



Transforming the Slot Machine into a Multi-Purpose Gaming and Consumer Services Kiosk

Tom Nieman, Vice President of Worldwide Marketing, JCM Global

As the industry considers ways to update the definition of gaming with new products and services that will attract millennials, the reality today is as it has always been: The majority of young adults do not have very much disposable income. They are paying off their college tuition, starting families, and their lifestyles and recreational options are filled with a huge diversity of recreational activities. So there is even more intense competition for a millennial gaming market that is very limited in size. As operators and manufactures invest in ways to create new player experiences, innovate or reinvent the games themselves, they are even going so far as to create entirely new categories like skill-based gaming and variable percentageing ... all with the purpose of attracting millennials, while at the same time, continuing to serve their existing non-millennial customer base.

At JCM, we took a step back and asked how could operators better leverage the most incredible asset this industry already has—the massive footprint of tens of thousands of slot machines. These devices are already bought and paid for, and they already have the attention and engagement of millions of consumers.

Instead of figuring out how to launch new products and

struggle through the high-cost and unprofitable introduction and growth stages of the product life cycle, why not instead figure out how to extend the mature stage of the product life-cycle? This is the stage that is most profitable. The costs of product development, launch, building the brand, acquiring the early adopters, and investing to drive for mass-market acceptance are in the past. Slot machines are in this product life-cycle stage where all these costs have already been borne and now you have a product with mass-market appeal. It's time to innovate for the purpose of reaping the rewards from decades of investment and massive consumer engagement.

Let's drill down. Think of the slot machine as an incredible user interface—Millions of consumers engaged with tens of thousands of devices which are connected to central servers that deliver game-playing experiences. The industry has already recognized and leveraged the power of this global consumer

connection, using the devices to develop CRM-based (Customer Relationship Management) interaction with the players and otherwise enhancing the overall player experience. Just think about the billions of dollars that this already built-out technological infrastructure and network of consumer touch-points constitutes! Think of the value it



delivers in terms of already vetted security and IT and server processing capacity for delivering mass-market consumer experiences. That includes games that people love to play and now other services like ordering refreshments and managing a more rewarding interactive relationship. Our conviction is that we have just scratched the surface of value to be extracted from this massive footprint of consumer connection devices known as slot-machines.

Think of slot machines and JCM's bill-validating technology as input and output devices. The bill-validator has contact image-sensing, the ability to see and capture the entire image, whether that's currency, a TITO ticket, or a driver's license. Whatever I want to insert into it can be captured and processed, and the data removed and archived as needed.

Building on the capabilities of the bill validator, JCM has now taken the entire printer side of this system to a new level of sophistication and functionality. The JCM GEN5 is the critical element that revolutionizes the output side of this input-output system. Now the system can provide TITO tickets, as well as all varieties of wagering services - whether it's a sports book wager ticket, a lottery ticket, a promotional coupon, even a tax form. The possibilities are endless.

The player, the most critical stakeholder, is now provided the convenience of conducting all manner of transactions at this singular input-output device otherwise known as a slot-machine. Too, all the functionality that resides on the slot-machine input-output device is delivered via NFC (near-field communication) /Bluetooth LE and executes an app directly to the player's smart phone. This is to say, the player connects his or her smart phone to only one machine at a time digitally. It is a single connection into the device (in front of me). Then when the player leaves the proximity of the one machine, the connection automatically terminates. This means we no longer need to interrupt the player experience and force them to walk across the room to buy chips, exchange currency for tickets, place a \$20 wager on their favorite sport franchise, cash-out, or report and record winnings to tax authorities.

The concept is simple. We bring all this functionality that provides a radically enhanced consumer convenience, right to the input-output device, right to the slot-machine. That is the genesis of FUZION. JCM's incredible team of young, creative, and enthusiastic inventors converted an idea into this fabulous solution in record time.

We need to keep in mind that the solution requires a collaborative effort. FUZION is a peripheral component that integrates with the back-end casino management system to transform the slot-machine into a multi-purpose input-output consumer services device. So it needs the cooperation and collaborative effort of IGT, Bally, Aristocrat, Konami, and all the manufacturers of slot-machines.

Augmenting the installed base of slot-machines to deliver a



greatly enhanced player experience truly is a game-changer. Thankfully, our partners in the manufacturing community and on the casino and operator sides of the business are embracing our vision for turning the slot-machine into a multi-purpose gaming and consumer services kiosk. Additionally, early dialog with regulators and lottery officials appear to share the same level of enthusiasm. They are to extend distribution of their current product to a strategically targeted audience, like slot players. ■

