

CONVERTING MOMENTUM AND EXECUTION INTO RESULTS

FEATURING

- Interview with **Romana Dernovšek**, President and CEO of Loterija Slovenije d.d.
- Back to the Future!
Summarizing the Highlights of the WLA/EL Marketing Webinar
- The Community of Lotteries standing for Solidarity, Resistance and Support for Ukraine
- Celebrating Two Decades of the Biggest Lottery Marketing Trends
- How Data and the “Digital Mentality” are Re-Shaping Lottery’s Future

Add Some

Magic

TO YOUR

❧ Holiday Game Strategy ❧

Holiday instant games can be as beautiful as a postcard, but it's not just about appearance. Every price point, playstyle, color and product enhancement in a holiday portfolio is strategically planned by lottery product managers. Market analytics come into play to make sure it's just the right balance of games with that special magic to deliver sales performance.

"There's an opportunity to strategically enhance every holiday game with a touch of magic," says Danielle Hodges, Director of Global Product Innovation & Development, for Scientific Games, who has been working with instant games for 10 years. "The goal is to create just the right mix of games that pop at retail, appealing to core players as well as occasional and infrequent players—and gift-givers who are looking for that extra special something in the games they choose."



Danielle Hodges

Players are more open to purchasing higher price point games during the holiday season. In a recent *ONE Segmentation Study*, 45% were open to purchasing \$10 games throughout the holidays. Prize structure is also a crucial component for holiday games. With higher price points, players expect premium products.

Scientific Games' analysts study performance trends from game launch through the entire lifecycle and prepare customized marketing plans as part of each customer's strategic account management. Lottery product managers can also access games and data through the *Game Gallery* customer portal.

Behind the scenes at Scientific Games, creative teams collaborate with market analysts to make sure lotteries have the best holiday games for their portfolios with new playstyles, and shimmering, glimmering specialty finishes. Engineers, chemists and production specialists are testing new inks and papers. Ultimately, product marketing experts select the best of the best games for the company's annual holiday games catalog.

"During the holidays, lotteries really want their games to deliver a memorable experience," Hodges explains. "Delivering that experience brings the player back to the retailer to engage further, and creates loyalty with the lottery's brand."

"With millions of products competing for attention during the holidays, standing out at retail becomes more challenging every year," says Hodges. "For this reason, strategic enhancements have never been more popular."

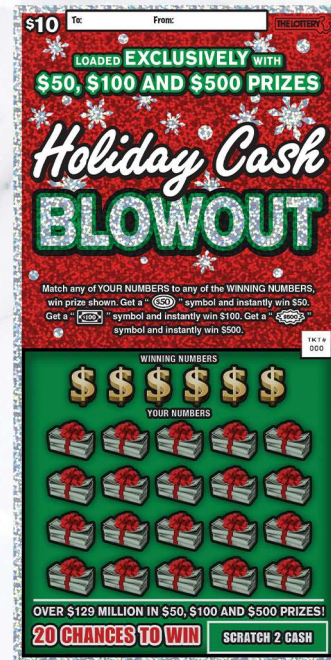
In 2021, the company's holiday games represented more than 73% of holiday game retail sales in the U.S. Scientific Games produced 115 different holiday games for U.S. lotteries – about 7,500 miles of product on giant rolls of paper stock sourced from sustainable forests and printed with water-based inks.

Here are some of the newest games and top performers from the 2021 holiday season, all with strategic enhancements to create a special experience.

MASSACHUSETTS LOTTERY

Holographic Blowout Game

Talk about a blowout. With snowflakes shimmering on a silver holographic stock and red ribboned bundles of cash, the Massachusetts Lottery's \$10 *Holiday Cash Blowout* was the number one performing 2021 holiday game in the U.S. (based on weekly per capita sales). Proving the popularity of the blowout game concept, the three-tiered prize level game was loaded exclusively with \$50, \$100 and \$500 cash prizes and 20 chances to win. The game indexed at 155 (performing 55% better than an average \$10 game in Massachusetts) and generated \$171 million in retail sales.



GEORGIA LOTTERY

Sparkle + Scratch My Back Family Duo

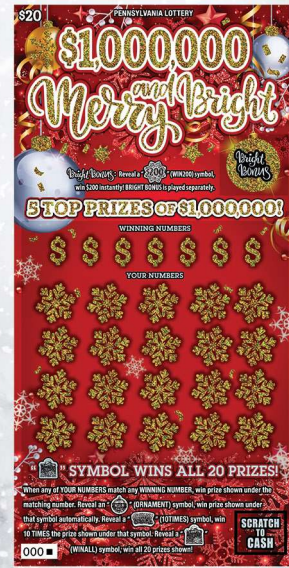
Product managers at the Georgia Lottery added an extra enhancement to a duo of holiday games that already offered something extra. \$10 *Holiday Silver 50x the Money* and \$20 *Holiday Gold 100x the Money* were both *Scratch My Back* games with play opportunities on the front and the back. The top prizes were enough to get players' attention during the holiday season, but bonus play on the back made them even more appealing. With the added *Sparkle* enhancement, the \$10 game glimmered in silver and the \$20 in gold. Indexing at 150, the \$10 game sold out just after the holidays, and the \$20 game sold out of orderable inventory in just eight weeks. The duo combined to become the best-selling higher price point holiday games in the Lottery's history.



