eCOGRA testing

Testing unchartered territory

Compliance and testing experts from *iTech Labs*, *GLI* and *eCOGRA* report on the buzz in Brazil and why there is caution around AI

AS igaming suppliers look to push the industry forward with new innovations, it is up to compliance and testing experts to keep their content in check and ensure the supply chain moves further into established and emerging markets.

When it comes to the content involved, three experts in the sector tell *iNTERGAMINGi* that they are indeed reacting to a host of new concepts and ideas.

Gianluca Scassa, executive manager of business development and ISMS auditor at iTech Labs, says 2023 has been "characterised" by a focus on slots and instant games, with GLI EMEA's technical compliance manager, Jurie Venter, adding that a lot more companies are "trying more extravagant and innovative

games" including "new concepts and twists" on classic content.

Shaun McCallaghan, CEO at eCOGRA, says the latest trends are coming to the fore "in line with the sector's growth" but admits that means the need for "robust testing software, applications and systems has never been greater."

"With the ever-present threat of cyberattacks, security testing has emerged as a dominant priority," McCallaghan states.

Scassa reports that transfer of approvals to new jurisdictions have been a major focus of 2023, especially in eastern Europe, with this trend set to continue.

"The games launched have also featured multiple maths models which differentiate them from other offers."

A TALENT CHALLENGE

However, as the amount of content and the number of jurisdictions and partnerships grow, so too does the need for testing and compliance staff to manage the increased demand for services.

In fact, all three experts point to talent acquisition and development as a major challenge for the sector.

"With the rapid advancements in legislation, international testing labs must stay informed and adaptable, aligning their methodologies with the latest legal and technical requirements," McCallaghan explains.

"eCOGRA has always been committed to

adaptability, innovation and collaboration. Our focus on talent development to have dedicated, skilled and suitably trained specialists in various areas to efficiently and swiftly deal with client and regulatory demands sets us apart from other ITLs.

"We support our people to ensure they can grow personally and professionally."

Vinter adds that GLI is "adapting at pace" and "investing in skilled, talented individuals," pointing to the company's ability to "adapt and anticipate market trends" in enabling it to be "best-placed to deliver on new technologies and solutions."

iTech Labs has also increased its staff levels, Scassa says, to deal with the challenge of "tight deadlines" that the company has observed.

"iTech Labs places a strong priority on ensuring that all agreed deadlines are met, so with tighter deadlines being presented by our customers, iTech Labs has increased its staff numbers and will continue to allocate an adequate number of resources to each project and client, without compromising on the quality of service."

BRAZIL BUZZ

But despite the challenges facing testing labs, all three experts agree that the sector must look forward with confidence – especially with the opportunities presenting themselves in Brazil and the US.

The "Sleeping Giant," as many have phrased it, is closing in on regulation of both sports betting

GIANLUCA SCASSA, EXECUTIVE MANAGER OF BUSINESS DEVELOPMENT AND ISMS AUDITOR AT ITECH LABS:

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and igaming after a long, arduous – and perhaps tumultuous – journey.

"There is a lot of industry focus on Brazil at the moment and we foresee that the jurisdiction will see a major expansion in the coming months and years," Scassa forecasts.

He also looks towards "many other markets across LatAm, North America and Asia" as ones to watch while predicting that movement in Curaçao "will likely bring more growth too."

As well as emerging markets, Scassa notes the continued demand from established European markets such as the UK, Italy, Malta, Denmark, Sweden and the Netherlands.

"Our range of certification services have been extended over time to cover many other markets," Scassa adds.
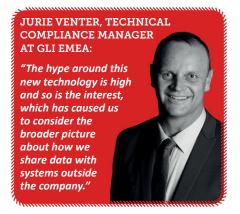
"Being a market leader in igaming testing globally, it's important that we focus both on the established and regulated markets, as well as on the emerging markets that are not yet regulated.

"We keep a close eye on regulatory movement within the industry and listen to what our clients say regarding market expansion plans to ensure we can prepare accreditations and solutions ahead of time."

For McCallaghan, the igaming industry is "losing the stigma it once had, largely due to widespread initiatives in player protection and responsible gaming."

