

PGRI PUBLIC GAMING

SEPTEMBER/OCTOBER 2024

INTERNATIONAL

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The Closing of One Chapter and the Opening of Another in a Storied Lottery Career

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Technological Transformation and the Engagement of the Modern Player

Dan Beebe, Chief Operating Officer, BCLC (Canada)

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EIGHT ENHANCEMENTS TO ELEVATE YOUR 2025 INSTANT GAME PORTFOLIO

For lottery product managers, planning scratch portfolios comes down to science. **It involves a strategic process of evaluating game performance data and making adjustments to products and the overall product mix to position the portfolio for success.** And it means exploring innovations that can enhance performance and keep players excited and entertained.

A small investment in premium enhancements can have a big impact on lottery sales and profits.

Shimmering finishes, high-definition graphics, specialty papers and inks stand out at retail, giving core players one-of-a-kind scratch experiences and attracting new players. But building an instant game portfolio that not only resonates with players but generates profits takes expertise.

“Players are looking for entertainment. They want that thrill of excitement. And that’s why Scientific Games tests every new innovation extensively with

player research and focus groups before presenting them to our lottery partners,” says Danielle Hodges, Senior Director of Global Product Innovation & Development, who brings more than 11 years of experience to lotteries creating and launching the company’s instant game innovations.

At Scientific Games, every recommendation on price point, playstyle and product enhancement in an instant game portfolio is strategically planned. Data comes into play to make sure there’s just the right balance of products to deliver sales performance. The key is managing the entire portfolio to ensure variety and excitement.

“Data is key to how we make recommendations that grow our customers’ business and deliver unparalleled player experiences. We aren’t focused on simply reporting, we’re generating value through insights, our advanced business analytics tools and data science,” explains Hodges. “While Scientific Games is known for game innovation, we have multiple teams and technologies across our business that support our innovative culture but make sure all new product development is as data-driven as possible.”

That strategy has paid off, with the company currently partnering with nine of the top 10-performing instant game lotteries in the world as the sole or primary instant games provider. Scientific Games has more than 100 different enhancements to achieve the lottery’s performance goals.”

“With millions of products competing for attention at retail and online, standing out becomes more challenging every year,” says Hodges. “For this reason, *Strategic Product Enhancements* have never been more important. As players move to higher price points, a premium product is expected.”

Since 2018, 53% of games in the \$10 and higher price point categories produced by Scientific Games for U.S. lotteries had at least one *Strategic Product Enhancement*. These games generated more than 60% of instant game retail sales across those price point categories.

Delivering value in the entertainment experience brings players back to engage further and creates loyalty to the lottery’s brand.

Here are eight ways to do it with Strategic Product Enhancements exclusively from Scientific Games.

1 HD Games™

Scientific Games was the first to bring players an enhanced play symbol experience. *HD Games* give players high-definition, easy-to-read numbers and play symbols for a modern, crystal-clear scratch experience. The patented *HD Games* enhancement elevates the overall game experience with high definition variable imaging that allows much sharper detail for characters, prize symbols and fonts.



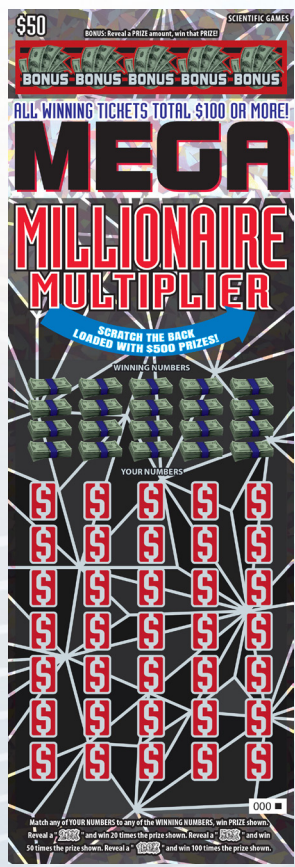
Every *HD Games* product starts with a premium paper stock, followed by a full or spot HD gloss, depending on the game design. Beneath the high-definition imaging, players find a brighter play area with improved contrast and clarity. The ticket back features a second display color that can pair with price point color themes to help retailers and warehouse employees easily identify games.

