

THE ILOTTERY GAME EVOLUTION

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Scientific Games vice president of digital games Steve Hickson shares his thoughts on digital lottery content delivery and how SG Studios creates content that keeps players eager for more.

Digital lottery is evolving at the speed of light, and nowhere is this truer than at [Scientific Games](#). The company's SG Studios, one of the most creative digital game production teams in the world, is led by Steve Hickson, VP of digital games and a digital game industry veteran with more than two decades of experience.

Hickson and SG Studios have been providing content to government-regulated lotteries worldwide, including The National Lottery in the UK, for more than 20 years.

Hickson shared his thoughts on the dynamic global market for digital lottery games and gave us a peek into how SG Studios creates content that keeps players eager for more.

How would you describe the current state of iLottery in Europe? What about the US?

Hickson: iLottery in Europe is incredibly diverse. Some lotteries have been delivering digital game content for 20 years and others are just starting their journey. In more established digital lottery programs, players expect more complex game content and a more interactive experience, but in newer markets, lotteries must build trust with their players before moving into more sophisticated mechanics. Of course, there's also a huge amount of diversity in terms of cultural and regulatory considerations across Europe, which affects how players interact with iLottery games.

The US is a bit different in that the jurisdictions have varying regulations, but there's a shared language, so players may interact with digital content in similar ways. As iLottery is less common in the American market, it's a huge growth area with lots of revenue potential for state lotteries.

On a global scale, we're consistently seeing improvement in the quality of game art and animation to meet audience demand. Exceptional quality is key if lotteries hope to compete with other forms of digital entertainment for players' time and money.

What are some of the biggest trends in iLottery games right now?

Hickson: From a gameplay point of view, progressive jackpots have become a staple in digital lottery programs for US lotteries, and they're likely to become more popular internationally soon. We're also seeing the emergence of multi-state progressive jackpots, which give lotteries the opportunity for exponential revenue growth.

There's a drive toward omnichannel play, where digital games support and enhance physical lottery game sales. Our team builds game content that complements and extends the retail gaming experience so that players can move between these two environments easily.

What's your team's approach to creating iLottery games?

Hickson: Our studio mantra is to deliver high-quality, exciting play experiences where the player feels like they've received value for money, whether they win or lose. In other words, they get a Euro or a Dollar's worth of entertainment for a Euro or a Dollar spent. We call that our value exchange.

Beyond that core principle, we know that our customers all have different needs, expectations, regulatory frameworks and cultural attitudes toward iLottery games. Understanding the differences in player motivations is critical to game content moving forward. This is why Scientific Games has invested in a lottery specific digital segmentation so that our game content can be delivered to the individual market needs and maximize the returns to good causes potential of each game.

We try to balance these two forces while creating economies of scale by building games that can be easily adapted for multiple markets. That way, we can maintain the highest quality production values and tailor our games to fit the preferred play styles and demands of our customers.



Is there an SG Studios iLottery game that you're particularly proud of?

Hickson: At the end of 2023, we released a *MONOPOLY* game called *MONOPOLY PROPERTY PAYOUT*. It incorporates an isometric layout that emulates a 3D game board, and players can choose their pieces, just like they would in the traditional *MONOPOLY* board game. It immerses them in familiarity and follows them through the board as they roll virtual die and collect prizes and bonuses. This is a great

example of a game that offers engaging content and stays true to an iconic brand, and players absolutely love it.

What makes SG Studios' game mechanics different from competitors?

Hickson: We spend a lot of time generating unique play styles that players have not seen before and adding unique twists to familiar play styles. Recently, we've seen great success with a game called *3asy Money*, which is based on a simple, familiar match-three game mechanic. Our version adds complexity – we allow players to win different prizes for matching different attributes, like color or shape. For example, if a player matches three yellow items, they win one prize, but if they match three yellow diamonds, they can triple it.

We also experiment by turning certain game mechanics on their heads. For example, connect-style game mechanics are really popular, particularly in the US. In these games, players connect like items, which are then removed from the play area and replaced with new assets. However, for our game *Maximum Cash*, we reversed the game mechanic by leaving the matching assets in place and removing everything else from the play area. Then, we introduce a new set of assets, allowing the player to increase their winnings by making even more matches. It adds a new level of excitement to the game.

Scientific Games' SG Content Hub Partner Program is changing the way lotteries access digital content. Can you tell us more about it?

Hickson: The *SG Content Hub Partner Program* is a game aggregator completely focused on iLottery content, which makes it unique in the industry. Through the *SG Content Hub*, we make it easy for our lottery customers to access some of the best game studio content in the world for their players. We've already done the work of hand-

picking the best-in-class game studios, handling the contract arrangements and integrating the studios' iLottery content into the *SG Content Hub*. This means that lotteries only have to carry out one integration to access games from multiple studios.

From a game studio perspective, it's a phenomenal way for a studio to gain exposure and access to potential lottery customers all over the world – with Scientific Games' trusted reputation supporting them. We call this our *Content Hub Partner Program* which presents many advantages to studio partners, such as access to the largest collection of licensed brands in the lottery industry.

The *SG Content Hub* itself is a feature-packed platform that lets us implement some great functionality across our own game content, along with content from our studio partners. For example, you might have five different games from five different studios, all sharing the same progressive jackpot. It's an evolving program that will change the way lottery operators and game creators view the digital lottery space.

What are some near future trends you predict for iLottery games in terms of consumer demand?

Hickson: First of all, this is just the beginning. We are going to see lotteries become more and more digitally enabled in the future, so the demand for digital game content will continue to grow. Players will have increasingly diverse expectations of their digital content, and lotteries will need to drill deep into player data to understand and meet the needs of their different consumer groups. For example, players between the ages of 25 and 40 will be a key growth area for lotteries. These players will demand high-quality, sophisticated, immersive content and frictionless access to digital lottery applications.

In terms of our studio, we'll continue to innovate game content and playstyles to meet the needs of every kind of player for every one of our customers, so they can curate high-performing iLottery portfolios that help fund their good causes.

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