

MISSION POSSIBLE

Global Trends Meet IGT Innovations at the EL Congress



What can lotteries do right now to accelerate growth using emerging innovations—and stay on a growth path going forward? At the European Lotteries Congress in Krakow, IGT answered the question on everyone's mind with three distinct experiences for attendees, including a showcase on the Future of Content.



Not long after *WIRED* magazine's editor-at-large David Rowan took the stage in Krakow to deliver his keynote talk on the larger trends reshaping work and play around the globe, visitors to IGT's booths could see for themselves how the company is factoring in many of the same trends and technologies to drive innovation for lotteries.

IGT's **Paul Riley**, Vice President, Innovation & Lottery Transformation, and **Michelle Carney**, Vice President, Strategic Customer Initiatives, discuss the correlation between the global forces of change and the challenges facing the industry, and how lotteries can capitalize on innovations that are available right now.

The theme of this year's European Lotteries Congress was New Directions. How much are global trends influencing the future direction of the lottery market?

Paul Riley: People in our industry are starting to recognize that lotteries are facing some fundamental challenges. But they're not insurmountable, and, in our view, they can become huge opportunities if the trends and technologies that are driving wide-scale change are used to keep lotteries on an innovation path.

This year's keynote speaker, David Rowan, called out many things that IGT is already tracking from a lottery perspective. People who attended our presentation or visited our booths could see firsthand the correlation between many of the broader technology and consumer trends that he discussed and the approach to innovation we're taking as it relates to lottery.

For example, David talked about conversational commerce and chatbots, and we're looking at how they're being implemented within the gaming space. He talked about Amazon Go, and we created a video for attendees specifically to help them understand how this kind of prototypical, advanced-shopping technology could change consumer interactions and reinvent retail.

He talked about behavioral psychology and how "data rules all." These are subjects that we addressed in our presentation in terms of the changing consumer experience in relation to lottery. Today, there are cameras everywhere: It's possible to measure sentiment. So that becomes another data element that fills out the profile of a player. What can lotteries do with that information? David talked about Bitcoin and the technology that supports it, and as we look ahead, paperless lottery is something that we're focused on.

It was very positive for attendees to see the commonalities between the global trends and the applications at a more granular, industry level.

IGT@EL



3 Immersive Experiences



Interaction

The Future of Content booth immersed attendees in a new world of gaming technology and gave them a chance to experience the very latest games designed for a new generation of players.



Presentation

The talk, "Mission Possible," by IGT's Paul Riley and Ailsa McKnight, answered the question: "What is the next generation of ideas that are going to propel the industry forward?"



Conversation

What can you do right now to accelerate your lottery's growth? The product suite was a forum for attendees to have more detailed discussions about how specific IGT products and services can be applied depending on needs, jurisdiction, regulatory factors, and existing technologies.

How are all these changes influencing the games themselves?

Michelle Carney: Our customers look to us to help with implementation in all of the areas that Paul mentioned, and it's the same with the content. There's a big interest — globally — in making games more fun and engaging. We created an interactive space at the show called The Future of Content, where attendees could have a hands-on experience with current and future games that use virtual reality (VR) and augmented reality (AR), as well as 4D gaming.

We're using technologies like these to make the games more exciting, and we're also learning from what our IGT colleagues are doing on the gaming side of the business, particularly with VR. Siege is great example of that. It's a fast-paced game in which players use a bow and arrow to defend a castle from approaching attackers.

“AR and VR are great examples of advanced technologies that you can apply to your lottery content right now.”

—Michelle Carney,
Vice President, Strategic Customer Initiatives

In many cases, the casinos are earlier adopters of technology, and they can introduce new content like this in a destination environment. We're sharing what we learn from them to help lotteries evolve their game libraries as well. We're just on the cusp of it now. We're excited to help our customers leverage some of these technologies to create more engaging experiences for players.

We have an exclusive partnership with Paymax to create instant games with an augmented-reality component, and, in our product suite at EL, attendees could interact with a bunch of new products and experience the advances in the technology. A lot of customers expressed interest in the new instant products using augmented reality, and these support lotteries' desire to pursue modernization strategies and more immersive content. AR and VR are big trends, and this is a great example of something you can do now. You can take that technology and apply it directly to your lottery content today. We've already launched it here in the U.S., twice in New York, and we will have our first launch in Europe this July with WestLotto. The product will continue to launch domestically and internationally throughout 2017 and 2018.

What other themes struck you as important — for those who couldn't attend?

Paul Riley: The second keynote was about the culture of game developers, who are very accustomed to interactive creative environments where there's a lot of dynamic, group effort to come up

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with winning games. The speaker, game developer Aki Järvinen, talked about the broad categories of gaming—such as passive role play, passively solving a puzzle, and one-on-one-combat—and which aspects of these could be translated into lottery. We need more of that awareness and discussion within our industry.

The trends and technologies that were discussed at EL are the basis of the industry's future. We gave a presentation that brought the focus down to the industry level, and in our product suite, visitors could do a deep dive into the full ecosystem of IGT's solutions – the system, the business applications, the touchpoints, the people, the content – and how it all plays together today. Visitors also got to learn about some innovations that we're looking to down the road. Some of those deal with issues like easing payment and leveraging advanced video analytics to customize the experience for the player.

The interactions in the product suite gave us a chance to talk to customers one-on-one, to have productive conversations and ask: What other features would be helpful for you?

Michelle Carney: For anyone at any lottery, all of the topics we've been discussing are important and relevant because they will impact not only the way that lotteries sell their products and engage with consumers, they also have the potential to disrupt our collective lottery business. It's important to stay on top of these trends to

"Mission" was the show-theme on the day when IGT's Paul Riley and Ailsa McKnight took the stage at EL. As Riley notes, "Mission classically means, 'What is the mission of the lottery?'" Often, it's supporting good causes. We played off that because, from a vendor perspective, our mission is to serve the industry *and* our customers."

The duo shared a number of IGT initiatives to advance both missions, including:

- **End-User Focus** underpinning all development around player convenience and entertainment, and a focus on both simplicity and revenue for retailers
- **Immersive Shopping** and Other New Shopping Experiences
- **Conversational Commerce**
- **New Ways to Engage and Interact with Customers**, including Mobile and Omnichannel, Biometrics, and more

ensure we can continue to evolve lottery as a product line to generate revenue for the good causes that lotteries support around the world.

Paul Riley: We wanted the innovations and ideas that we showcased to be thought-provoking. We're not saying we have all the answers, but we want to lead our customers in thinking collectively about how the industry can take advantage of all the possibilities on the horizon.

Unable to attend EL? You can experience IGT's products and services for yourself by visiting IGT at NASPL in September.

What's on Your Mind?

You're Not the Only One.



Many of the formal and informal conversations with lottery executives at EL revolved around two hot topics:

Known Player How do you move players who are anonymous to some level of being known? Incentivizing players to become known is tied to another subject on everyone's mind: Omnichannel functionality. In IGT's product suite, attendees could demo several solutions that can be implemented today by lotteries to support Known Player, including ways to start players in the process, capture and analyze the data, and leverage the data to communicate better with players.

Facilitating Payment The cashless industry is evolving as consumers are changing the way they want to pay. EL attendees were interested in any and all solutions to engage with consumers through a mobile phone. Recognizing the tremendous benefits of facilitating cashless payment, IGT demonstrated some solutions that are in development for expanded self-services, reduced cash handling, and frictionless transactions.

