



**THE EUROPEAN
LOTTERIES**
FOR THE BENEFIT OF SOCIETY

March 6, 2025

Bridging Traditional Lottery and Digital

Imagine holding a lottery ticket in one hand and a smartphone in the other—two worlds colliding in a way that redefines how people engage with games of chance. The lottery industry stands at a crossroads where traditional retail experiences and digital advancements must coexist to meet evolving player expectations. This intersection offers incredible opportunities to innovate and enhance the player experience, while ensuring that the core values of lottery retail remain intact.

Operators must balance the tried-and-tested retail methods with the increasing prominence of digital engagement. As consumer behavior evolves, the focus is on merging two worlds—one defined by the physical experience of purchasing a lottery ticket and the other by the convenience of digital play.

The recent surge in online lottery participation underscores the rapid digital shift. Research indicates that nearly 70% of adults in Europe play games online for money, with 40% playing physical scratch games, signaling a growing preference for online experiences, further emphasizing how consumer expectations are shifting toward convenience and accessibility.



Liga Magdalenoka-Keen, Director of International Insights for Scientific Games, said, **“Over one-third of people who don’t play online do so because they prefer physical games. That shows us it’s not about replacing retail with digital but creating a bridge between the two.”**

Retail locations continue to be an essential pillar of the lottery ecosystem. These brick-and-mortar stores still generate the most lottery funding for charitable causes. Their value goes beyond revenue generation, offering an emotional and tangible connection to the lottery brand and experience. Whether the joy of physically scratching a scratchcard or the camaraderie of discussing a potential jackpot with the store clerk, the retail environment remains deeply ingrained in the lottery experience.

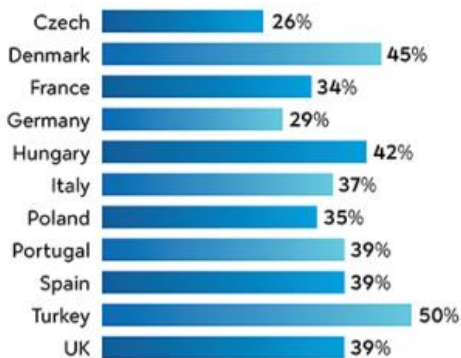
“However, as online platforms grow with lower overhead costs and broader reach, lotteries must think creatively about how to maintain the vibrancy of the physical retail environment,” Magdalenoka-Keen shared.

To attract new players and keep existing players engaged, lottery operators must develop hybrid models that blend the best aspects of physical and digital play. These models could include digital add-ons at retail locations, like QR codes that direct players to exclusive online content, or the integration of loyalty programs that reward digital players for their in-store purchases.

Survey data from the Scientific Games recent *ONE Segmentation Study* across Europe reveals the psychological motivations behind lottery participation. A significant 39% of respondents said they play lottery draw-based games because of the high jackpots, citing it as the number one reason to play. It is even more fascinating to note that 38% of European players fantasize about winning a life-changing amount of money almost every day.

“Only lottery can fulfill these dreams, and having retailer presence is a real-life reminder to take action on fulfilling your dreams by participating in this week’s drawing either online or at retail or maybe both,” said Magdalenoka-Keen.

BIG WIN DREAMERS



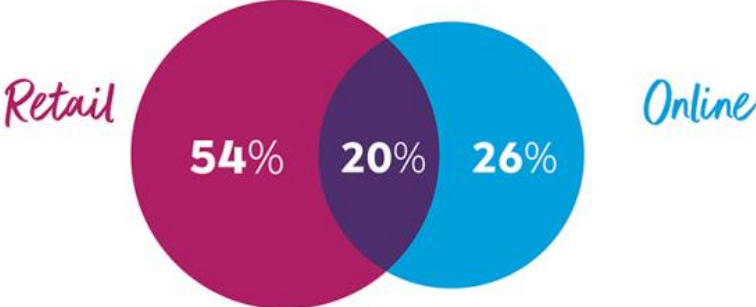
Q: How strongly do you agree or disagree with the following statements about gambling?
I fantasize about winning a huge jackpot almost every day N: 8084



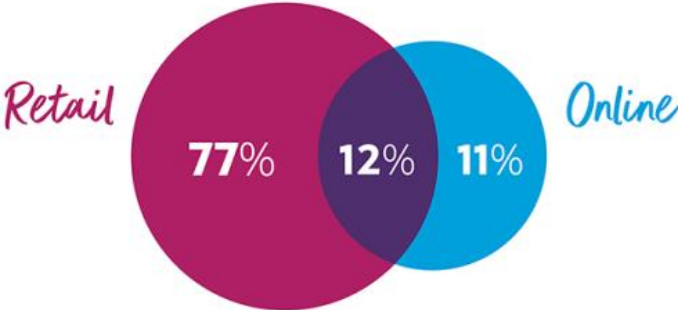
At the same time, the digital world offers its own set of opportunities. Europeans spend an average of 4.2 hours daily online, with 77% of that time on smartphones. Offering a seamless transition from one format to another makes it easy for players to engage in whichever way suits them best at any given moment. Data privacy concerns, regulatory requirements and the desire to preserve the integrity of the lottery experience must all be carefully balanced as the industry continues to evolve.

The future of lottery gaming is not about choosing between physical or digital platforms— but finding innovative ways to merge the two. Digital elements should enrich the physical experience rather than replace it. Whether through mobile apps that enhance in-store play or creating online experiences that channel the excitement of a retail environment, the goal is to foster an ecosystem where players can enjoy the best of both worlds.

LOTTERY PURCHASE: **Draw Based Games**



LOTTERY PURCHASE: **Scratch Games**



As the industry moves forward, one thing is certain: adaptability and innovation will be key. The future of lottery lies in blending the established and trusted retail play with the convenience of modern technology, ensuring that lotteries remain relevant and appealing to players of all generations. By embracing this duality, the industry can continue to thrive in an ever-changing digital landscape.

“Scientific Games remains committed to being at the forefront of this evolution, providing solutions that allow both physical and digital lottery environments to coexist harmoniously,” explained Magdalenoka-Keen. ***“Collecting and analyzing the player data online and offline allows us to create better personalization and customer experience across all games online and at retail.”***

Ultimately, it’s not just about playing the game—it’s about creating a dynamic, engaging experience that players will return to again and again. As the industry continues to evolve, the winning combination might just be a bit of both the old and the new. At Scientific Games, analytics, insights and innovative traditional, hybrid and digital products are leading the way to the future.

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