# Changing the Game in 2016 and Beyond

*As another NASPL conference approaches, and we look to the end of a historic year, PGRI spoke to Marco Tasso, Senior Vice President of Product Marketing, and Paul Riley, Vice President of Innovation, at IGT about the major milestones of 2016 and the future of the lottery industry.*



Marco Tasso, Senior Vice President of Product Marketing

*Last year at NASPL, IGT unveiled Aurora, your new business platform. What has been its reception in the industry? What progress have you made in its development and rollout?*

**P. Riley:** The reception to Aurora™ has been overwhelmingly positive, due in no small part to two major items. The first is our laser focus on end-user usability. Our completely revamped User Interface (Aurora™ Navigator) that sits on top of our feature-rich back-office suite of applications, makes the jobs of lottery personnel much more efficient and effective. The expanded access to business intelligence in a graphic, visualized approach also makes folks' jobs easier. The second is our Service Oriented Architecture. Lotteries are increasingly interested in a solution that supports omni-channel engagement with players, and the ability for lotteries to easily mix and match components from various vendors – and with Aurora, we can deliver on those key needs. We are in the process of rolling our initial Aurora deployments out in the U.S. and have been having discussions with our global customer base about Aurora.

*What is IGT doing to remain in the forefront of lottery services and technology?*

**M. Tasso:** Knowledge of the player and retailer is at the heart of how we approach innovation at IGT. We will continue to invest in research and development to ensure that our lottery partners receive the most cutting-edge systems and terminals as well as the most relevant game concepts. By combining our investment in innovation with our player intelligence and our operational expertise, we help our lottery partners achieve sustainable and responsible growth.

*How does IGT stay in touch with the needs of players?*

**M. Tasso:** Our Player Insights Team constantly collaborates with our customers to conduct studies to understand the wants, needs, and expectations of retailers and players around the world. In the last 12 months, we've conducted more than 260 studies in the Americas and 62 internationally. That's more than 224,000 people that IGT has talked with in the last year. We are also continuing our World Player Study, which captures the attitudes and opinions of lottery players in 10 countries. It's this comprehensive data set that feeds the actionable insights that drives growth for our customers.

*How has that affected the development of new games?*

**M. Tasso:** As game portfolios and the playerbase continue to age, lotteries need to have a partner that is vested in the ongoing development of game concepts. IGT has created FutureGame, an eight-step game development and testing framework to satisfy our customers' need for a constant stream of new games. To thoroughly leverage player needs and emotions, the FutureGame

process begins with a series of insights and trend diagnostics and ends with a complex methodology of consumer and retailer research. In addition, and to ensure we are constantly on the forefront of interactive games, we have pooled the resources of 120 software engineers, artists, and game designers from around the world to create the IGT Game Studio. By combining the staff's unique approach to art and science along with the cultural nuances of our five worldwide studio locations, we release at least seven new game concepts per quarter.

*As much as the U.S. lottery industry talks about the importance of interactive and omni-channel approaches, progress appears to be slow due to legislation and other concerns. What advancement has been made in the last year?*

**P. Riley:** Slow and steady are perhaps the operative words for the U.S. with respect to interactive wagering. Illinois, Michigan, and Georgia are still leading the industry with their respective deployments and are being joined by Kentucky and Virginia. We have seen continued growth in the number of mobile apps that IGT is providing as well as the functionality that is deployed. We currently support seven lottery apps on both iOS and Android, all of which have a suite of player convenience features, and some that also allow wagering where permissible. These apps also support omni-channel interaction, such as scanning for a winning ticket and then directing the consumer to the nearest retailer for redemption, or creating digital playslips that are more user friendly as well as fast and easy for retailers to use.

*What developments are you most excited about?*

**P. Riley:** We are very excited about the potential to leverage interactive platforms

Paul Riley, Vice President of Innovation

and games to deliver a compelling player experience while still complying with internet wagering constraints. Our PlaySpot on-premise solution, which we hope to deploy later this year, will allow players to use their mobile phones to play lottery games on their own terms, without having to access the internet. We are also actively engaged in a pilot for proximity marketing that uses an existing lottery app and beacons placed at lottery retailers to deliver targeted messaging and offers (lottery and retail partners) to consumers, and we look forward to sharing some of what we have learned there once we have been operational long enough to gather some meaningful data.

