



Dato Lawrence LIM SWEE LIN

Chief Executive Officer,
Magnum Corporation Sdn Bhd, Malaysia
Chairman, Asia Pacific Lottery Association

PGRI Introduction:

In 1968, Magnum Corporation (MCSB) became the first private company to be awarded the license by the Malaysian Government to operate the hugely



successful 4Digit numbers forecast betting game in Malaysia. Magnum is listed on the

Main Stock Exchange Board in Kuala Lumpur, Malaysia, and is the first Lottery in Asia to obtain the WLA SCS certification. There are a total of three private National Lottery Operators licensed by the Malaysian Government all fighting for the same customers. Malaysia is predominantly a Muslim majority country and gambling is prohibited under the Muslim religion.

Dato Lawrence Lim Swee Lin graduated from the University of Sheffield, UK with a Bachelor of Arts Degree in Economics (Honours) and a Master Degree of Business Administration from the Victoria University of Manchester, UK. "Dato" is a title conferred by the royal sultans in Malaysia and is awarded to key personalities in the country. With experience in the Merchant Banking and Manufacturing sectors, Lawrence joined the Magnum Group in the year 2000 and has held the helm since 2008.

Paul Jason:

Please describe your portfolio of products and channel mix.

Dato Lawrence Lim Swee Lin:

Magnum pioneered the offering of legalized fixed odds 4 Digit Numbers game in Malaysia. In 2009, Magnum designed and copyrighted the first of its kind combination of the popular 4Digit game with a Jackpot element, which is popularly called the 4D Jackpot game. This game primarily attracts players from the illegal market. Owing to the popularity of this game, Magnum later also designed and rolled out the Jackpot Gold and 4D Powerball games. Again, leveraging on the strengths in combining a fixed odd with a pari-mutuel element to create the winning experience.

Magnum currently can only sell via its physical retail outlets; reason being the current legislation does not permit any online channels.

What games are offered by MCSB in Malaysia? Which games are trending up?

Dato Lawrence Lim Swee Lin:

Like all Jackpot based games, when the Jackpot level is high, the customer response is more intense. However the 4 Digit number games are still the more popular game here. The games offered by MCSB in Malaysia are 4D Classic, 4D Jackpot, 4D

Jackpot GOLD and 4D Jackpot Powerball. 4D Classic (which is the traditional 4digit fixed odds game) is still the most popular game in Malaysia. The same phenomenon is also experienced here in that the customers will follow where the Jackpot level is high but the absolute amount is still lower than the 4D Classic game.

This year we introduced a fractional play to enable our customers to cover more bets but pay less and still get a share of the Jackpot amount. This is very well received and supported by our customers.

Is the regulatory framework set so that it is not likely to change in the coming years? Or do you expect that more games will be licensed, and online or other methods of distribution allowed?

Dato Lawrence Lim Swee Lin:

It is about convincing the authorities the rationale for game changes: to appreciate the impact that legalized, regulated, and taxed games have over the illegals, and the loss in revenue that occurs if we cannot compete with them. More importantly, the game itself must be what the players will find interesting and will play! As far as alternative channels like online are concerned, it is more challenging as that requires legislative changes to allow it.

I had the pleasure of attending your fabulous Transform or be Disrupted conference

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At OLG, on the other hand, our primary purpose is to generate a profit for Ontario. Our shareholder is the Government of Ontario—and focus is more than profit. In fact, our mission is to generate revenue for the Province, stimulate and enhance economic development and promote high standards of responsible gambling—all in the best interests of the Province of Ontario.

We have in fact been working on enhancing public understanding of why we do what we do. OLG's "All for Here" corporate campaign where we talk about how 100 percent of our proceeds are invested in Ontario. The campaign focused on communities and causes that have been supported with OLG funds. The purpose was very much to draw that link between our business and the benefits it brings to Ontario.

