



# GVC Gaming Boosts Efficiency and Reduces Costs with an Oracle Exadata and Cloud Strategy

## Key points

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| 1 | Positive impact on share price                             |
| 2 | Trebling the number of on-line settlements per hour        |
| 3 | Reduction in power, maintenance and Internet transit costs |

GVC Gaming acquired online gaming company SportingBet in March 2013. This acquisition created the opportunity for the newly formed organization to evaluate its digital transformation strategy, enabling it to re-engineer its Oracle Enterprise Architecture and create an Oracle-on-Oracle-engineered system. This directly led to the organization significantly reducing the operational cost of its IT estate, while improving performance and agility.



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Keith Laidlaw  
Group CTO, GVC Gaming

### Introduction

GVC Gaming, a global sports and gaming group, understood that technology was the enabler of its future success and growth. During the acquisition of rival SportingBet in 2013, it pursued an IT strategy that focused on two objectives: reducing operational costs and improving the performance of the overall IT infrastructure.

GVC Gaming achieved both goals with outstanding results. This has enabled the organization to embark on an on-going business transformation, modernization and cloud adoption program.

### The challenge

Group CTO at GVC, Keith Laidlaw, was presented with the difficult task of driving down overall IT cost and improving performance of the IT estate, while also consolidating two separate sets of infrastructure. The first phase involved embarking a critical evaluation of the existing Enterprise Architecture and Oracle licensing position. The next steps were then to re-architect

the Oracle estate and instigate a cloud technology strategy to help achieve the objectives.

During the architecture assessment review process, Laidlaw was mindful to ensure that any new architecture that was designed during the review did not adversely affect the performance of the platform. Any degradation in operational performance would affect the bottom line, due to the spending habits of the end users, who have little brand loyalty and highly motivated to switch between gaming sites that offer competitive betting odds.

“To understand the challenge faced, you have to understand the nature of our business,” says Laidlaw. “The majority of the business’s revenue is created from bets being placed from ‘in-running’ games. For example, the customer places a bet not only on the outcome of the sporting fixture, but also on what’s taking place during a live match: who’s going to score the next goal, who’s going to take the next corner or who’s going to be sent off next.

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“These ‘in-running’ games have complex workflows and algorithms, dealing with a vast number of data feeds into the company from multiple industry sporting information providers: Betradar, Betgenius, SIS, Enetpulse and Sporting Solutions, to name some of them. This data has to be constantly updated, showing live prices and liabilities. The data has to be captured, recorded and outputted across a number of consumer channels, such as websites, tablets and smartphones in order for the end user to be able to bet during live sporting fixtures.”

“This is done in almost real time. I often compare our operating model to that of the stock market, where the processing of data needs to happen in milliseconds and needs to be highly available. That's why the database architecture is so critically important to our business's success.”

#### Re-Architecture

A review of the organization's consolidated Enterprise Architecture immediately highlighted a licensing model that was not fit for purpose: a classic example of a non-technical purchasing department not liaising correctly with technology stakeholders.

Consequently, a successful review of the licensing requirements was undertaken and a re-licensing program ensued with Oracle, resulting in immediate cost reductions due to reduced processor counts, saving multiple millions in annual support costs. The re-licensing and purchasing of new hardware also halved GVC's annual costs, coupled with a reduction of RACK spread in the Datacenter.

During the architecture review, GVC's IT team also considered re-architecting Market Maker 1 (MM1), the internal name of the GVC trading platform. Contained within the MM1 platform were a number of ageing Oracle M8000 servers that were struggling with the input/output (IO) required of them, especially at key 'events' and peak traffic times, which were mainly as a sporting event closed, and settlements and wallet changes were made: Saturday afternoons when 90% of football matches finish within five minutes of each other, for example.

This in turn affected the overall performance of the infrastructure at key trading periods, namely when settlements were taking place. A settlement is when a customer has their winnings added to their wallet and where open bet positions are closed or

#### Trusted partner

Cintra has been an important and trusted partner to GVC for a number of years and was originally involved in the healthcheck of its platform, including its new Exadata architecture. Cintra will continue to be part of the team helping GVC review its Oracle cloud strategy and roadmap.

Discussing Cintra's expertise, Laidlaw comments: “I'm delighted with the capabilities of all the Cintra consultants. Based on their recommendations and blueprinted approach to risk mitigation, we've made a number of improvements to our Oracle infrastructure. These have all contributed to meeting the objective of reducing our OpEx exposure and increasing overall operational performance.

“Cintra initially became involved in a healthcheck review of our new Oracle Enterprise Architecture. They sat alongside my team and investigated how the system was set up and configured. They matched this against their established best practice frameworks and their practical expertise, before making comprehensive recommendations, highlighting priorities and the potential implications of their recommendations. We've implemented a number of these and as a result we've been able to 'sweat' our existing assets and prolong the life of our existing IT investment.”

