

EMBRACING THE ILOTTERY OPPORTUNITY



Scott Bowen, Senior VP Government Relations at NeoGames, explains why iLottery solutions have the potential to transform provision, creating fresh revenue streams for states while serving the needs of a whole new generation of players. Scott delivered a keynote speech on this very topic at the PGRI SMART-Tech Miami conference in March.

If there is one major lesson that we have learned since first entering the US, it is that the optimal way to compliment retail lottery sales is through a comprehensive digital strategy. Lotteries continue to have the benefit of a huge footprint when it comes to retail activity, and engaging in a full omni-channel approach to technology, content, marketing, and operations provides long-term opportunities for retailers, players, and the continued growth of the benefits to good causes.

There are a host of compelling reasons we can highlight for state policy makers to embrace iLottery, the first of which is the promise of incremental non-tax revenue for good causes. As has been widely reported across various annual reports and audits, while also being celebrated in recent official news releases, lotteries continue to attract record growth and incremental profits. Within that group, crucially, are a set of wonderful examples whereby states have successfully adopted iLottery to complement retail solutions.

A safer and more sustainable market

A second reason for public officials to consider iLottery is that digital lottery solutions enable retailers to grow their player base and achieve incremental lottery sales, bringing in a fresh generation of players for whom utilizing cutting-edge digital solutions is an everyday part of life. In fact, in several states that have adopted iLottery, retail lottery sales have continued to grow as omni-channel programs are adopted and new players enter the market.

A third strong consideration is to use digital technology for additional player safety and responsible gambling. In recent years, lotteries and iLottery providers such as NeoGames have shown a commitment to ensuring that players have access to every available and appropriate protective tool. Digital delivery is significantly stronger than in-person when it comes to player protection and iLottery providers can implement tools incorporating self-exclusion, deposit limits, session limits, cooling-off periods, text reminders and a variety of other configurable controls.

A fourth benefit of digital delivery can be found in the balance it provides in terms of environmental protection. While ink and paper tickets require storage, packing and distribution and generally carry a heavy environmental footprint, digital is far less impactful in this regard.

We also saw during the pandemic, when many retail operations were forced to curtail their activity, how online provision successfully filled the gap for players. Advanced iLottery solutions continue to benefit players who cannot access a retail point of sale for any given reason, be it for health or mobility reasons or inclement weather.

Additionally, there is a large demographic of potential lottery customers that has

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been brought up in the digital age and to whom our industry can increasingly focus attention. Accustomed to enjoying their favorite forms of entertainment via desktop and mobile devices, iLottery provides a new form of quick-fire fun to enjoy on the go, with a very low barrier to entry. In turn, omni-channel strategies can also guide this new breed of player towards enjoying lottery products within retail.

Growing ecosystem

At NeoGames, our experience in iLottery has also proven that the digital vertical can successfully co-exist with other forms of gambling. Digital lottery solutions provide a popular, familiar form of online entertainment that dovetails with the retail experience. It simply isn't true that iLottery must be in competition with iGaming, for example; in fact, from our experience in states where they operate side-by-side, it can be mutually beneficial in introducing new audiences to both propositions. If the overall pool of players across all gaming verticals is expanded, with a focus from our perspective on attracting younger players into iLottery, then it can be to the benefit of all.

There are a multitude of good reasons for public officials to adopt the modern breed of iLottery solutions. With the benefit of increased accessibility, within a responsible and environmentally friendly ecosystem, iLottery presents the opportunity to inspire a fresh generation of players who can significantly incremental revenues with which states can help serve important causes to their communities. ■