Since 2017, *HD Games* contributed more than \$6.9 billion in sales to the industry with more than 200 games launched. Players clearly enjoy the high-definition play experience, with *HD Games* performing 4% better than other games in the \$1 to \$20 price point categories. In fiscal year 2024, *HD Games* sales grew by nearly 29%.

2 Scratch My Back®

A top performer in player research testing, *Scratch My Back* games offer more entertainment value with more chances to win on the back of the ticket. In fiscal year 2024, *Scratch My Back* game sales grew by more than 22%, topping \$2 billion in industry sales revenue.

The innovation team at Scientific Games also recently trialed and approved the use and material procurement to produce the extra play spots on the back of the company’s *Foil* games and *Cracked Ice* holographic for an even more elevated scratch experience.



3 Ice Ink®

The appeal of *Fluorescent Inks* has been effective in attracting players’ attention, enhancing game designs and unifying families of games. The intriguing, crystalized color can also refresh core games. It’s also an effective enhancement.

Ice Ink, the latest evolution of Scientific Games’ *Fluorescent Inks* brings a gloss and glitter shine seamlessly from the display graphics into the overprint. The frosty shimmer of *Ice Ink* is the perfect way to add a lux feel to scratch games for a premium play experience.

There is a version of *Ice Ink* for every *Fluorescent Ink* and multiple *Ice Inks* can be featured on the same game.

Since 2020 games with *Ice Ink* have performed 7% better than games without the enhancement.



4 FusionHolo™

Scratch games on holographic paper stock are growing in popularity with players, representing \$4.1 billion in U.S. retail sales in fiscal year 2024 – an increase of 7% from the year prior. Based on the average fiscal index in fiscal year 2024, holographic games outperformed non-holographic games by more than 12% in every price point from \$1 to \$20.

FusionHolo is an all-new holographic scratch game enhancement from Scientific Games featuring two holographic patterns fused together in the game graphics, allowing the shimmering play area to clearly stand out. To create the ‘fusion,’ lotteries select from a combination of three graphic border themes (Money, Casino or Holiday) and three inner patterns (Silver, Pillars or Diamonds), resulting in a truly unique holographic product.



Dimension™

Unique to the industry, the reflective shine of *Dimension* takes games to the next level with a subtle, dimensional luxury. A transparent holographic overlay allows the graphics below to shine through, creating a reflective effect on the entire ticket including the scratch-off area. Or it can be used to highlight specific areas on the ticket.



Dimension offers well-known holographic patterns like *Cracked Ice* and *Stella* (stars). A Scientific Games exclusive, *Spheric Lens* is the newest dimensional pattern that creates depth and movement at different angle refractions.

Developed by Scientific Games UK teams, the versatile *Dimension* enhancement came to the U.S. in early 2023. By the end of fiscal year 2024, *Dimension* games already represent \$674.7 million in retail sales.

Platinum™

Instant games shine bright like never before with *Platinum's* limitless combinations of color and high-impact graphics on a mirror-like surface. Spanning categories and themes including licensed properties, multipliers, extended play and blowout games, *Platinum* is proven to be one of the easiest and most versatile ways to upgrade a game and potentially reach more players.

Platinum offers all the benefits of *Foil games* but elevates a product further. It's perfect for designs that maximize the display area. *Platinum's* versatility allows for any number of specialty inks or coatings to be used, and it's a great way to target variable imaging, because of its brilliant white play area for maximum contrast on *HD Games*, the company's digitally produced high-definition play symbols.



In a recent Scientific Games *ONEVoice* panel of over 1,000 players, 76% had strong purchase intent for *Platinum* games. In fiscal year 2024, *Platinum* games performed 6% better than non-*Platinum* games in \$1 to \$25 price point categories. The \$5 and \$10 categories performed particularly well at 10% higher than games that do not feature *Platinum*.

Micromotion™



As the exclusive, worldwide provider of *Micromotion*, Scientific Games uses a patented process with a series of special coatings on a highly reflective foil to create the illusion of motion on games. The finished products reflect light at varying angles to create a dazzling effect. The company's innovators re-engineered *Micromotion* with formulated inks and a specialty holographic-foil hybrid combined with visual graphic enhancements and new patterns that demand players' attention.