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where multiple bets are moved onto a further stage or closed. This must be performed in a timely fashion to ensure customers enjoy the satisfaction and potential of moving forward after a winning position of their gaming experience.

Settlements coincide with peak trading periods, when 40-50,000 settlements take place every hour. The existing architecture, at these peak periods, negatively impacted on the consumer's ability to interact and transact with their accounts quickly and efficiently.

After an extensive testing and review period, the decision was made to replace key parts of the infrastructure with the Oracle Exadata Machine. This enabled GVC to replace 12 racks containing a mixture of Oracle M8000s, disc and comms racks with a single production Exadata box. The results were astounding: within six months, the infrastructure was processing over 120,000 settlements per hour, giving better performance and load-balancing at peak trading periods.

This vast improvement in processing enabled the migration of customers from both GVC and SportingBet infrastructure onto a single, highly performant Oracle-on-Oracle platform. For the first time, the infrastructure was not an inhibitor to business growth.

### Performance improvement

Laidlaw explains: "With the move across to Oracle Exadata, we saw an immediate improvement to performance, efficiency and a significant reduction in operational costs, equating to an annual saving of millions of GBP from reduced support, license and hardware costs.

"Our old infrastructure was costing us on average £18,000 per month in power, maintenance and rental alone; with Exadata we were able to reduce this to just £1,500 a month. Almost £200K p.a. savings just on Co-lo and power."

### Cloud

With a solid Oracle-on-Oracle Enterprise Architecture in place, GVC shifted its focus to a cloud strategy as a way of reducing costs further. The management team looked at a number of bottlenecks within the business that cloud could address. During this process, a major consideration for Laidlaw was security, especially as GVC is compliant with ISO 27001, a set of industry standards that help organizations keep information assets secure.

Laidlaw explains some of the cloud opportunities that emerged as the organization benefited from performance improvements and uplift in site traffic: "Our gaming license for Europe is provided by Malta and we have a production facility there. As a result, we have to pay very expensive Internet Protocol Transit fees (IPT) for our site traffic to Malta. If site traffic exceeds our transit allocation, GVC pays significant financial penalties. Consequently, we purchase IPT during peak settlement periods to support our Europe-wide customer needs.

"As performance and agility improved, we were able to handle higher volumes of traffic to our sites, in turn generating new volumes of business from our direct marketing activity, as well as increasing the use of affiliate organizations.

### Affiliates

Affiliates are a loose ecosystem of organizations that drive traffic to our sites and are paid by either introducing new customers, or are given a percentage of the revenue they generate for GVC over a fixed period of time.

"These affiliates are a vital part of our strategy, yet we have little influence over when they undertake promotional campaigns. It means they often undertake such campaigns during the most expensive peak settlement periods: for example at 3pm on a Saturday when key Premiership football matches kick off. We found we'd be running to near full peak of 300Mbps and an affiliate would then start a promotion, meaning we'd be hit by tens of thousands of additional

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## Outcomes

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Crucially, these improvements have had a direct impact on the organization's profitability and business performance, including:

- Reducing maintenance costs by over £132,000 per year
- Reducing monthly power, maintenance and rental costs from £18K to £1.5K
- Cutting Oracle licensing costs
- Improving operational performance, thereby enabling marketing to increase lead-generation activity
- Trebling the number of settlements, the architecture could handle from 40,000 to 120,000 per hour
- Cutting Internet Protocol Transit costs by directing certain traffic segments to a new cloud-based environment
- Contributing to profitability and positively impacting share price

users being directed to our sites.

"To us, this traffic often has little or no immediate transactional value, as people are usually simply clicking through an affiliate banner advert to see what we're offering. But we were getting clobbered by expensive IPT fees, often doubling my exposure costs. So we decided to take this traffic off our production system and move it into the cloud.

"Having done so, we're seeing huge cost savings. We're now managing about 50 terabytes of bandwidth data in the cloud per month, which means we're able to reduce our exposure to excessive IPT costs, while at the same time prioritizing and servicing our valuable transactional customers."

## Summary

Laidlaw concludes: "When we acquired SportingBet, we created the opportunity to re-evaluate our entire Oracle Enterprise Architecture and set ourselves on a digital transformation journey that enabled us to significantly reduce our cost base. At the same time, we were able to improve our agility and performance. Doing so has allowed IT to act as an enabler and service the best interests of the business for the very first

time.

"We now have a new and future-proofed Oracle Engineered Architecture that can support our business transformation, modernization and cloud plans well into the future. With a robust, highly performant and inherently scalable platform, we now have the confidence and ability to build a number of secure Oracle-based Cloud strategies that will further improve our ability to support the business."



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To find out more about Cintra and how we can help you:



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