PENNSYLVANIA LOTTERY

Sparkle Select

The Pennsylvania Lottery has a history of innovation with *HD Games* featuring high definition play and prize symbols, and this year enhanced the \$1,000,000 *Merry and Bright* game with *Sparkle Select*. The Lottery combined *HD Games* holiday light symbols with *Sparkle Select*, choosing a gold with a twinkle pattern (one of the 2021 holiday season's most popular). The result was a bright, warm, reflective \$20 game that perfectly captured *Merry and Bright*—and that premium holiday appeal. The game performed nearly 40% higher than all of the Lottery's \$20 games launched over the past five years, generating more than \$90 million in the first 12 weeks (compared to an average of \$65 million for other \$20 games over that same period).



NORTH CAROLINA EDUCATION LOTTERY

Gigantix Die Cut and Sparkle

The North Carolina Education Lottery wanted a premium holiday gift giving option in its 2021 holiday lineup, and this oversized wreath design was the perfect product to complete its portfolio. Produced as a die-cut *Gigantix* game to resemble a holiday wreath, *Winter Winnings* shone at retail with the shimmer added by the *Sparkle* option. The game was an instant player favorite, becoming the Lottery's most successful \$20 holiday scratch-off to date.

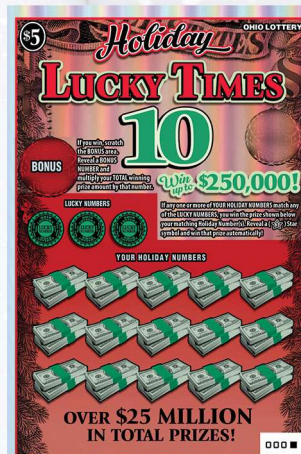


OHIO LOTTERY AND MASSACHUSETTS LOTTERY

Holographic

Scientific Games' *ONE Segmentation Study* indicated that 66% of players nationally are open to purchasing \$5 games, positioning the price point as an important one for holiday game portfolios. Both the Ohio Lottery and Massachusetts Lottery used holographic stock to add some magic to their \$5 holiday games, and the results paid off. The 2021 version of the *Holiday Lucky Times 10* Scratch-Off game, which has been a core holiday game for more than 20 years, was the highest selling \$5 holiday ticket in the Ohio Lottery's history.

The Massachusetts Lottery also offered a second chance promotion to support its holiday lineup. The promotion generated over 3.6 million entries, the highest level of participation of any previous holiday promotion offered to date.



Holiday *Magic* Fun Facts

#1

The highest performing 2021 holiday game in the U.S. was produced by Scientific Games
(based on weekly per capita sales).

80%

16 of the top 20 highest grossing 2021 holiday games provided by Scientific Games
(based on weekly per capita gross gaming revenue).

76%

The percentage of 2021 holiday game retail sales in U.S. generated by Scientific Games products.

44%

Higher performance by Scientific Games 2021 holiday games than holiday games from other providers.



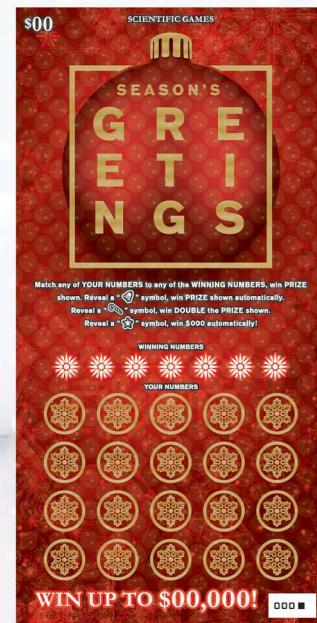
Visit  **GAME GALLERY™**

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INTRODUCING DIMENSION



Coming soon in 2022 is the new *Dimension* strategic enhancement – a Scientific Games exclusive and just the right touch of magic for holiday games – and higher price point games year round. Featuring an array of color under a clear, glossy layer, the *Dimension* pattern appears both above and beneath the artwork, adding a depth and premium look to any game.





Reimagine
Next

Big Things Happen When Small Things Work Together

Strategic Product Enhancements

Some lotteries use their revenues to support a variety of important efforts such as infrastructure, education, and healthcare, ultimately creating a better state for everyone. Scientific Games' Strategic Product Enhancements work the same way. From Sparkle® to Scratch My Back®, from HD Games™ to holographic paper, our Strategic Product Enhancements are designed to grow sales, improve efficiencies, and deliver maximum profits to the good causes our lottery partners support.



Reimagine Next

SG INSTANTS

The Games Might Be Instant
But Their Impact Can Last a Lifetime

Last year in North America alone, players won more than **\$43 billion** in instant game prizes.

Even better, instant games generated more than **\$17 billion** for good causes.

Let's keep changing lives. Together.

Reimagine
Next



Reimagine Next

Estimated based on Calendar Year 2021 instant game sales for North America.
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THE TIME IS NOW

There are **50 Million** reasons your players will love the new Linked Game!



Contact your Scientific Games representative today for more details.