"The US is on everyone's radar at the moment, but we are also seeing exciting developments in South America, particularly in Peru and Brazil. "And on this side of the Atlantic, we are keeping a close eye on the Irish and Finnish markets."

GLI's Venter adds African markets into the mix and concludes that online gaming has enjoyed "rapid growth" since the pandemic.

iTech Labs stand, ICE 2023

JURIE VENTER, TECHNICAL COMPLIANCE MANAGER AT GLI EMEA:

"The hype around this new technology is high and so is the interest, which has caused us to consider the broader picture about how we share data with systems outside the company."

THE ROLE OF PRE-COMPLIANCE

Diving deeper into the technicalities of the igaming industry, a vital consideration for many is the need to streamline key processes, with pre-compliance crucial here.

Venter says pre-compliance can be "most valuable" to manufacturers and suppliers by allowing a product review in the development stage and enabling "core changes" to be made at an "early stage."

Jurisdictional training can also offer a valuable blueprint for companies, Venter argues, by "allowing them to have a design aligned with the tricky points of a specific jurisdiction."

Pre-compliance should be conducted as an "internal audit function and not by an ITL," McCallaghan notes.

"As an independent ITL, it would not make sense for us to take part in pre-compliance audits where we technically consult on compliance and thereafter audit the effectiveness of the control.

"However, we would encourage operators to undertake their own pre-compliance audits internally as it can highlight potential issues for resolution before engaging with an ITL and thereby streamline the process."

This approach, McCallaghan says, can help operators "more efficiently allocate their resources," with pre-compliance a "strategic advantage" offering a "quicker time to market."

For iTech Labs' Scassa, pre-compliance is especially key "when a tight game delivery schedule becomes critical" and it "sets the compliance testing process up on a strong foundation."

"Since the testing scope usually involves multiple markets and multiple maths models, identifying software issues at the correct time – early on – will prevent deadlines being negatively affected once the compliance testing starts."

Quality assurance is also a "key factor" in supporting customers, Scassa states, "especially when they approach the development of a certain line of products for the first time."

"Quality assurance is at the heart of our vision," he tells *iNTERGAMINGi*.

"Customers nowadays depend on us not only for the certification of their products but also to make sure that the maths, the payout mechanism of their games and their responsible gaming measures are up to the highest possible standards."

RESPONSIBLE GAMING PROJECTS

Sticking with responsible gaming, eCOGRA's McCallaghan outlines the company's current player protection focus.

"We are currently participating in a project to assess the impact of responsible gambling measures such as player deposit limits, gameplay limits, self-exclusion measures and so forth on our Alternative Dispute Resolution service line," he says.

"This is also looking at the impact the measures have on the number of disputes we deal with and the impact on the outcome of the disputes."

On other responsible gaming initiatives, McCallaghan explains: "Security assessments also play a pivotal role in allowing companies to identify and patch weaknesses, which leads to safe and enjoyable experiences for players.

"eCOGRA was founded on the ideals of player protection, responsible conduct and fair gaming and that has driven our work in testing, inspection and certification.

"Our comprehensive approach encompasses thorough testing of functionality, performance, compatibility, integration and security."

"GLI understands that securing responsible gaming initiatives is essential to maintaining public trust and that they are the cornerstone of the continued success of the gaming industry," Venter states.

"GLI works with suppliers, operators and regulators to develop comprehensive, best-practice responsible gaming programmes that cover a full spectrum of activities from policy and procedure review, staff training, game assessment, player education and awareness through to self-exclusion programmes and reporting and measurement.

"Our team of experts can review your operation's existing responsible gaming programmes, personnel, resources and performance metrics to assess how they align with the legal, cultural and socio-economic conditions in a particular jurisdiction."

Scassa says that iTech Labs' investment in "making sure products are fair and compliant" is "not only the case in regulated markets but also in emerging markets where proper regulations haven't yet been set up."

"As we recognise the importance of responsible gaming, we evaluate these aspects very thoroughly," he adds.

"We also make sure that the slightest deviations in this area are considered and examined by our testing teams, as well as any defects blocking the certification process. This ensures a safe gaming experience for players all around the world."

