

The Lottery Answer to the Appeal of Daily Fantasy Sports

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You'd have to be purposely oblivious at this point to have not noticed the rise of Daily Fantasy Sports (DFS). Advertising campaigns have exceeded a quarter of a billion dollars from the two leaders in the industry since 2015. News stations often highlight the major investments made by pro sports leagues, team owners and media companies in these businesses. Attorneys General across the U.S. have weighed in on its legality and many state legislatures have passed enabling legislation when necessary to keep this industry growing.

There are thousands of columns you can read about any of these themes and Google will gladly help you down that rabbit hole. We'll let others continue to pontificate on those angles. Instead, publications like PGRI should lead the way on evaluating the appeal of this relatively new gaming option and how the lottery can best emulate its success.

At its core, DFS is about immersing players in a live sports experience where the outcome of an unpredictable event determines their future winnings. It's simple and easy to play, making an entire day of football or baseball not just watchable, but immensely engaging. The lynch pin is a highly interactive mobile app that appeals to millennials and helps players to nimbly navigate the game experience.

What pieces of this narrative can we as a lottery industry build upon? Which are not possible due to the legal and political restrictions we encounter as an industry? And are there opportunities for lottery to actually bring something to the table that DFS can't or won't?

When lottery is at its best, it's a simple form of gaming explainable to consumers in less than one minute. It's an enhancement to the retailer who makes our branding and distribution models possible. Lottery can be boosted by mobile app integration. And

best of all, lottery is a vehicle for social good, funding great causes such as education, senior benefits and environmental concerns. In all of these measures, lottery meets or exceeds the value of DFS to players, retailers and society as a whole.

Now imagine living in a lottery world where the engagement of a live, authentic sporting event determines the results of a daily draw. Especially as we look for new ways to engage players of all generations, a game that fits this description would clearly make a significant impact on lottery revenues across the U.S.

But I hear you saying, "Sports gaming is for people who like games of skill. We need to concentrate on more traditional lottery concepts." It's easy to see how one could have such an opinion. With rare exception, games based on the results of a sporting event have only been offered as a game of skill.

And why is that? Is it because of the reams of research testing the appeal of sports gaming by games of chance players? Or is it more likely the fallacies of unchecked conventional wisdom? I would suggest it is the latter.

Lottery players love live sporting events as much as any other major demographic. They may prefer the simplicity that games of chance provide, but that in no way diminishes their desire to be a part of the action. And when you consider the many popular scratch off tickets offering sports experience prize packages, it's exciting to think about how this yet-to-be-realized product segment could improve the lots of lotteries in the future.

This evolution in lottery gaming begins with EquiLottery, a draw-style game based on the excitement of live horse racing. Heralded as The Next Generation of Lottery Draw Games, EquiLottery allows players to immerse themselves in the action at the racetrack through mobile phones and tablets, delivering the kind of authentic play style consumers crave. On that note, the ability to deliver the actual live action through a lottery-provided mobile app actually gives us a leg up on our more famous contemporaries. DFS players still have to rely on traditional means of broadcast to actually watch the sports their games are based upon.

Research conducted in conjunction with our partner Ipsos shows how this integration of lottery and live sports can appeal to all player segments and demographics as core players, infrequent players and non-players all indicated an exceptional desire to play EquiLottery. And with no difference in demographic appeal, our game earned the same high rating from 20something Millennials as it did with 50something Baby Boomers.

EquiLottery won't be the last word on live sports lottery integration, especially as sports gaming becomes more liberalized across the country. But with the historical legal advantages of horse racing and a format that already feels like a draw game, it will almost certainly be the first.

Build now for the future. Capitalize on the DFS wave. Let's play EquiLottery. ■

