

## Families of Games

It's the holiday season and that means family time – multiple generations coming together to celebrate over too much good food and eggnog. In that spirit, the Data in Motion team dedicates our last issue of 2023 to one of our favorite families – Families of Games.

Families of Games – or FOGs – is the tactic of launching multiple instant scratch games (usually three or more) at the same time, all sharing a common theme but at multiple price points. Seeing three, four, or even five like-themed games sharing a common graphic approach can pack a visual wallop at retail and give players a strong incentive to purchase multiple tickets. For these reasons and more, FOGs have become a staple of the U.S. lottery industry.

### Runs in the Family

Over the last five fiscal years (FY2019 – FY2023), over 1,300 Families of Games have been launched in the U.S. During that time, every reporting lottery (including Puerto Rico) has included at least one FOG as part of their annual launch plan. In FY2023 alone, 73 FOGs were launched, representing 299 individual games. And those were just the FOGs that *launched* in FY2023 – there were actually 188 FOGs in market last fiscal year, representing 658 individual games. Those 658 games made up 13% of all the instant scratch games in market for FY2023 and generated 11% of total U.S. instant scratch game sales.

### Family Ties

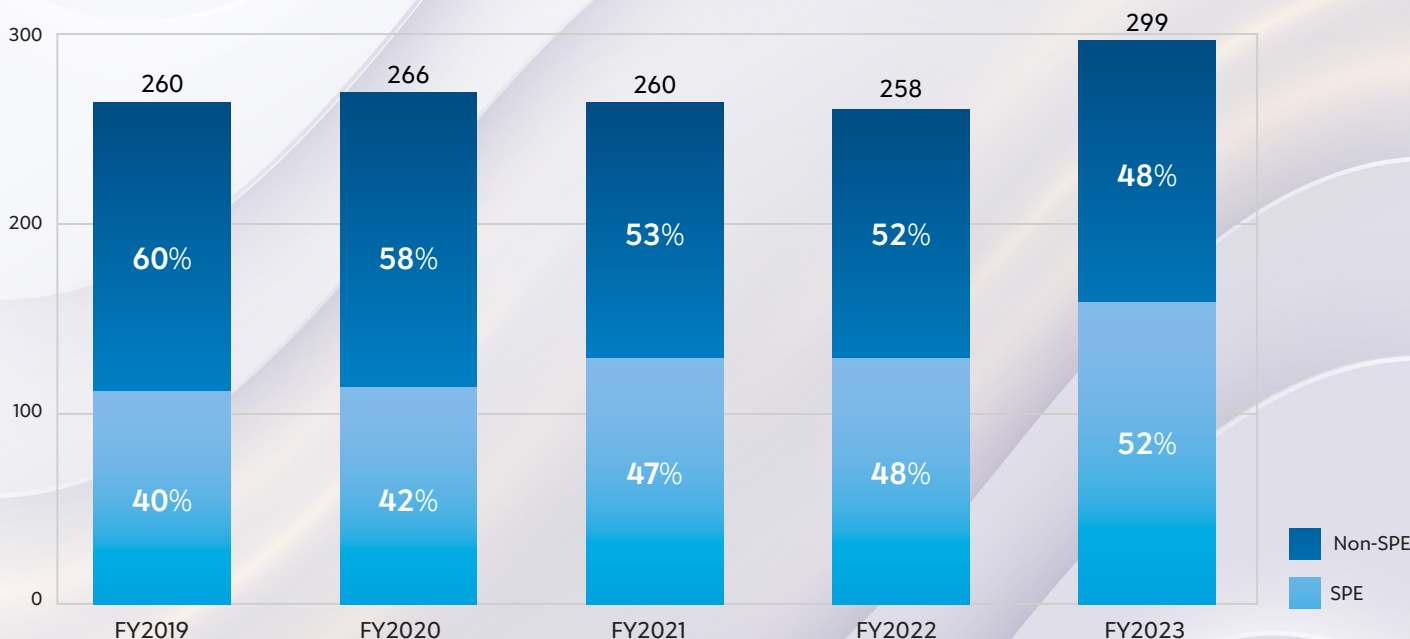
Families of Games are generally launched at multiple price points, but the \$5 price point seems to be a favorite, making up the majority of the FOG games over the last five fiscal years (between 24% - 26% launched each year). The \$10 price point is the big sales winner though with the highest market share of FOG sales over the last five years, generating 37% of FOG sales per year on average.

While Families of Games typically share a common theme, that theme can – and does – vary widely. In FY2023, 7% of FOG sales came from games featuring a holiday/winter theme. Licensed property themes are popular as well, making up 14% of FOG sales in FY2023. But the clear thematic favorite over the past five fiscal years has been multiplier, or “X” games, which made up 39% of all FOGs launched in FY2023 and was responsible for 41% of last year’s FOG sales.

### Let's Get Fancy

A growing trend in the FOG category, regardless of theme, is to use Strategic Product Enhancements (SPEs) to visually tie each of the individual games together while simultaneously setting them apart at retail. Visual SPEs include different substrates, inks, and finishing techniques, but there are also play action SPEs that include unique playstyles, high-definition play symbols, and digital extensions. Between FY2019 and FY2023, the number of FOGs launched with one or more SPE increased by 51% and over half (52%) of the FOGs launched in FY2023 included at least one SPE.

Number of Games Launched as a Family by Fiscal Year – SPE vs. Non-SPE



A great example of how Strategic Product Enhancements can have a real impact on the success of a game family is the New Mexico Lottery’s ORO Family of Games. Just last month, the ORO Family of Games won the 2023 Best New Instant Game in North America award at the NASPL Awards Show. The ORO Family featured four Strategic Product Enhancements including 1) a special substrate (foil), 2) a special finishing technique that enhanced the foil substrate, 3) an extended play action at the \$5 price point, and 4) an oversize ticket at the \$10 price point. It all seemed to work as the ORO Family generated 36% more in sales than the next leading family in the Lottery’s history.



### Final Word

We wanted to take this opportunity to wish all of you (and your family!) a very merry holiday season and a happy New Year. We are excited for all that lies ahead in 2024 and look forward to sharing more insights, observations, and trends in the coming months. Our next Data in Motion will hit your inbox on Wednesday, January 17.