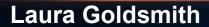


The Age of AI – Sports and Sports Betting



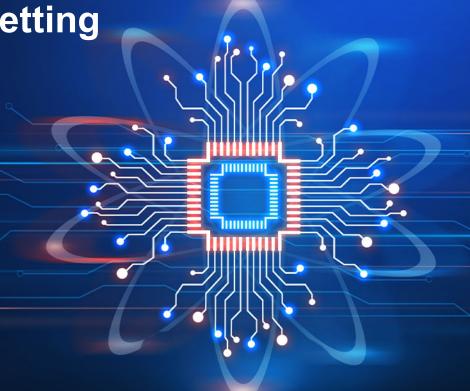
Partner

**Jason Krochak** 

Partner

May 17, 2023

Proskauer>



# Agenda

- What Generative AI Is & How It Works
- Use Cases in Sports and Sports Betting
- Key Considerations around Generative Al
- Selecting, Vetting and Implementing GenAl Tools

Proskauer>

# **Generative AI – The Buzz**

# ChatGPT reportedly reached 100 million users in January

According to a study by analytics firm UBS, it averaged 13 million unique visitors a day last month.

# ChatGPT just became the fastest-growing 'app' of all time

ChatGPT user numbers are growing faster than TikTok's viral rise.

#### Google's Bard bets on billion-strong user base to challenge ChatGPT

By Ross Kelly published February 07, 2023

With more than 1 billion daily active users, Google's broad reach could be key in Bard competing with ChatGPT

# **Now Amazon debuts an Al programming** assistant - CodeWhisperer

Thomas Claburn

Thu 23 Jun 2022 // 22:34 UTC

# Workers are secretly using ChatGPT, Al and it will pose big risks for tech PUBLISHED SUN, APR 30 2023-10:12 AM EDT | UPDATED SUN, APR 30 2023-11:52 AM EDT leaders

Workers are already using ChatGPT. How can HR catch up?

# Generative AI Tools Use Custom Data to Power More Business Functions

Tapping industry-specific data in areas such as financial management or marketing provides an edge in a crowded AI market, analysts say

# Prepare for generative AI with experimentation and clear guidelines

Figure out your most probable use cases and get the tech into users' hands, with guardrails. Expect to adapt your business processes as the technology matures.



## Artificial Intelligence vs. Generative Artificial Intelligence

#### AI:

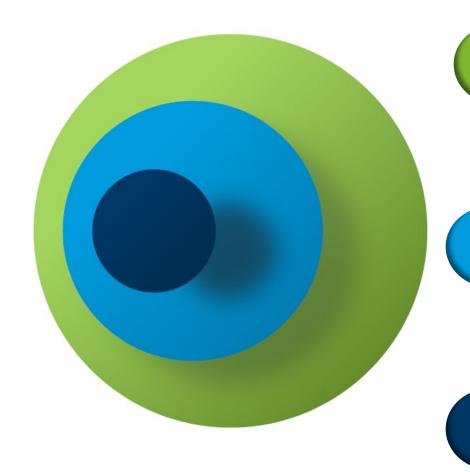
- Technology that allows a computer to process, analyze, and interpret data and take actions based on patterns and insights derived from data.
- Mimics human intelligence.

#### **Generative Al:**

 A subset of AI that generates new content – text, code, images, videos, music, etc.



#### **How Generative Al Works: Deep Learning**





#### **Artificial Intelligence**

#### **Machine Learning**

Subset of AI – Uses historical data to identify patterns that result in certain outcomes and apply them to new sets of data to make future decisions.

Examples include Predictive Analytics and Natural Language Processing.

