

WLA MAGAZINE

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The balancing act of sustainable growth

An interview with lottery marketing strategist Chris Allen

Despite the rollercoaster year of shut-downs, slowdowns, and surges, 15-year lottery veteran Chris Allen is embracing the ride and all of its twists and turns. “While this was definitely one for the history books, each year that goes by, I continue to be impressed with how resilient the industry is to the changing operating environment by always putting the players first,” says Allen, VP of Lottery Marketing & Strategy for Scientific Games in Europe.

With a degree from the University of Leeds in the UK and a sharp, analytical mindset, Allen began working for the company as a marketing analyst evaluating global instant game performance. He now heads up growth strategy development working with major lotteries across the world. Allen recently spoke at the European Lotteries/ World Lottery Association Marketing Seminar about what the company is doing to help lotteries grow safely and sustainably. “It is hard to imagine a business strategy conversation or a product innovation brainstorm that doesn’t include the topics of sustainability and social responsibility,” he shares. “This focus is with good reason.” In a recent survey in the UK and US, when asked about the choices

they make when deciding to buy a product, consumers overwhelmingly indicated that companies should:

- reduce their carbon footprint and become carbon neutral
- source ingredients and components responsibly
- manufacture in an environmentally friendly manner

“An accelerating viewpoint is that more and more, the products consumers choose to buy are influenced by a brand’s record in sustainability,” says Allen. “The global trend is across all demographics as consumers consider the long-term impact of human existence on the planet for future generations.”

People, Planet, Profit

Yet it’s not a new trend. More than 25 years ago, John Elkington, British author and authority on corporate responsibility and sustainability, coined the phrase “people, planet, and profit”. Now, it’s better known as the “triple bottom line”. Elkington’s observations highlighted the need for sustainability to be at the heart of a company’s business strategy to ultimately achieve success—a fact that the Economist stated would be the difference between those who succeed and those that didn’t. Over

recent decades, much has been done to reduce harms to the planet caused by humans, but a great deal more remains to be done. Later this year, the United Nations Conference of Parties (COP26) will take place in Glasgow, bringing leaders from all around the world together to accelerate action towards the goals of the Net Zero by 2030 initiative. “It is not just about governments agreeing globally to impact change, COP26 will demonstrate the urgency and opportunities towards a zero-carbon economy and the power of international cooperation to address the gravest challenges our planet faces,” explains Allen. “It is really about all of us and brands taking action,” says Allen.

An excellent example is Adidas, one of the largest sportswear manufacturers in the world. With its fight against plastic waste, Adidas saw an opportunity to tackle the issue with an innovation focus to create products that could support the initiative. In 2020, they set a goal to sell 20 million shoes created from recycled plastic components. With its Sky Ocean Rescue project and #PassOnPlastic campaign, British media and telecom brand Sky News International is focused on ocean clean up initiatives across the world, and more importantly the removal of all single-use plastics across its entire supply chain: cables; cups; tv controllers; technology, etc. The auto industry is beginning to move to electric, with ambitious companies like Volvo not only looking to remove all fossil

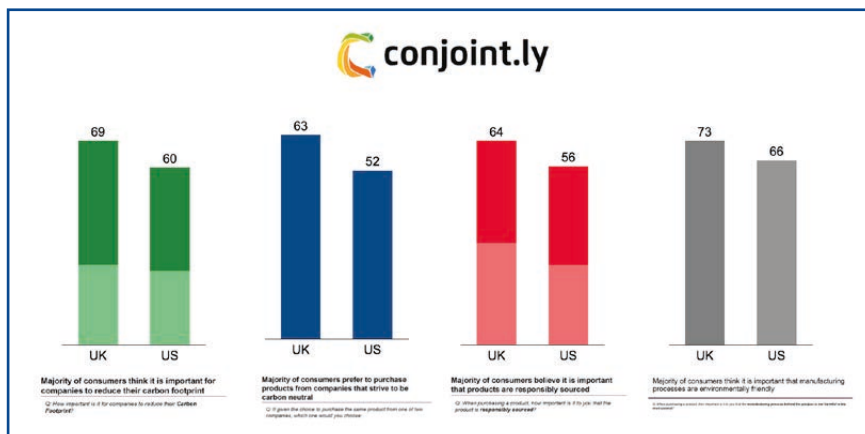
fuels but continuously driving to make transport safer and more productive.