Micromotion games performed 9% better than games without *Micromotion* in the \$1 to \$10 price point categories in fiscal year 2024. The \$3 category saw its very first *Micromotion* games in fiscal year 2024, with the games performing 15% better than those without *Micromotion*.

In fiscal year 2024, *Micromotion* was featured in 15% more games than the year prior and sales grew by an impressive 32%.

VariPlay™ Duo

VariPlay Duo is the first launch in Scientific Games' *Crossover* product line developed to connect a physical scratch game to a second-chance promotion on players' mobile phones. Instead of just scanning the barcode or entering the ticket numbers into the promotion microsite, players are taken on a quick, intuitive journey with a visual appeal. Players interact with the lottery's brand on their mobile and ideally become open to more digital lottery play experiences.

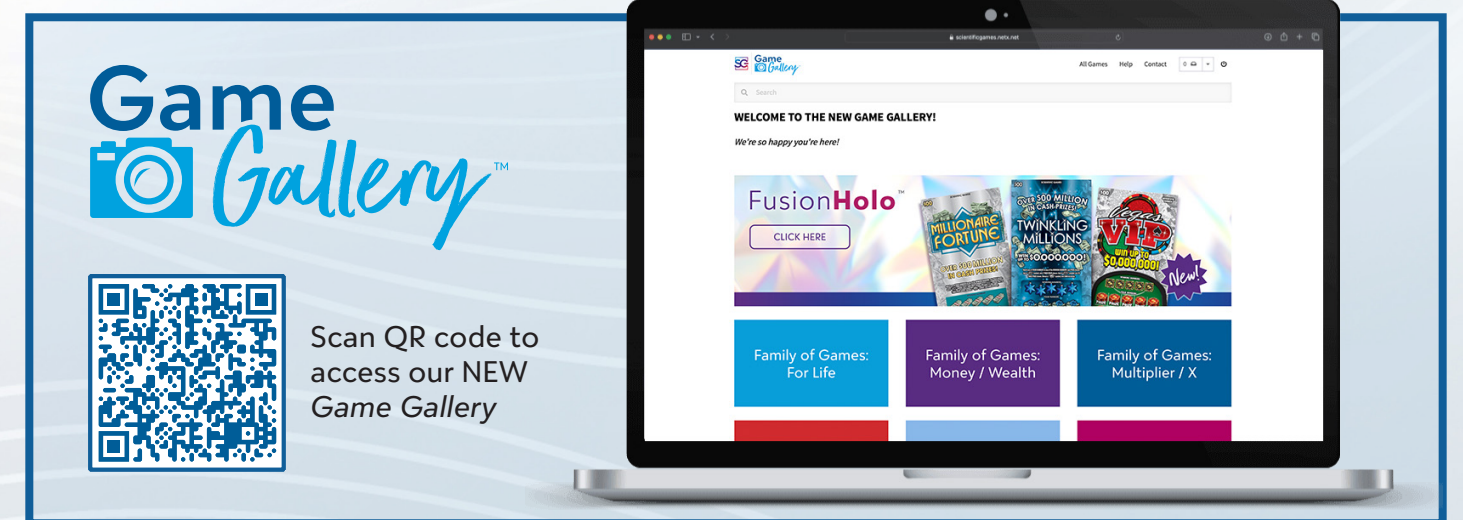


Scientific Games won a global 2024 Manufacturing Leadership Award for the new *Dimension* lottery instant game production technology. L to R: Danielle Hodges, Tony English, Aaron Warren, Sharon Pool, Andre Jester and Russ Joiner.

Behind the Scenes

Behind the scenes at Scientific Games, engineers, chemists and instant game production specialists are testing new finishes and papers every day. Analysts study performance trends from every game's launch through its entire lifecycle and prepare customized marketing plans for each lottery customer. Account teams review the data and collaborate with game designers to make sure lotteries have the best-performing products for their portfolios.

"Lotteries want to generate maximum proceeds to their beneficiaries while delivering a memorable experience for players," Hodges explains. "We help them deliver an experience that brings the player back to the retailer or takes them online to continue engaging with the lottery digitally. We help create that ecosystem through the science of total portfolio management."



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