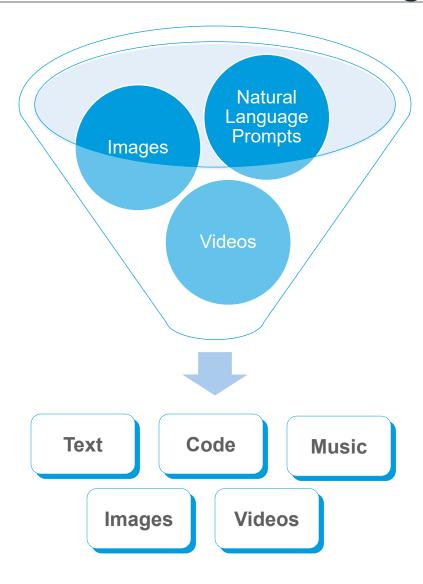
#### **Deep Learning**

Subset of Machine Learning - Uses a concept of neural networks to process large volumes of data to extract patterns faster.

Trained on very large data sets, often with a mix of human-supervised and self-supervised training.



# **Content Creation through Generative Al**



- Examples:
  - Text to text
  - Text to image
  - Video to video
  - Video + text to video



## **Text-to-Text: Asking ChatGPT for Answers**

LA

Write a 150 word preview of the NBA playoff series between the Miami Heat and the Boston Celtics

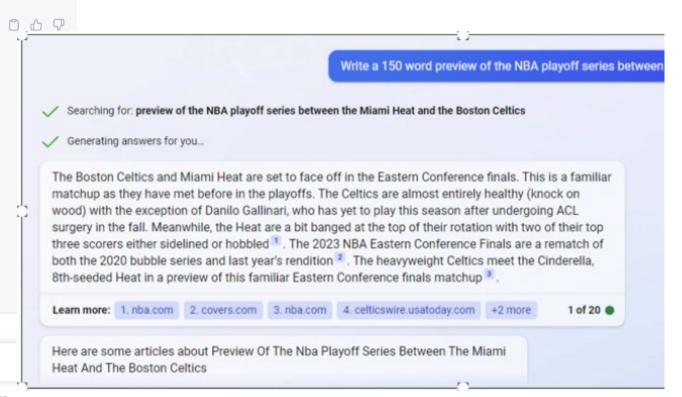


The NBA playoff series between the Miami Heat and the Boston Celtics is set to ignite a fierce battle on the hardwood. This matchup is laden with historical significance, as both teams have a storied rivalry, fueled by intense competition and memorable postseason clashes. The Heat, led by their dynamic duo of Jimmy Butler and Bam Adebayo, possess a relentless defensive prowess that will pose a challenge for the Celtics' offensive arsenal. On the other hand, Boston's star tandem of Jayson Tatum and Jaylen Brown brings explosive scoring and versatility to the court. The series promises to be a showcase of strategic brilliance, where coaching adjustments and tactical maneuvers will be key. Both teams possess deep rosters and skilled role players, adding further excitement and unpredictability to the equation. The intensity, passion, and electrifying atmosphere surrounding this series will undoubtedly make it a must-watch showdown that fans won't want to miss.

Regenerate response

Send a message.

Free Research Preview. ChatGPT may produce inaccurate information about people, places, or facts. ChatGPT May 12 Version



### **Text-to-Text: Asking ChatGPT for Answers**

What kind of sports wager is the safest bet to make for a beginner?

Searching for: sports wager safest bet beginner

Generating answers for you...

Sports betting can be a fun and exciting way to enjoy your favorite sports and events, but it also involves some risk and uncertainty. There is no definitive answer to what kind of sports wager is the safest bet to make for a beginner, as different types of bets have different advantages and disadvantages depending on the sport, the odds, and your personal preferences.