## What were the biggest milestones and developments of the past year?

**M. Tasso:** One of the best examples of our player-first thinking this year is the Gemini Touch. We turned our understanding of the shoppers' need for convenience, simplicity, and interactivity into an immersive self-service vending experience featuring a high-definition, 42-inch touch monitor. Both players and non-players are attracted to the dynamic graphics and large touch screen that displays up to 28 instant games and a full complement of draw-based games. Plus, the device is easier for our retailers to use. The Dynamic Planogram functionality can modify the display in real-time to react to fluctuations in demand, inventory, or market conditions.

**P. Riley:** Powerball was of course huge in so many ways. Operationally, the team and the systems delivered. More than 234,000 rolls of paper were used; that's enough to go around the world 1.5 times. More than 15.5 million playslips were produced, and our 185,000 terminals functioned at 99.9% uptime. From an awareness perspective, the media hype surrounding the record jackpot was priceless. The key question is how do we parlay that interest into engaging new players on a repeat basis. Monumental events like this provide opportunities to engage more consumers and expand the player base, particularly with something like the mobile apps which we just discussed. The jackpot was also a great value to retailers. Retailers had to acknowledge the history-making lift in traffic and ancillary sales that the jackpot drove.

## What trends are you seeing in the world of gaming and lottery?

**P. Riley:** There's a lot of interest in cashless, which is good because so many of our consumers are embracing cashless, BUT it is not a trivial topic due to regulatory considerations, technology aspects, and last, but not least, economic implications. We are doing a pilot in conjunction with our customer, the Georgia Lottery Corporation, and are collecting data on usage and transactions to support better insights into the benefits and challenges concerning this topic.

## How do you stay current on what players and retailers respond to?

**M. Tasso:** Our Lottery Management Services group continues to be the incubator for profit-driving strategies and tactics. Lottomatica remains the standard for lottery growth around the world with more than $16 billion in annual sales. The IGT Indiana and Hoosier Lottery teams also provide a great example of the synergies that develop when you have a solid portfolio of games working along-side business intelligence tools such as Aurora™ OnePlace to track progress. We've increased average facings from 24 to 30, placed more than 5,800 on-counter towers, and installed more than 1,100 Aurora MultiMedia and mini-jackpot signs. The Hoosier Lottery achieved record growth while maintaining a

commitment to corporate social responsibility and achieving WLA Level 4 Certification.

## What are you most excited about for the year ahead?

**M. Tasso:** Our business intelligence tools, which are already the best in the industry, keep getting stronger. Our BI tools create actionable insights that empower quicker, more effective decision-making. For example, the Retail Marketing Insight (RMI) platform is now capturing data from 21 U.S. lotteries to provide visual comparisons across retail chains and jurisdictions. Aurora™ Performance Intel is using state-of-the-art analytics to turn mountains of data into real-time strategies and tactics. Plus, with the acquisition of Hudson Alley, we have paired OnePlace with Aurora™ Retailer Wizard to provide Lottery Representatives and their retailers with the real-time data they need to efficiently manage and successfully grow their businesses. All of these tools work together to empower lotteries with a consistent and insightful view of their businesses.

**P. Riley:** NASPL has signed a declaration to move forward with establishing a lottery standard API (Application Program Interface) that could provide significant benefit to the industry in cost effectively increasing lottery into under-penetrated or non-penetrated retailers. The initiative is about setting up a standard way for retailers to communicate with lottery transaction processing vendors in a uniform manner that more aligns with the way in which they sell many of their other goods. If we penetrate more retailers and tradestyles and very importantly – offer our products in the multi-lane environments – we have a chance to engage far more consumers and increase awareness of the lottery brand and the good causes lotteries support.

*To learn more about IGT's plans for 2017 and beyond, visit their booth at NASPL 2016 in Atlanta.*