CAUTION AROUND AI

As well as new igaming content and concepts, there is a wider discussion going on about how artificial intelligence can penetrate, disrupt and help innovate the inner workings of the industry.

For igaming suppliers, artificial intelligence can assist the creation of more immersive storylines and characters, while its uses in sports betting are ample. The emerging technology is also impacting platform providers' range of systems and technicalities alongside the payments sector, which is in fact working with a double dose of emerging technology amid the rising use of cryptocurrency and blockchain.

Away from the igaming industry, OpenAI's ChatGPT has led the way over talk of generative AI in 2023. While predominantly text-based, it has also branched out into working with images.

So, with all the options out there for applying AI, how do companies go about choosing which facet of AI will benefit them most – and how to incorporate it?

"Artificial intelligence is certainly a hot topic at the moment and there seems to be a lot of speculation in the media about its influence and applications across many industries," McCallaghan tells *iNTERGAMINGi*.

"At eCOGRA we believe very strongly that there is no substitute for the unparalleled experience and professional judgement of our highly skilled staff.

"We have always attributed our success to the excellent service provided by our team and although developments in technology may help increase efficiency and streamline internal processes, it will never replace the human factor."

Venter, meanwhile, admits that GLI is "not currently using any AI tools" and is "working through the potential benefits and risks around ChatGPT and other AI platforms."

While he says the "hype round this new technology is high," Venter adds that GLI has

taken a step back and is "considering the broader picture about how we share data with systems outside the company."

"AI systems retain all data that is provided to them and the originator has no control over the data once it has been provided," he explains.

"Sharing this information with an AI system or other system can constitute a data breach or a breach in privacy law.

"The Wall Street Journal has recently reported that Apple has restricted the use of ChatGPT by Apple employees because Apple is concerned about confidential data being released."

SHAUN MCCALLAGHAN, CEO AT ECOGRA:

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TESTING CRASH GAMES

As for the technology that is having a direct impact on the igaming industry, the rise of crash games has been an industry talking point throughout 2023. Aimed at offering simpler and more streamlined gaming experiences to players, they are increasingly being seen as a lucrative alternative product in player engagement and retention strategies, not to mention their natural affiliation with the crypto space.

"Crash games are certainly gaining popularity and when addressing these types of games, we take extra care in performing maths evaluations in order to make sure the games are fair," iTech Labs' Scassa begins on this area of the industry.

"We also perform many base platform certifications and slot game certifications, especially in historical and well-established iTech Labs markets such as Italy.

"Crypto-based RNGs are also gaining attention as well as new instant games. These do not fall under the traditional game types and are becoming more common compared to three to four years ago, for example."

Venter starts by noting GLI has been working on crash games "since their introduction into the gambling industry" with Aviator, for example.

He also offers an insightful explanation on what has facilitated the popularity boom in crash games.

"The crash game model is from about 2016 and is available as open source on the internet," he begins.

"That makes it very easy for any provider to take the original back-end code and maths and just add their own graphics and animations.

"That is one of the main reasons that 99.9 per cent of all crash games look the same and why the player can almost always play two hands at a time.

"Similar games to crash games are the tower and mines games. These also originate from the older crypto casinos which is why their code is also available open source – and why it is very easy for companies to make their own clones."

McCallaghan closes the compliance and testing discussion by admitting that cybersecurity has become a top focus for eCOGRA.

"We have done several certifications for crash games," he says.

"However, in terms of popular service lines, we are currently seeing growth in other areas. Our Vulnerability and Penetration testing service is gaining prominence as the recent cyberattacks at MGM Resorts International and Caesars Entertainment have highlighted the urgent need for greater cybersecurity measures within the industry.

"We foresee that this area will continue to grow as the industry places more emphasis on information security."

"We are also seeing growth in platform certifications," McCallaghan says.

"eCOGRA's rigorous testing ensures that the platform provides a seamless and secure gambling experience for players while meeting industry standards and regulations, in particular those around responsible gambling controls."

Overall, the rise in the amount and complexity of igaming content means compliance and testing companies must be on their toes and be mindful of the constantly changing winds of the industry.

While artificial intelligence could be an exciting avenue to explore, skilled employees remain at the heart of the sector and will certainly not be the next tranche of workers to be replaced by technology.