However, some general tips that might help you make smarter and safer bets are:

- Moneyline bets are the simplest and most common type of sports wager, where you just pick the
  winner of a game or event. They are usually a good choice for beginners, as they are easy to
  understand and have clear outcomes. However, moneyline bets can also have very low payouts if
  you bet on a heavy favorite, or very high risk if you bet on a big underdog.
- Point spread bets are another popular type of sports wager, where you bet on how much a team will
  win or lose by. They are often used to make uneven matchups more interesting and competitive, as
  the favorite has to win by more than a certain number of points, and the underdog can lose by less
  than that number and still win the bet. Point spread bets can offer more value and balance than
  moneyline bets, but they can also be harder to predict and more influenced by factors such as
  injuries, weather, or referee decisions <sup>11</sup>.
- Over/under bets are also known as totals bets, where you bet on whether the combined score of
  both teams in a game will be over or under a certain number set by the sportsbook. They are a good
  option for beginners who want to bet on the overall performance of a game rather than on a specific
  team or player. Over/under bets can also be less affected by external factors than point spread bets,
  as they only depend on the total score 1.
- Parlay bets are a type of sports wager where you combine two or more bets into one single bet.
  They are very appealing for beginners who want to win big with a small stake, as they offer higher
  payouts than individual bets. However, parlay bets are also very risky and difficult to win, as you need
  to get all your selections right in order to win the bet. Even one wrong pick can ruin your entire parlay
- Proposition bets are also known as prop bets, where you bet on specific aspects of a game or event
  that are not directly related to the final outcome. For example, you can bet on who will score the first
  touchdown in a football game, or how many strikeouts a pitcher will have in a baseball game. Prop
  bets can be very fun and entertaining for beginners who want to spice up their betting experience,
  but they can also be very unpredictable and random, as they depend on many variables that are hard
  to measure or control.

As you can see, there is no one-size-fits-all answer to what kind of sports wager is the safest bet to make for a beginner. The best advice is to do your research, compare the odds and payouts of different types of bets, and find the ones that suit your style and budget. You should also only bet with reputable and licensed sports betting sites that offer security, fairness, and customer service [2] [3] [4]. Some



## **Text-to-Image: Asking DALL-E for Images**

Prompt: An expressive oil painting of a baseball player at bat with street art in the background



