

How AI Can Assist iLotteries to Achieve Their Goals

Artificial intelligence is becoming an increasingly important tool for iLotteries as the industry continues to develop at pace. Aditya Bhushan, EVP Technologies at NeoGames explains how the global supplier is providing real value for online lotteries, through its own advanced solutions, allowing them to support good causes.

The iLottery industry has traditionally relied on human expertise to analyze player data and produce meaningful, actionable insights. More recently, artificial intelligence (AI) systems have automated this process more powerfully than ever before, with every model built on millions of data points. Accessing the largest and most unique data sets allows NeoGames to implement cutting-edge AI and data science solutions for its lottery customers. The benefits of this approach are manifold. AI can help to identify potentially problematic player behaviors at an early stage, creating a safety net for those who show warning signs of being at risk. In terms of the customer experience, AI can also help deliver highly personalized experiences, putting types of content in front of them that will engage and entertain within a safe, secure environment.

Responsible gambling to the fore

A sufficiently advanced technology platform delivering iLottery solutions can implement AI solutions to monitor and analyze behavior patterns and potentially set customized deposit limits, fully customizable to the needs of each lottery, with NeoGames possessing the ability to implement these varied parameters.

Within this proactive approach, lotteries

can intervene and provide targeted responsible gambling practices via pop-ups, email, and other forms of communications suggesting time limits, or self-exclusion options.

Expert fraud detection

Fraud comes in many forms, and AI can greatly minimize risk for lotteries by utilizing a high number of data points, including the use of specific payment methods and the level of RTP of games played by those seeking to defraud. In looking at such evidence, advanced AI systems can act as an early warning sign for lotteries. NeoGames, can flag potentially fraudulent activity such as chargebacks with a high strike rate.

Providing tailored experiences

Consumers gravitate towards familiarity when consuming entertainment. Netflix is a prime example of this, utilizing a user's previous views to create a tailored library of appropriate content suggestions. We have found that AI can perform a similar function for lotteries, shaping in-game experiences to cater to the preferences of the player segment and curating personalized lobbies, while also issuing customized bonus types for retention.

These bonuses can be matched up to the expected life cycle of any given segment, with churn predictions playing a role in the level of player offers. Through the judicial implementation of AI systems,



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lotteries can break down existing segmentation definitions that allow lotteries to re-define segments with a higher degree of flexibility, accuracy, and relevancy.

iLotteries place a great emphasis on smooth operations, and NeoGames can assist in easing this burden, minimizing many pain points for operators by automating tasks. This can save time and money for lottery operators, making the overall process more efficient and contributing to player trust in distributing prizes quickly.

Delivering outstanding communication

Centralized Data Platforms have been effective in delivering greater engagement with audiences through real-time communications. With AI enriching these solutions, brand relationships could be enhanced with each player,

enabling targeted campaigns based on past preferences.

Timely interventions can potentially make a significant difference to the lifetime value of a player. Once they leave a platform, they may not return for a considerable period of time, if ever. Take the example of trying to cancel an online service: customers are immediately offered reduced costs to keep their subscription, and online gaming and iLottery brands can act in a similar

way by offering engagement incentives at opportune moments within user journeys.

For any iLottery operator, providing excellent customer service is major goal. Integrating AI into customer service processes may provide a great deal of value, enhancing brand reputation with players who want queries addressed swiftly and expertly.

In offering advanced solutions across personalized experiences, while protect-

ing players from harm and lotteries from fraudulent activity, AI systems provide timely and crucial interventions along the player journey while using a fraction of the resources compared to previous methodologies. This advanced technology is fast-becoming essential across a wide range of online sectors and for lotteries, the benefits are already apparent, with operators able to achieve their goal of maximizing their proceeds to give back to their local communities. ■

iLottery: Managing iLottery for maximum growth, maximum player engagement, and maximum overall sales including retail continued from page 14

have grown. Knowing what's best for your jurisdiction is key."

As a content provider to iLottery states, **Brad Cummings** said diversification of content is what will help lotteries succeed going forward. "Lottery needs to separate itself from what is being offered by the competition, particularly iGaming," he said. "We know that iLottery is attracting younger players, so we need to provide content that speaks to that demographic. We offer games that are similar to Candy Crush because we know those types of game are popular. Let's look at what is working in other markets, such as Europe, as they are a few years ahead of us. Working with game studios that have been in the iLottery market for ten-plus years can help us shape where we need to take the U.S. market."

A full view of the player, how they interact with the lottery, will help lotteries create an overall positive experience, according to **Jennifer Westbury**. "We need to recognize how players join the lottery ecosystem," she said. "Some come through the iLottery channel, some check their winning numbers, some enter a second chance drawing. If we connect all those digital touchpoints, we get a complete view of the player and we can offer them experiences tailored to their needs. Great games are one piece of the solution but we need to create the kinds of experiences they are having with other forms of gaming. The discussion in the iGaming space is about what other kinds of games can they offer. Might they be looking at lottery-type games? We need to make sure that our players are reacting favorably to our products and that we aren't forcing them to migrate to another ecosystem."

Mike Lightman said that as the debates continue about what will work state-

by-state, lotteries need to continue the dialogue with their key government officials. "So much has changed over the past five years and there has been positive movement in offering digital options for players," he said. "But the conversations with, and education of, key stakeholders about iLottery and especially eInstants must continue. It's easy for an outside observer to look at an eInstant game and say that it's not really that much different than a slot game. We all know it is tremendously different, given the underlying structure, but we can't expect casual observers of gaming to know the difference. We must consider how we deliver this nuanced message and fight for the position that we know will best benefit players and ultimately lottery revenue."

With so many competitors in the marketplace, Drew asked two obvious questions: "Are there opportunities for lotteries to work together with the commercial operators, who offer games that compete with lottery games, and combine our strengths? Or does the industry instead fight the competition head on?"

Kelley-Jaye said that while it might seem like a good idea for lottery to work with other gaming companies, in the end, lotteries typically have missions completely opposite of for-profit companies. "When DraftKings started operating in New Hampshire, we were interested in collaborating," she said. "But after discussions, it was obvious that our core values were inherently different and that makes it challenging. Our core value is to raise money for education in New Hampshire and we want to do that responsibly, which is different than private companies. Maybe we won't do a DraftKings scratch ticket but perhaps we can place offers on the back of a New England Patriots ticket. That is

one way to bring some of the sports betting customers over to the lottery."

As a company that works with most jurisdictions that offer full iLottery, IWG has seen different models. Mike Lightman said that each lottery needs to create a plan that works best in its individual market. "There are a number of environments in which lotteries are operating," he said. "We have markets with both casinos and lottery, and the casinos are completely independent from the lottery, and then there are also markets where the lottery has some type of oversight of the casinos. When lotteries are involved in the management or oversight of casinos, it makes it easier them to work together. The Atlantic Lottery is a great example. They operate a very successful iLottery program as well as a very successful iCasino program. They can promote both across their combined player base. But in the jurisdictions where there is a sharp delineation between lottery and casinos, it can be more difficult for lotteries and casinos to collaborate."

Co-existing is Brad's mantra, as he doesn't believe there is much chance that casinos will help promote lottery in most states. "Having worked with casinos, I have a hard time believing that we're going to get much cooperation from them to take part in joint campaigns," he said. "The best we can hope for is that lottery can migrate casino players to our games, educate players on the different games and hope they view lottery as another form of entertainment. Lotteries need to control what they can and the rest will work itself out."

Derek sees brands as a key differentiator. "We've seen a lot of success in Canadian markets with eInstants that are similar to what players see in land-based and online casinos," he said. "That has been very helpful to the iLottery side of the business.

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