



**Adapting Lottery for Modern Retail:
A Global Perspective**

Do Your Retailers Have Daily, Store-specific, Lottery Analytics?

In a world driven by data, retailers use store-specific analytics for just about every product category – except lottery.

“Until recently, retailers were NOT using store-specific data to run their lottery business because the technology wasn’t available,” says Burbank Herndon, VP of Retail Sales for Scientific Games. With more than 30 years of experience delivering tech solutions to retailers, Herndon is working with retailers across the U.S. to modernize the lottery category in their stores.

When the *SCiQ* retail ecosystem launched, Scientific Games introduced retailers to automated instant game management with store-specific reporting on game and market basket performance, sales and inventory. In partnership with the Maine Lottery, the company’s retail experts installed the first *SCiQ* units at Big Apple Convenience Stores. For the first time, retailers began reaping the benefits of store-specific lottery category reporting.

SCiQ’s granular data improves customer experience and maximizes sales by helping retailers offer the right products in the right stores at the right time. It analyzes product mix, optimizes inventory and profit trends, and helps shape marketing strategies – ultimately empowering smart, store-specific decisions that improve sales and profits. For lotteries, market basket insights provide invaluable information so product managers can optimize the portfolio as games are designed.

Sales Performance and Operational Savings

“Retail store operations are very specific when it comes to procedures. They track and report data for everything, every day. The retail chain can see all of its stores’ positions daily for sales, inventory, plans, etc. in each of the product categories – and now with *SCiQ*, data for the lottery category is available,” Herndon explains. “Until *SCiQ*, this kind of visibility wasn’t available.”

Major convenience store chains like Circle K and Casey’s where *SCiQ* is installed are following new procedures to improve their lottery category sales. *SCiQ* reports remind managers to load additional instant game packs before they are out-of-stock. With *SCiQ*’s data and in-store scorecard, managers can quickly evaluate lottery inventory and load units twice daily with games within their normal operating flow.

Since *SCiQ* units were installed, Casey stores in Illinois experienced up to a 31% increase in instant game sales, depending on the store. In 2022, instant game sales at high-performing Circle K stores with *SCiQ* grew 30%. All stores where *SCiQ* was installed in Illinois consistently reported an average of 10% higher instant game sales over stores without *SCiQ*.

SCiQ analytics also include store-by-store:

- When new games are loaded
- Adherence to planograms
- Estimated lost sales daily from out-of-stocks

With *SCiQ* newly implemented in Illinois, the reports helped significantly improve the rate of new game loads in Circle K stores with 100% of games loaded in 100% of the *SCiQ* stores by the second day after launching in the market.

“It’s all about ease of use and saving time and labor costs. *SCiQ* makes it easy to identify which games are running low, and it’s super easy to load the bins,” shares Herndon. “Retail clerks no

Top Performing Games

Transaction Type	Game Name	Game Price Point	
Multiple Games	\$250,000 Cashword	\$10	100
	\$75,000 Cashword	\$5	100
	\$500 Holiday	\$5	100
	7-11-21	\$1	100
	Holiday Doubler	\$1	100
Single Game	\$250,000 Cashword	\$10	100
	\$75,000 Cashword	\$5	100
	7-11-21	\$1	100
	\$500 Holiday	\$5	100
	Holiday Doubler	\$1	100

longer have to manually reset a display to show customers that a new game is available.”

Market Basket

SCiQ data also provides a view of what games players buy together segmented by spend level. Using advanced analytics, the science behind *SCiQ* tells the retailer when top games are purchased most frequently, by day and time.

“For example, a recent market basket analysis in Illinois indicated that player spend is highest at mid-day on Saturdays. But analyzing sales of market baskets with the highest price point games shows that the highest spend occurs early in the day on Fridays,” he explains.

SCiQ’s transaction-level reporting provides data to create market basket insights, so lotteries know which games sell together and which games players purchase singularly. The data integrates with Scientific Games’ *SciTrak* system to suggest game orders that optimize game mix and inventory levels for individual stores.

Self-service and Speedy Check-outs

Retailers can now also see which games sell together so they stock the right games in lottery vending machines, optimizing sales. Using the same *SCiQ Slimline* dispensers, analytics and data, the company’s PlayCentral Powered by *SCiQ* vending solution provides real-time bin loading alerts to maximize in-stock positions of in-demand games.

SCiQ not only helps introduce new processes at retail to streamline lottery purchases, but it also enables instant game purchases at self-service checkouts. In convenience stores using self-checkouts, *SCiQ* digital signage informs players which instant games are available for purchase while providing the retailer with real-time sales and inventory tracking.

Scientific Games is also working with big box retailers to automate selling lottery products at self-checkout in multilane stores.

“We’ve broken the code and successfully integrated *SCiQ* with an industry-standard self-checkout system where instant games are purchased and dispensed at the retailer’s self-checkout system,” he shares. “This is the next advancement of *SCiQ* and it’s coming to retailers later this year.”

PlayCentral® Powered by SCiQ, SciTrak™ and SCiQ® are trademarks of Scientific Games. © 2023 Scientific Games, LLC. All Rights Reserved.