

## EL/WLA MARKETING SEMINAR RETURNS TO LONDON AFTER THREE YEARS

The following article captures the spirit of this fabulous event held every year in London during the first week of February. The Keynote speeches and panel discussions were as forward-looking as ever. PGRI has had the pleasure of participating in every EL/WLA Marketing Seminar held over the last 20 years and wouldn't miss it for anything. And this is only one of a host of high-level educational seminars and conferences produced by EL and WLA. Last October we had the WLS in Vancouver and now we invite you to mark your calendars for the **EL Congress & Trade Show in Šibenik, Croatia from 4-7 June 2023**. Everyone will be there for the first EL Congress since 2019.

Visit [european-lotteries.org](http://european-lotteries.org) and [world-lotteries.org](http://world-lotteries.org) to stay updated with all the latest Association news, to check out the upcoming calendar of events, and to access other informational resources.

# LOTTERY PROFESSIONALS DISCUSS OPPORTUNITIES IN TIMES OF CRISIS

**A**fter three years apart, 200 lottery marketing professionals from around

the world came together for the EL/WLA Marketing seminar in London from 8 - 10 February 2023. This was a chance to reconnect, exchange, share experiences, lessons learnt and look to the future.

There is no doubt that the world has faced, and continues to face, challenging times. This event was a moment to take stock of the latest marketing trends and the opportunities that can be found during turbulent times – from the pandemic and war to inflation and climate change. As the event was taking place, horrific scenes continued to unfold in the aftermath of the earthquakes in Turkey and Syria. Our thoughts are with the people of these countries at this difficult time.

## UNLOCKING MARKETING TRENDS

Over one and a half days, participants heard from experts inside and outside the lottery world on new marketing trends, changing consumer behaviour and how to seek and use opportunities in times of crisis.

Keynote speaker **Rory Sutherland, Vice Chairman of Ogilvy**, brought his thinking in psychology & behavioural science to lottery marketers, emphasizing the unseen opportunities in consumer behaviour. Rory highlighted that too often than not we use quality of reasoning to judge the quality of

a decision. Several case studies looked at how to change customer behaviour without changing anything physically - fundamentally it is all about perception which is contextually driven. For example, you can't make a train journey shorter, but you can make the quality of a journey better and more comfortable.

Rory's key takeaway is to exploit what you already know and explore what you don't - to look at the proportion of resources that you exploit and how much you need to explore what you don't know. After a pandemic or crisis, it is natural that the explore-exploit ratio shifts and you explore more than you exploit.

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**Keynote speaker Rory Sutherland, Vice Chairman of Ogilvy**

As lotteries face an overwhelming amount of information at an accelerated pace, **Hana Barochova, International Category Manager, SAZKA (ALLWYN GROUP), Czech Republic** and **Sara Pavic, Head of the Marketing Activities Department, Hrvatska Lutrija, Croatia** emphasized the importance of dealing only with the most important trends and looking at how to turn them into opportunities. The four key trends focused on financial anxiety, from global to local, the need for employer branding and the fight for attention. In all these four trends, opportunities were shared.

**Zsófia Banhegyi, Chief Commercial Officer, Szerencsejáték Zrt, Hungary**, then looked more widely at global consumer behaviour that affects the work of lottery marketers, based on EL's latest report, which shows that EL Members contributed a 5% higher amount to society in 2021 than pre-covid levels. It also noted that lottery sales increased in all game categories in 2021; the fastest-growing area was sports betting (due to the resumption of more events, notably UEFA Euro 2020) and instant games.

## SEEKING OPPORTUNITIES IN TIMES OF CRISIS

Two panel debates looked at the lessons learnt over the past years and how to find opportunities in times of crisis. Although lotteries have become more resilient and innovative - adapting their marketing strategies accordingly - they are still facing similar challenges.

The first panel included **lottery CEOs: (L**

to R) **Cindy Polzin** (Wisconsin Lottery, USA), **Bryndís Hrafnkelsdóttir** (Hapdrætti Háskolá Íslands, Iceland), **Riina Roosipuu** (Eesti Loto, Estonia) and **Anja Bohms** (Land Brandenburg Lotto GmbH, Germany) who found many similarities (despite differences in lottery size, politics and geographics) in their key takeaways for participants: be efficient, fast, agile, flexible and responsible. Keep products fresh, new and attractive. Remain relevant, proactive and foresee crisis situations and at the same time listen to the players and retailers. The online channel was developed as an alternative during the pandemic with many lotteries developing or considering apps for their customers. This is a trend that is set to continue, even in the Americas where several Lottery operators are pushing for online opportunities.

