Boosting Retail Visibility to

ILLUMINATE LOTTERY SALES

Retail foot traffic is critical for spontaneous lottery purchases.

The challenges: Buy online, pick-up in-store and e-commerce factors are working against spontaneous purchases by keeping shoppers out of stores. Curbside pick-up is reported to be used by nearly two-thirds of US retailers, and by over 60% of millennials. That being said, while e-commerce sales in the US in Q1 2024 reached \$268 billion—22% of all US purchases—its growth seems to have stabilized within this range throughout 2024.

The good news: Retail is on the rise and in-store continues to dominate the shopping sector. Foot traffic is trending upwards again and shows the potential for a full post-Covid recovery by the end of this year with continued growth expected. We are already seeing a boost in places like discount stores, grocery stores, and convenience stores (c-stores). In the U.S. specifically, retail footfall is increasing by on average by 4-6% this year. What does this mean for lottery? Now, more than ever, lotteries must be nimble in their retail offering to maximize their bottom line.

Just as instant ticket products have undergone significant transformation over the past 30 years, so too has the retail environment they are sold in. Increasingly sophisticated point-of-sale displays compete for attention, beckoning customers with bright colors, interactive features, and even sound. Convenience stores, in particular, have evolved into hyper-competitive retail landscapes that demand display options that balance security needs and space constraints with form and function.

As a key driver of instant ticket sales, c-stores remain a valuable retail partner for lotteries. In the US, c-stores account for approximately 70% of lottery sales and their foot traffic increased by close to 6% in the last five years. Innovative display options that elevate instant games in a c-store environment brimming with impulse purchase possibilities have become crucial tools to ensure continued sales success. Enter HALO, a groundbreaking merchandising innovation from Schafer Retail Solutions+ (SRS+), a Pollard Banknote company. Easy to install and cost-effective, HALO is a bright new POS option with a proven return on investment.

What is HALO?

HALO is an injection-molded surround that casts an alluring glow on tickets displayed within on-counter ticket dispensers. Its illumination is designed to immediately catch the eye and its modern, sleek design, combined with customizable branding, ensures that lottery tickets are an enticing part of the shopping experience and a central focus in any retail environment.

Versatility is one of HALO's strongest attributes. With a modular design that accommodates various dispenser sizes—from a four-game configuration to a display with 72 games—HALO is highly adaptable to virtually any market. HALO can easily be added to new or existing SRS+ Dual 5 Modular Mini Dispensers, including our Gen 2 line, and is built to evolve to meet retailer needs over the long term.

Customization options add another layer of aesthetic possibilities to increase appeal at retail. With numerous colors available, as well as bespoke design options, HALO can be fully tailored to align with lottery branding, ensuring a cohesive look with other lottery POS materials in the bustling retail environment. Ticket security at retail continues to be a top priority throughout the design process. Optional security features for new HALO configurations are being developed for an additional layer of protection and peace of mind if desired by the lottery.

HALO's Market Versatility offers a Long-term Market Solution



MODULAR DESIGN

allows for agile adjustments for numerous display iterations



HIGHLY ADAPTABLE

extensively configurable with existing dispensers



APPEALING CUSTOMIZATION

offers personalized options that align with a lottery's brand identity

Proven Impact on Sales

Many lotteries have already witnessed the sales-driving impact of HALO firsthand—with some seeing a payback on their initial investment in as little as seven weeks. During a recent 13-week pilot that tested various configurations across ten retail locations, Kentucky Lottery experienced the sales-boosting potential of HALO, sharing:

"After 9 weeks in the field, the HALO test has proven to be a resounding success! Our test retailers have seen an overall average increase of almost 9% in Scratch Off sales. Given these results and the positive feedback, we are excited to explore opportunities to expand this program further in the near future!"

-Pete Ramsey, VP of Corporate Accounts & Business Development, Kentucky Lottery

The New Jersey Lottery saw even greater success with their HALO pilot, achieving an impressive 11.5% increase in sales, on average. NJ Lottery deployed HALO dispensers to high-volume, high-traffic retail locations, as well as a select number of retailers on the verge of becoming top-performing stores. HALO proved instrumental to all retailers in the pilot group and, in particular, to the high-potential retailer group, helping the Lottery achieve its sales targets in the process. After a successful pilot, the New Jersey Lottery has worked with SRS+ to install over 400 HALO units in four unique

Bringing Lottery Products to the Forefront

Heightened competition at the retail counter, combined with evolving consumer trends, demands innovative merchandising solutions that instantly elevate lottery products. By providing retailers with unique displays that are specifically designed with their exact needs at the fore, lotteries nurture these increasingly valuable partnerships. HALO is a proven strategy for success, driving instant game revenues for worthy causes in a cost-effective, secure, and dynamic new way.



1.5% Average Sales Increase INSTANT TICKETS



Average Sales Increase INSTANT TICKETS