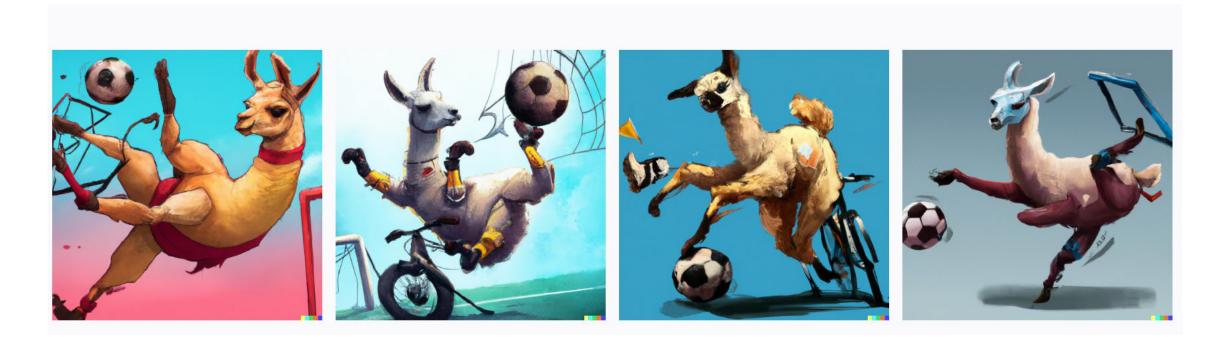






## **Asking DALL-E for Images**

Prompt: A llama scoring a goal with a bicycle kick, digital art



**Training Your AI Model Matters!** 

## The High-Level Business Case

#### **The Potential Value**

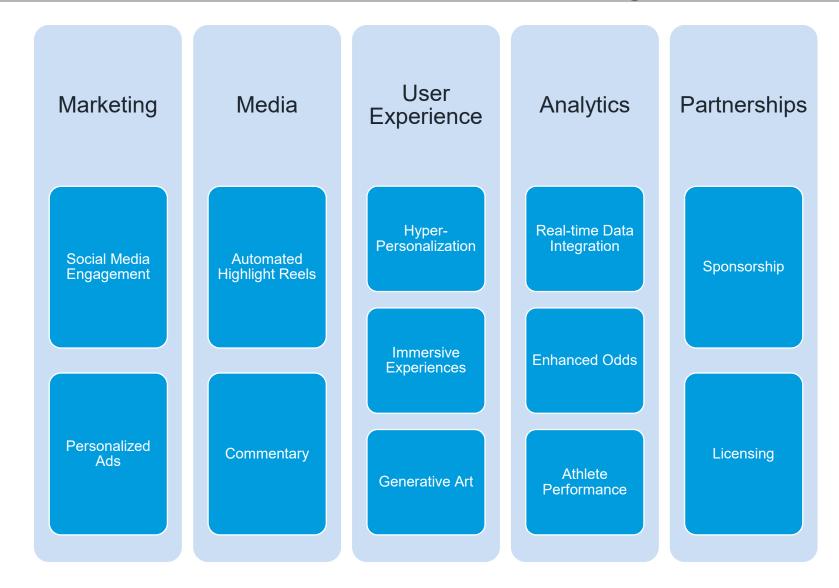
- Increase productivity & efficiency
- Automate manual or repetitive tasks
- Quickly generate content and ideas
- Personalize experiences
- Stay competitive

#### But...

- Al-generated content can be realistic and persuasive but inaccurate and unreliable
- Reputational risk
- Bias or harmful content
- Risk to proprietary information
- Resource commitments
- Legal considerations



## **Generative AI in Sports and Sports Betting – Use Cases**





#### **Enhanced Coverage & Consumer Engagement**

- Personalized highlight reels and fantasy recaps
- Al-generated sports commentary
  - The Masters App and IBM's AI Commentator
    - IBM's VP of Sports and Entertainment Partnerships, Noah Syken:
    - "As you enjoy the AI commentary feature in the Masters app this week, think about the potential for this technology to not just change the game, but change the world."
- Immersive fan experiences powered by GenAl and Augmented Reality
  - Coming soon Fans can scan themselves to create their own avatar, replace an NBA player in a live game with their avatar, and watch their avatar play in live games streamed via the NBA app
  - > Personalized stadium or locker room tours
  - > Fans could interact with a realistic 3D model of their favorite athletes



#### **Al-Supported Marketing**

- Increase volume of content
- Accelerate content generation
- Prioritize and deliver relevant higher-impact content
  - Identify high-interest subject matter in real-time
  - Assess and react to current trends in consumer sentiment
- Customize content to individual consumers
  - E.g., Favorite teams or players
- Human supervision & editing are key



#### **Conversational Al Tools**

- Sports betting compliance
  - GPT-powered Playbook and Playbook+ from Odds On Compliance
- Customer service "chatbots"
- Ticketing



#### Predictive Analytics with GenAl in Sports Betting

Optimized Odds

Unlock increasingly complex sports data (e.g., movement tracking) and betting markets



#### **Generative AI & Performance**

- Evaluate and predict player performance
- Simulate talent acquisition scenarios for drafts and trades
- Design coaching strategy
- Inform in-game decisions
- Identify player injury risks
- Reduce human error in referee decisions



## **Generative Al in Sports and Sports Betting – Key Considerations**

**Brand Protection** 

Intellectual Property

**Privacy** 

Confidentiality

**Quality Control** 

Bias
Harmful Content
Inaccuracy

Publicity Rights

Legal Compliance

Access & Cost



#### Selecting, Vetting and Implementing Generative Al Tools

- Set enterprise and business unit-specific strategy for GenAl
- Consider whether AI would be trained on your proprietary datasets
- Establish or update policies on AI use by personnel
- Assess potential partners
  - Degree of customization
  - Security of the tech and enterprise data submitted to the platform
  - ❖ Policy customizability E.g., data retention, opt-outs
- Mitigate risk through appropriate agreements with vendors
- Ensure appropriate human oversight and training of GenAl tools





The Age of AI – Sports and Sports Betting



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