Even companies that rely on carbon fuel are changing the way they do business to ensure neutrality and a positive impact from their actions. For example, Formula One international auto racing has a Sustainability Strategy for 2030 focused on race cars and production, and on how spectators and fans interact with the brand at events. They're also using Formula One's recognizable brand to lead changes that help create more diversity and inclusion. "It's no different in the international lottery industry. Lotteries are some of the most recognizable consumer brands on the planet," Allen points out. "It is beholden on all of us to continue on the journey to a more sustainable and socially responsible

education that improves lottery literacy, reducing harms." explains Allen.

Scientific Games has always recognized the need to do more and has organized its *SG Cares*[™], *SG Green*[™] and *SG Grows*[™]—focused respectively upon people, planet and prosperity—within its *Healthy Play* sustainability initiatives.

"With *SG Cares*, people are at the heart of our business whether they are employees, business partners, suppliers, or stakeholders. *SG Green* begins and ends with the planet because the only earthly footprint we endeavour to leave is joy from healthy play. And with *SG Grows*, we believe success is a shared value through our customers' prosperity. Gaming for good means all stakeholders win with sustained growth,"



way of operating our industry. As a leading supplier to the global industry, Scientific Games' mission goes beyond driving maximum funding for good causes to enrich lives through positive play."

Healthy Play

The company, one of the first to achieve certification by the World Lottery Association (WLA) as a responsible gaming supplier, is delivering on its promise with an approach to people, planet and prosperity with its new *Healthy Play* sustainability strategy. Developed after extensive industry research and market analysis, *Healthy Play* includes expanded engagement and integration of the WLA's responsible gaming principles throughout the Scientific Games Lottery group, as well as nurturing the development of innovative *Healthy Play* products, technologies and services. "*Healthy Play* is built on fundamental responsible gaming principles underpinned by a simple goal: 'Have Fun. Do Good. Play Healthy.' to promote the healthy enjoyment of lottery games and

he adds. *SG Cares* is how Scientific Games supports and grows its teams around the world, creating a diverse, equitable and inclusive workplace of employees that work together to achieve common goals. "Our employees are our greatest asset, and this has never been more important than over the past year with the pandemic. Keeping employees safe and motivated, as well as looking after their mental well-being is a priority," says Allen. The company also believes in giving back to the communities where it does business around the world, through charitable contributions, leadership and volunteer efforts with organizations that help create better places to work and live.

For *SG Green*, the goal is to build environmental sustainability into each business process and function. "By making sustainability an integral part of our business operations, we better protect our planet while creating value for our stakeholders," shares Allen. All of the inks and coatings used in the company's instant game manufacturing process are water-based and environmentally friendly. Tickets are produced with recyclable paper stock



sourced through managed forest resources overseen by the Sustainable Forestry Initiative and Forest Stewardship Council. Any unused paper goes to mills that specialize in recycling, unused inks become fuel for other industries, and unused plastics are made into new furniture. "We have created a successful Zero Waste Direct to Landfill operation in the UK and we look to expedite this program across all our sites worldwide," Allen says. Scientific Games manufacturing facilities in the US, Canada and UK have received ISO 14001 certification, an environmental management system established by the International Organization of Standards for reducing a company's impact on the environment, especially air and water pollution, waste to landfill and energy use. "We believe not only in following standards but in setting the standards," says Allen. "*SG Grows* is based upon creating maximum returns to the causes our industry is founded upon. We understand that responsible growth comes from a closer relationship with players with deeper insights into who they are and how they play."

Reducing risk, maximizing returns

Scientific Games continues to innovate data-driven approaches to create more diverse product portfolios that reaches a wider audience and considers the uniqueness of each lottery's player segments while identifying the similarities. Its games portfolio optimization approach assesses the current game mix in the market and identifies the ways to make it more responsible with new game launches to reach new players. Additionally, the company's innovation in digital player engagement offers more fun and exciting content through a platform that encourages responsible play. "Responsible growth is a balancing act—reducing risk while maximizing returns to good causes," says Allen.

"Every day we are striving to help lotteries achieve your goals – all underpinned by our commitment to help deliver growth in a safe and sustainable way."



TM

HEALTHY PLAY™

HAVE FUN. DO GOOD. PLAY HEALTHY.

Scientific Games is dedicated to creating products and services that can be enjoyed responsibly by players around the world. We have developed a number of tools and resources to help our lottery partners promote **Healthy Play™** in the communities they serve.



We encourage healthy play of all game entertainment across our portfolio.