Moderated by WLA President **Rebecca Paul**, a second panel discussion on day two brought together CEOs from the U.S.: (L to R above) **David Barden** (New Mexico Lottery Authority & President, Multi-State Lottery Association, MUSL); **Sarah Taylor** (Hoosier Lottery & President of NASPL); **Mark Michalko** (North Carolina Education Lottery); and **Rebecca Paul** (Tennessee Lottery & President of WLA) to emphasize the importance of working together, noting that the MSLA allows the different states to collaborate on bigger, national branding opportunities. Funding has been obtained from Powerball proceeds for such marketing activities, and successful examples include partnering with Dick Clark's Rocking New Year's Eve, and others, such as NASCAR, which are helping to attract younger audiences to the games.

In addition to the panel debates, lottery professionals from various WLA and EL Members showcased case studies from digital opportunities in times of crisis to changing perspectives and from customer centricity to environmental challenges.

The Austrian Lotteries followed consumer trends closely during the pandemic, building on the idea of enjoying the now (through gaming entertainment) rather than planning for an uncertain future, **CEO Erwin Van Lambaart** tells participants. The measures paid off with instant ticket sales at Christmas 2022 up by 26% on the previous year. During the pandemic and since, the focus has very much been on customer needs, for example, by developing new products and



**Lottery CEOs discuss opportunities in times of crisis**



loyalty programmes driven by customer preferences. All distribution channels have been grown and modernized by adding new screens and attractive scratch card dispensers to POS as well online payment systems. The year finished on a high note, by winning the best Advertising Award at the World Lottery Summit in Vancouver, Canada.

From customer centricity to digital opportunities, **Khalid Naili Special Advisor to the GM, La Marocaine des Jeux et des Sports (MDJS)** highlighted how, likely many countries in recent years, Morocco has seen growth in illegal betting operators, who use different means to recruit new customers. In response to these illicit activities, MDJS created a new website and mobile application (launched in 2022), offering great betting options, enhanced infrastructure and a smoother registration process. To ensure its success, MDJS ran a comprehensive ad campaign which included physical ads in different cities, inserts in papers (physical and online), ads on different websites and the use of social media. At the close of 2022, sales and subscriptions all increased.

**Sisal Sans in Turkey** has also seen growth during turbulent times by upgrading its technology to better serve customers, ensuring continuous innovation in its product pipeline, with more games reaching a broader group of players, expanding its retail network and developing its online channel with over one million active players. **Oguzhan Aslan, CMO** explained how an effective and strong 360° brand communication, as well as a growing workforce and strong stakeholder engagement has increased POS visibility and complimented all the above mentioned actions. has included TV, media support, promotional campaigns, and increased POS visibility. Finally, Sisal has grown its workforce and developed strong stakeholder engagement.

With a large and diverse population, **Edilson Carrogi, Vice President, Caixa Econômica Federal, Brazil**, highlighted the strategy taken to grow and transform Loterias CAIXA, involving product launches over the past five years, for new audiences (online lotteries portal, apps for iOS and Android), increased investment in marketing with new ways to communicate (paid, owned, shared and spontaneous media), and by using player data to develop omnichannel in a customer-centric way. As a result, sales growth has increased by almost 28% since 2018. In retail outlets, players in the 45 to 55+ age groups have increased significantly over the past



**CEO Panel Debate “Views from the U.S.”**

two years, while online has grown but not as rapidly.

On the topic of connecting Sports with customers in a rational way with social media, **Yang Yang, Head of Public Relations Department, China Sports Lottery**, talked about how sports development has been part of China’s national agenda, with a surge of awareness following the global pandemic. As social advertising continues to rise, the China Sports Lottery has adopted innovative marketing practices, using video content on different social media platforms, leveraging large social events such as the World Cup, to promote its association with public fitness and welfare, and encourage participation in sports. All these initiatives have successfully reached very large audiences.

**Tay Boon Khai, Chief Risk & Compliance, Singapore Pools (Private) Ltd.**, described how the pandemic years and restrictions led to a different approach by Singapore Pools to make additional funds available to help specific groups affected by COVID-19. With all outlets closed and online services stopped, it focused on staff and customers, supporting the broader community and advancing its business transformation. Outlets, run by volunteers, were converted into collection points for COVID-19 supplies and training programs were offered to seniors to improve their online skills. Overall, the results have been very positive, with increased sales in 2022 and strengthened relations with customers, partners and the broader community, thanks to working for the greater good, at a trying time for all.

**Nils Petersen, Permanent Representative to the EU, Westlotto, Germany** closed the first day looking at how marketing meets

politics. He focused primarily on crisis as the new norm in everyday life. From the pandemic to Brexit to environmental challenges, Nils highlighted polycrisis, the simultaneous and overlapping crises facing the world currently, the impact that this has on societies and in how far lotteries can help overcome these crises.

