was the first country in Latin America to regulate the iGaming market in 2016.
- The online market is not subject yet to taxes but is an issue that is being discussed.

Complying with Regulatory Landscape in Peru



Cultural Localization and Player Engagement

Marketing Insights:

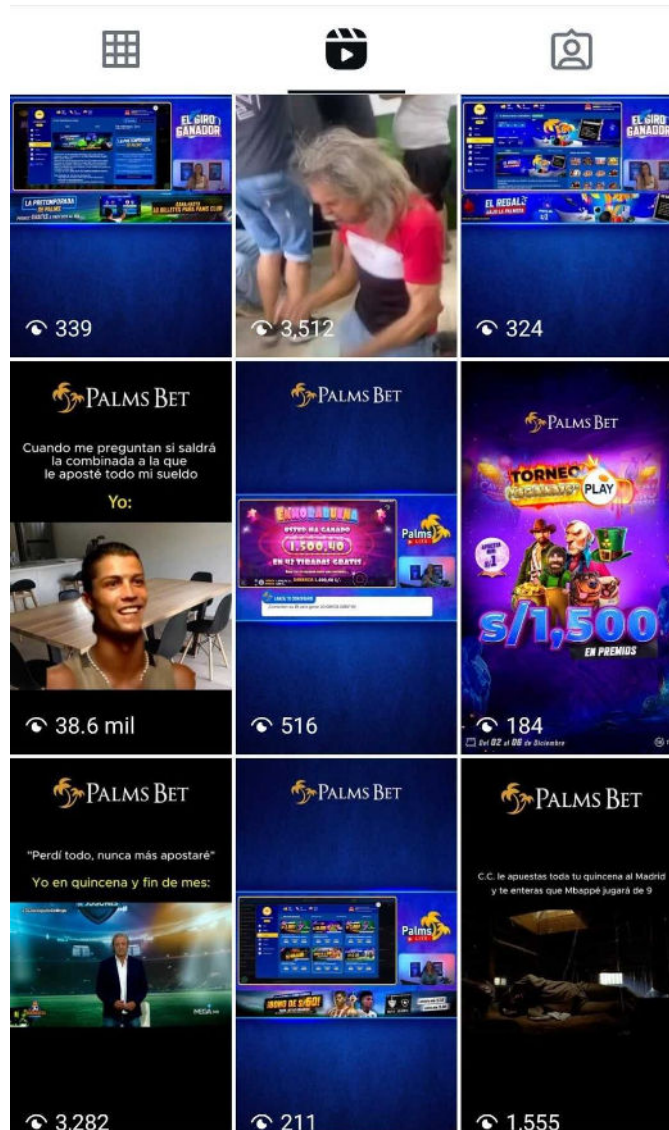
- Using influencers with a strong public presence – recording a song
- Involving all social media with relevant content
- Own affiliate site promoting the content of our subsidiary CT Interactive

Player Preferences:

- Popular games include slots and sports betting with a local flavor



Peru's engagement trends are quite different from those in our domestic market in Bulgaria and those in Kenya, where we also have operations



Technological Adaptation



Platform Homologation:

Ensuring compliance with Peruvian technical standards



Content Localization:

Ensure game themes resonate with Peruvian culture and the offered promotions and bonuses resonate with the customers



Operational Adjustments:

Integrate local payment systems
Local staff for customer support

Responsible Gaming Strategies

Compliance: Adhere to banned player lists and responsible gaming rules

We are promoting awareness campaigns about responsible gaming



Telematic Interactive's Entry into the Online Market in Peru

Expanded scope after
IPO and Bulgarian
Stock Exchange listing
Established a local
operation under a
Curacao license
pre-2022



Key Challenges:
Adapting to post-2022
regulations
Homologating platform
and content
Navigating tax
complexities, such as
withholding tax
adjustments



Execution:
Partnered with tax
experts and local
stakeholders
Using own platform
and thus quickly
meeting all
requirements
Focused on customer
journey and innovative
marketing strategies

Lessons Learned

Insights:

- Early compliance preparation mitigates regulatory risks
- Cultural understanding drives player engagement
- Local staff and partnerships are critical for effective market entry



Conclusion:

- Combine intense market research with flexible execution strategies
- Focus on the elements of the experience that generate trust in the local user, it is different in each country
- The time and budget to enter a market are key to compete in a new country

Future Opportunities

Next Steps: Emphasis on player retention and more marketing campaigns

Build sustainable and player-focused operation





Thank You!

I look forward to your questions and discussions