

bringing back the fun!

REDS VERSUS GREENS

Common wisdom has always perceived a clear distinction between lottery players and casino players. Different player profiles, different buying motivations, etc. Lottery players buy the "hope and dream'. Casino players play to win money. Casino players "gamble" while Lottery Players play for fun. Different markets, different approaches to marketing, distribution, and game development. This has been a very convenient dichotomy, one that we are all quite comfortable with, but one that has now been obsoleted by the massive cultural embrace of online games.

The games that have captured the attention of millions of consumers – young and old and not just the "next gen' gamer" – do not involve lottery jackpots, 'hopes and dreams,' or winning money. They involve fun and play and social interaction. Think Zynga, World of Warcraft, Angry Birds, and the countless mobile and internet applications being developed every day. They're all about the playing experience with little prospect of winning anything tangible in the form of money or jackpots that will change anyone's life. Modeling and classifying the player profile continues to be an important exercise in helping to guide our approach to marketing, distribution, and game development. The dichotomy, though, is no longer between lottery player and casino player. The dichotomy now is, wait for it ... between the REDS and the GREENS.

REDS want to win something, be it money or the 'hope and dream' of a jackpot. The focus is on the outcome more than the playing experience. GREENS want to enjoy an entertaining playing experience. The focus is on the fun of playing the game, with little focus on the outcome. Lottery operators have a tremendous opportunity to capture this GREEN market, to integrate into their games the entertaining extended-play experience that the world of gamers has migrated towards. Fortunately, we do not need to ignore the buyer motivations of the REDS in order to market to the GREENS. It isn't the case that the REDS are rejecting games that includes an entertaining extended-play gaming experience. It's just the case that GREENS are rejecting the focus on outcome and are demanding a more entertaining game-playing experience. Lottery operators can continue to market the 'hope and dream'. But there is a huge opportunity to capture the explosion of GREENS into the marketplace by adding a more compelling component of fun, play, and entertainment to the games.

The popularity of non-money games has taken the world by storm. Imagine, though, the appeal of a game that would add the stimulus of an interesting outcome to the enjoyment of an extended-play gaming experience? That would be a uniquely appealing set of product attributes that Lottery can deliver like nobody else can. Lottery games have always had and will always have the vital value of selling the "hope and dream". Our value proposition to lottery operators is simple: Add a big dose of extended-play entertainment value to the value of winning a prize, and capture the GREENS.

A recent survey of over 2,000 online players resulted in 71% claiming that they prefer frequent smaller wins and instant feedback over waiting for the outcome that might include a big prize. Industry veterans will point out that players say they want a higher frequency of smaller wins, but they vote with their wallets and big jackpots continue to drive sales. Maybe that's because the options have always been games that do not provide an extended-play entertainment experience. The player choice has always been: game with minimal entertainment value and low jackpot versus game with minimal entertainment value and high jackpot. Obviously, they'll wait to play the high-jackpot game. But the explosive popularity of non-money games clearly indicates that the consumer wants a third option; one that includes games with high entertainment value. Our simple proposition is that games that combine high-entertainment value along with the opportunity to win frequent and small prizes will be far more appealing to the consumer than either non-money games or outcome-focused games.

What do the GREENS want?

Simple and easy applications: GREENS are used to game designs that are intuitive, easy to learn, and deliver quick feedback. Minimize entry barriers and optimize the play experience immediately.

Online guidance and support: GREENS are good at following online instructions so give it to them. The registration, first time deposit process, and initial play experience conveys the first and lasting impression, so make it fun and easy.

Deliver high player-engagement and long-term entertainment: Bonus rounds, Colorful 3-D Graphic animation, and frequent wins.

Fresh and new content: GREENS want fresh and new content. They want a variety of games to choose from. They want stimulating changes added to the games, extending the play experience further. You know how you keep jumping onto your favorite news website to see if something new has been added in the last half-hour? That is the kind of player engagement we want to create for the new online gamer. That's what the GREENS live for!

For the last 5 years NeoGames has optimized and expanded itsgame offering to meet the taste of the soft gaming players who are the target audience for lotteries. Both the soft gaming players and the GREENS seek the same, games with high entertainment value and small wins while keeping the 'thrill' and maintaining the "hope and dream" state of mind. NeoGames is the leading provider of such games on the internet today, running on its cutting edge NeoSphere Platform. In addition, NeoGames is known for its Operational and Consulting Services enabling its customers to benefit from the vast experience the company has in soft gaming.

In Conclusion

We all want to be GREENS and we all want to win over as many GREENS as possible. Everyone enjoys a more entertaining playing experience. And it's now easier than ever to deliver just that to your lottery-playing customer. Simply call NeoGames! •

About Neo Games

NeoGames is a leading software and service provider that pioneered the global internet scratch cards and instant win market, offering the most extensive portfolio of interactive instant win games. Since launching in 2005, NeoGames' has delivered the most comprehensive soft gaming solutions which include the largest success-proven games portfolio combined with a robust backend platform and operational services.

For further information, please contact sales@neogames.com or visit www.neogames.com