## LUCK: WHERE HARD WORK MEETS OPPORTUNITY

On day two of the seminar, participants had the pleasure to hear from inspiring Keynote speaker **Liz Jackson** MBE about her extraordinary personal and professional journey. After running her own award-winning company for 17 years, a business launched in the year that she lost her eyesight, Liz is perfectly placed to share her experience of the pressures and challenges that business owners face.

Now the Marketing Director for leading business sales advisor BCMS, Liz believes the secret to adapt and thrive is to “grow” (Goal. Reality. Options. Will do) and that life is better lived outside your comfort zone. Her key takeaway is to look at your goal as a vision. Luck is where hard work meets opportunity, which helps us reach our goals. This in turn takes mental resilience.

## THE EXPECTATIONS OF TODAY’S INFLUENTIAL GENERATIONS

Seventeen year-old founder and CEO of Thred Media, entrepreneur and change

activist **Jenk Oz** shared his knowledge and wisdom on how lotteries could better understand Gen Z beliefs, behaviour and transformational consumer trends. Often known as ‘identity nomads’ who don’t want to be trapped by any one label, Gen Z have been shaped by five main events - smartphones, the financial crisis, a decade of social activism, a pandemic and now war. Pragmatic with the need for direct communications, Gen Z have become so important to marketing and brands lately as they have a \$7trillion of annual income, the fastest growing across all cohorts, and they are entering the workforce.

Among Jenk’s key takeaways for lotteries: to really understand what drives the people behind the players - transparent, authentic and genuine messages, create a storyline and communicate progress and successes of the lottery model; mix old and new approaches (retail v digital), create an omni channel experience where the old world and new world are in sync and complement each other. Gen Zers are more sophisticated than you expect - think beyond the instant gratification, think needs and opportunity!

During the final session, we heard from **Michael Kastelijns, Business Director, Nederlandse Loterij** who described the interesting journey and challenging ups and downs of the past two years with the oldest lottery brand in the world, the Staatsloterij. In 2021 the price of tickets was raised after careful consideration. Then in 2022, due to the war in Ukraine a dip in consumer confidence led the Dutch state lottery to take rapid next steps to add extra value to



**Keynote speaker Jenk Oz, Founder & CEO of Thred Media**

its offerings, including raising the jackpot, and adding special prizes to certain draws. It connected the mission of the brand for a ‘happy, healthy and sporty Netherlands’, with continued sponsoring of the National Olympic Committee and other sports federations. As a result, 2022 exceeded growth expectations and no need to push the ‘panic button’.

**Vincent Perrotin, CSR Director, Française des Jeux, France**, highlighted the importance of tackling environmental challenges and putting CSR at the heart of any lottery strategy. Since launching its environmental policy 15 years ago, FDJ has been combating climate change and preserving biodiversity, for example funding innovative projects aimed at conserving or restoring forests and their biodiversity. As the environmental crisis continues, it is more important than ever to work together. EL’s Environmental Initiative, a voluntary com-

mitment open to all EL members, highlights the importance of sustainability for lotteries.

Across the two days, **EL Level I Partner & WLA Platinum Contributors IGT and Scientific Games, WLA Platinum Contributor Pollard Banknote Limited and new EL Level 2 Partner NeoGames**, contributed to the seminar with involving presentations. Fueled by new research Scientific Games dug deeper into the importance of happiness and explored the needs of the post-Covid lottery players. IGT, which focused on how to leverage AI to make data-based decisions, providing players with personalized messaging and optimizing marketing budgets, uses this approach to support iLottery marketers with their holistic end-to-end advanced analytics platform. Pollard highlighted the driving force for innovative new products. When we think of innovation, sometimes the key to finding new opportunities for success requires a change in perspective. NeoGames provided a perspective on how lotteries can successfully prepare for - and power through - turbulent times.

**Finally, as Winston Churchill famously once said: “Never let a good crisis go to waste.”**

EL and WLA members responded to the extreme disruption of the last three years provided with ingenuity and resourcefulness as well as operational excellence. Our keynote speakers inspired us to see that adversity provides us with an opportunity to push ourselves in ways we never have, and to be excited about a future rich with potential.

*The event was moderated by Arjan van 't Veer, EL Secretary General & Luca Esposito, WLA Executive Director. Welcome speeches by Rebecca Paul, WLA President and Hansjörg Höltkemeier, EL President.* ■



**Keynote speaker Liz Jackson MBE, Marketing Director & Co-owner at leading Corporate Finance Advisor, BCMS, UK**