LOTTERY ADVERTISING TRENDS

THE NEXT \$50 TICKET

LIVE

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Many lotteries are launching \$50 games for the first time in FY22. The Colorado Lottery is one step ahead, and has the blueprint for launching the next \$50.



LOTTERY INFLUENCE Lottery influencers get millions of views scratching tickets online

Lottery influencers get millions of views scratching tickets online. Sometimes they're hired by the lottery, sometimes they're not.



Holiday Data in Motion

While the sparkle of holiday sales is just wrapping up for product managers, planning for 2022 soon begins.

But before everyone broke out the eggnog, ornaments and holiday sweaters this past December, the Data in Motion team at Scientific Games took a closer look at what American consumers —and lottery players specifically—had in mind for the most wonderful time of year.

"Hard to believe it, but holiday 2022 games go on sale in less than 10 months. It's important to start planning now with the latest, most actionable insights. The new game testing we conducted during the 2021 holiday season is already helping guide decisions," said Tim Menzia, Director of Market Research for the Lottery Group, who provides Data in Motion to customers.

Let's take a look back before we can completely understand how to look forward and plan smart for the year ahead.

When asked about the holiday activities they were planning, Americans seemed to be hunkering down.

Hunkering Down?

• Only 26% indicated they would be doing 'More' during the holidays this past year

• 38% (more than usual) indicated they would be doing 'Less'

• 36% indicated their activity level would be about the 'Same'

The Out and About Crowd

As for lottery players being out and about during the season:

- The majority (89%) planned on 'Getting together with family or friends'
- 59% indicated they planned on 'Getting there by car'
- Only 50% said their lottery purchases would be 'Planned'

Where Are You Buying Gifts?

When it came to overall holiday gift giving, where were lottery players thinking about buying their gifts in 2021?

- 67% selected 'Online' as at least one of their purchasing options
- 'Local Retailers' nudged out 'Big Box/Chain Retailers' by six percentage points (55% vs. 49%)
- 82% planned on buying instant scratch games as gifts

Recipients for Lottery Gifts

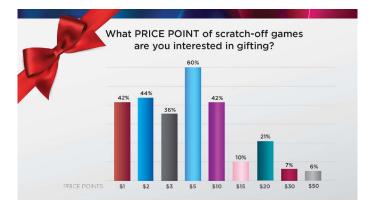
When asked what types of lottery products they planned on gifting, 82% specified instant scratch games. And if you're wondering who the lucky recipients would be:

- 87% planned on buying for 'Family'—up from 68% in 2020
- 59% planned on buying for 'Friends'—up from 48% in 2020

 \bullet 24% plan on buying for 'Co-Workers'—up slightly from 22% in 2020

Lottery Gifts: Scratch Price Points

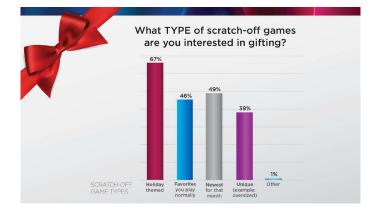
What lottery games would they be buying for gifts? The chart below indicates that a lot of people would be waking up to find \$5 games in their stockings.



"Every holiday season, lottery players who gift instant games are gifting more generously. Although \$5 games were the most popular in 2021 (considered by 60% of players), \$10 games tied with \$1 games for the No. 3 favorite price point (considered by 42%), narrowly after the No. 2 favorite \$2 games (44%). This is a trend we have been watching as \$10 games become more popular overall—not just during the holidays," shared Menzia.

Lottery Gifts: Type of Scratch Games

And finally, the Data in Motion team asked lottery players what kind of scratch games they planned on giving as gifts. Unsurprisingly, holiday-themed games came in strong— No. 1 at 67%.



"Players are active gift givers of scratch games during the holidays. It's a perfect opportunity to use the lottery's loyalty club to engage with them about all the holiday games they can choose from, and showcase special gifting offers," Menzia added.

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When Doing Good Just Comes Naturally

Protecting the environment is a cause that many lotteries support with their revenues. Scientific Games' **ONE** Suite provides valuable insights in to consumers that drive sales and enable our lottery partners to deliver on their promise to keep our environment healthy and accessible for generations to come.



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