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HOW RESPONSIBLE GAMING ANALYTICS CAN GROW SALES

A key development in the US gaming market is the current roll out of lottery iGaming sites. These new channels present lotteries with both the opportunity of expanding the player base and generating new revenue streams and the challenge of showing commissioners and consumers that direct selling will not put players at risk of irresponsible play. This is of particular importance where lotteries are looking to expand into new interactive game styles that have a high appeal and relevance to younger demographic groups.

The easiest way for iGaming Lotteries to implement a Responsible Gaming framework is to apply the play-limits and self-exclusion features that are integral to most iGaming back-office platforms. However, there are new tools available that can provide more intelligent Responsible Gaming options that both protect and optimize revenue potential.

Investing in further data-driven technology may be seen as an unnecessary extra cost but it will provide the US Lottery sector with growth opportunities within an increasingly complex and congested gaming market.

Arbitrary Limits Can Restrict Growth

While prescribed spending limits are an effective means of limiting play, the use of a 'one size fits all' policy does little to help players to proactively manage

and modify their behavior. Player threshold rates vary from one player to another. The mechanisms that limit play to protect players should likewise reflect those differences.

Although spending limits are implemented to protect players who may be at risk, the limits applied are often arbitrary policy decisions that are set by reference to other lottery policies and regulatory negotiation. They are often very conservative because constraining the play-rates of players is the only indicator that they are having
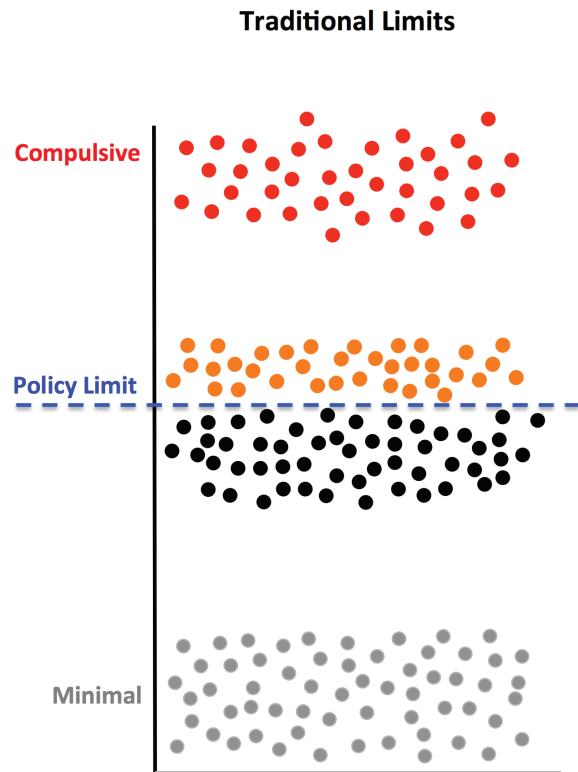
Traditional Limits

Figure 1: Traditional Limits Can Restrict Growth

an impact. **Figure 1** represents a typical scenario:

Each dot represents a player's "desired play level."

While players who show compulsive tendencies (Red) are prevented by the limit from excessive play, many players who wish to spend just slightly higher than the limit (Orange) are prevented from spending amounts that could be quite safe and responsible.

The key issue is that the Lottery does not have any data to support the assertion that these players could be allowed to spend more.

In addition, the lottery could be wasting marketing budget promoting sales to players who are constrained by this limit from making additional purchases.

Personalized Feedback Can Align Responsible Gaming and Sales Growth

iGaming allows for much easier and comprehensive collection of individual player data that can be fed back to players themselves to motivate them to modify their behavior should they exhibit signs of risk.

Responsible Gaming analytic data can be used to evidence "Normal" play levels.

In **Figure 2**, an Evidenced Limit avoids constraining perfectly responsible players (Orange) who were previously limited by an arbitrary subjective policy.

Providing personalized feedback to players about their gaming activities is a powerful motivator to help them manage and modify their behaviors. And this alone will result in a number of at risk players moderating their desired spending level below the evidenced limits (Green).

However this self-modification of behavior can be further reinforced if the lottery uses this collected player data to "personalize" the game content and optimize the marketing and promotion of games to generate "Normal" play levels.

For players who are identified to be at risk, certain games can be withheld; messaging can focus on responsible gaming data and feedback. For players whose expenditure is minimal (Blue), promotions and cross-sales messages can be provided to stimulate sales—knowing that the RG platform will monitor each individual player's activity to ensure that this marketing effort will be managed to ensure they are not placed at risk.

This data analytics approach aligns responsible gaming and sales growth.

- Objectively sets gaming limits to avoid unnecessarily constraining responsible players who want to enjoy the games that are offered in order to protect players who are at risk.

- Offers consumers a more personalized gaming experience to

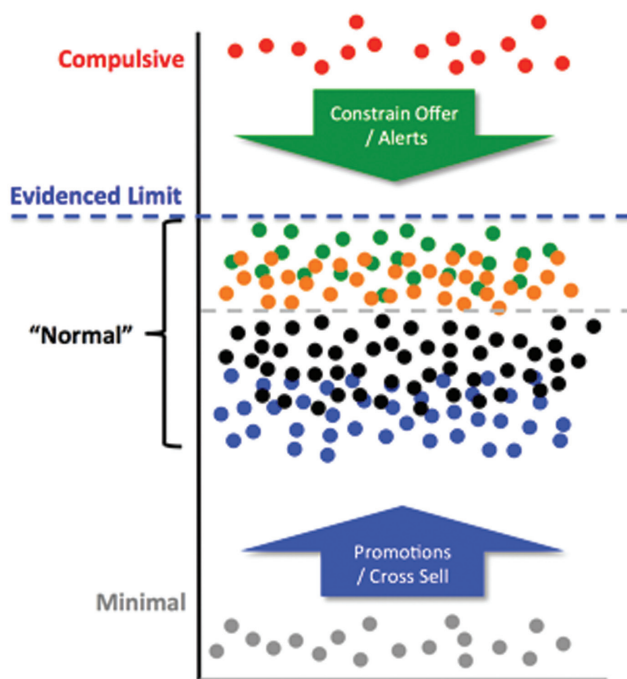**Feedback Analytics & Tailored Messaging**

Figure 2: Data Analytics Optimizes And Aligns Sales

optimize lottery marketing budgets to responsibly increase overall sales.

- Provides an evidence-base that lottery marketing and promotion budgets are not causing problem gambling; meets increasing regulatory expectations for proactive player protection and also provides comfort that lotteries can be trusted to responsibly offer an extended portfolio of games.

Evidencing an objective play-rate limit is the quickest win because an analysis of current player data can be carried out off-site, using anonymized data that protects player privacy. ∎

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Organizations such as OLG, who were recently awarded the best RG program by the WLA, are using BetBuddy's solution to personalize the RG player experience and strengthen their brand value.

— Simo Dragicevic, CEO BetBuddy

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