Somewhat peripheral to that idea ... What can we do to make playing the lottery the cool thing to do, an activity that everyone shares with their friends because they are proud to play the lottery and they want everyone to know how clever they are for finding this amazingly fun game to play.

Wendy Montgomery:

OLG lottery products are amazingly fun to play. We don't need to become something we are not but we do need to be the best we can be. We will never be the next Pokeman Go so we should not aspire to do that. Pop phenomenons typically fade quickly anyway. OLG has more assets in its core product, brand value, reputation, network of retailers than any other games-of-chance operators. And our games have far more lifetime value than any other game in history. We just need to harvest it all to better effect. ■

Dato Lawrence

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in Chengdu, China. What do you see as the most likely disrupters of the Malaysian gaming market-place?

Dato Lawrence Lim Swee Lin:

This would be the illegals using social media technologies and new e-payment services to connect with the customers, engage them with new and different value propositions, and make it more convenient for the customers to play with them.

And thank you for the compliments and glad you managed to find time to attend an APLA event. Hope to see you in Auckland for our annual event end of October!

How is Magnum Transforming over the next three years to protect itself from those disruptions (or maybe Magnum will itself be the disrupter)?

Dato Lawrence Lim Swee Lin:

Magnum will be 50 years old next year and is embarking onto a holistic Brand refresh to rejuvenate herself to be more appealing to the younger generation of players. This includes a refresh of the physical outlets, improved customer service handling, improved digital communication strategies, focus on the customer journey just to name a few.

How would you describe some of the differences between markets within the Asia Pacific region? Differences in gaming cultures, the kinds of games the players like to play, promotional methods and media, business operations, regulatory frameworks and political attitudes, responsible gaming, etc.?

Dato Lawrence Lim Swee Lin:

The Asia Pacific region primarily covers countries like Australia, New Zealand, Japan, China/Hong Kong, Korea, India and the South East Asian countries like Singapore, Malaysia, Thailand, Philippines, Cambodia, etc. There are varying degrees of maturity across these regions with very different regulatory frameworks.

Thailand is still operating with the passive paper lotteries while Philippines have started to move to expand their portfolio of games and channels. Australia and New Zealand are the more advanced countries in the AP Region while Japan is very cautious with their legislation. China's market is huge but still have lots to work on in terms of the numerous provinces it has to deal with and the span of media and distribution to reach

the population. At this moment, the Chinese Government has not given any indication of a likelihood of allowing online betting in the Country.

India is another very populous nation that continues to face challenges with its laws and regulations across its various States. Until these are resolved at the Federal level, it will be very difficult for the Lotteries to progress in a larger scale there. APLA recognizes the importance of India as a country in Asia Pacific and as such, have selected the 2018 April Seminar to be held in India. More information will be disclosed soon.

As you just explained, there are lots of differences within the huge region which constitutes Asia Pacific. Likewise, there are differences within the regions of Europe, North America, South America, and other regions in the world. That makes it hard to generalize a comparison of one region to another. Still, does anything strike you as an interesting difference between the gaming markets of Asia Pacific and, for instance, Europe or North America?

Dato Lawrence Lim Swee Lin:

A notable difference is the way the Lottery is being marketed. In the Asian countries, it is not common to allow above the line advertisements on Lotteries.

In Malaysia and Singapore, the fixed odds 4Digit game reigns supreme and is a favorite amongst the players there, whereas in the other Asia Pacific regions, it is the Lotto style game that dominates the landscape. As for the emerging Lotteries in other parts of Asia Pacific, pre-printed paper-based tickets are still being marketed there.

How do you think the needs and expectations of APLA members will be changing over the next three years? And, how will APLA evolve to meet the needs of a changing market-place?

Dato Lawrence Lim Swee Lin:

The Lottery industry is facing challenges from new start-ups, new business models and new technologies that are being deployed; not to mention black lotteries. APLA will continue to stay relevant in meeting its objectives to advance the goals and collective interests of its Members and to enhance the capability, common knowledge and status of individual Members. ■