

WLA MAGAZINE

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INSIGHTS

World Lottery Summit 2022

INSIGHTS

**Renewed
commitment
of a global
community**

WLS 2022 AWARDS

**Lynne Roiter
receives Guy
Simonis Lifetime
Achievement
Award**

WLS 2022 AWARDS

**Singapore and
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Gaming Awards**


WLA
WORLD LOTTERY ASSOCIATION

He bet his youthful career on lottery — and won

By BRYAN HORI
of The Oregonian staff

VANCOUVER — At 19, when many former high school athletes sit at the local burger bar and watch the spotlight shift to others, Sam Wakasugi owned such a popular hangout.

When many of his peers were starting on career decisions, the former all-state third baseman was becoming the most prolific state lottery salesman in his Eastern Washington region.

Today, the 24-year-old Yakima

“To get anywhere you have to work. I believe in that.”

native has a new challenge. Since September, he has served as Vancouver regional manager for the Washington lottery. Overseeing operations in Southwest Washington, he has weathered the start of Oregon's lottery as his seven-county region largely has held onto its percentage of statewide sales. But, he adds quickly, holding his

“The product sells itself — it's an impulse item,” he said. “People either buy it or they won't.” A large part of the games' strategy is to make the lottery more visible to the public.

Maintaining media attention has become more difficult as lottery stories become more routine.

But sales can be spurred by making the games more visible. When a display is placed conspicuously in a store, customers are reminded of the game as they make their purchases, said Wakasugi, his enthusiasm evident the more he talked of the lottery.

Ticket sellers receive a \$20 commission for each 400 tickets sold. Sellers often argue that the lottery profit margin — 5 percent — is low compared with other items and therefore does not deserve prominent display.

But Wakasugi counters, saying the lottery is a high-volume item. While the profit margin is relatively low, 5 percent of \$500 of sales is better than 15 percent of \$100, he argues.

The road to his current position, while short, has not been narrow.

After the high school disappointment of failing to receive a baseball scholarship offer from Washington State University, Wakasugi accepted



THE OREGONIAN, MONDAY, J



Leading the Journey, Inspiring the Future

22 Take-aways from the 2022 World Lottery Summit with Sam Wakasugi, VP of Global Strategy, Scientific Games

Sam Wakasugi began his lottery industry career more than 40 years ago, working at government lotteries in the US for 15 years before joining Scientific Games in 1996. His decades of experience and insight have been instrumental in successful lottery start-ups and driving mature lottery growth in North America, South America, Europe and Asia.

#1 Our global industry is generating over USD 100 billion annually in funding for good causes, so it's up to suppliers and their partner lotteries to continue finding ways to responsibly grow those funds to improve the quality of life in communities around the world.

#2 Looking forward, more than ever before, supplier-lottery partnerships will drive responsible growth of lottery revenues and returns to beneficiaries.

#3 Innovating at the intersection of games, technology, analytics, and services to create an integrated lottery ecosystem inspires a profitable future

for all of us. Applying decades of experience, knowledge and science-based solutions to lottery partnerships fuels growth and profitability.

#4 Data-driven science should be integrated into everything lotteries do. This science must be at the center of every game, every ticket and every retail terminal, with customer relationship management (CRM) used across all channels including digital.

#5 With consumers migrating to digital, we should all be focused on the core retail and systems business in parallel with a significant focus on

games, technology, digital, and sports to provide lottery ecosystems that drive growth across all channels.

#6 The industry has evolved tremendously in how products are marketed and supported by technology — and the approach to technology must evolve. Lotteries have come a long way from marketing a USD 1 game four times a year and hand-delivering tickets to retailers, to launching as many as 50 instant games a year, sophisticated instant game management programs, cashless purchases and electronic fund transfer (EFT) reconciliation for retailers.

#7 Communication between suppliers and lottery partners is essential. The evolution of product marketing and the technology supporting the products didn't happen by accident. It happened through active listening and understanding each lottery's needs to customize product and service solutions — and help solve their problems.

#8 Lotteries around the world share synergies across their core missions and values while facing their own set of opportunities and challenges that are unique to their specific market. Regardless of size or location, all lotteries are focused on:

- Maximizing sales and profit return to beneficiaries to improve the quality of life through funding for good causes.
- Maintaining the public's confidence and trust.
- Seamless and dependable technology and services that deliver on their needs and support growth and innovation.
- Offering their players secure and entertaining products.

#9 Understanding and leveraging synergies require strategic best practices, research, insights, creativity, and delivering innovative, scalable solutions. For example, make sure retailers are always rewarded and



integrated into the value chain for digital products as well as through features like affiliate sign-up programs and web cash rewards.

#10 When evaluating traditional lottery retail, the strategy is similar everywhere on the globe. Retailers want an engaging player experience, an easy transaction, reasonable profit, and an easy validation experience. Execution locally is the key. Retail technology must be matched with the infrastructure that is in place.

#11 No matter where they are on the planet, players want great play value, reasonable investment, fun and entertainment.

#12 While two markets can be 11,000 kilometers apart geographically, they are

the same when it comes to player motivation. Research and testing confirm that a game's attributes (key number match, large top prize, and ticket aesthetics) resonate the same with players in China as they do in Pennsylvania.

#13 Insights prove that game attributes, strong callouts, and the variety of prizes are a hit with players in both Milan, Italy and Macon, Georgia. It's as simple as localizing innovative products to meet the market's needs. The language, culture and geography may be different, but applying global best practices will make a game successful everywhere.

#14 Leveraging synergies doesn't mean one-size-fits-all. Flexibility is the key. An ecosystem approach is not one monolithic central system. It's all

about games, technology, analytics, and services.

#15 Lotteries should not be limited to a single solution. Product suites should offer the flexibility to work as part of the lottery's ecosystem or the entire ecosystem, depending on the market.

#16 To increase sales, a technology product suite should be able to operate stand-alone or be integrated into the lottery's broader ecosystem. Analytics and inventory management software should be integrated right into the central system.

#17 Successful, innovative solutions can be scaled up or down for both large and small markets.

#18 To remain relevant players, lotteries need strong reliable channels to market their products. Players expect a personal experience with their favorite products. Lotteries can connect with their players and build loyalty through professionally managed CRM and next-generation loyalty programs.

#19 It's possible to responsibly grow both retail and digital sales with the right products and approach to product portfolio management.

#20 Our industry is becoming very complex, and change is happening at a faster pace than ever before. The challenges created by the pandemic have added to the complexity. While lotteries must continue to invest and modernize for the benefit of all stakeholders, they



must also respond to changes in retail, technology, the supply chain, competition, and talent retention.

#21 Lottery supplier partners have a responsibility to present solutions that expand their customers' product and service offerings. To deliver, they need an inspirational RFP framework.

#22 Lotteries must articulate their business goals and objectives, define where they want to be during the life of a contract, and challenge their partners to get them there. Allow partners to provide innovative solutions to meet those objectives, rather than forcing them inside boundaries or requiring them to deliver solutions

based on rigid specifications. Whether the goal is to improve the retail process or make lottery transactions more secure, find ways to modernize with a solution that leads the journey to an inspiring future.

2023 will mark a milestone for Scientific Games, commemorating 50 years in the lottery industry serving global communities. On behalf of our employees and leadership teams around the world, thank you to our more than 130 customers in 50 countries for your valued partnership and continued support.

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The Science Inside the Success



130
lottery customers in
50 COUNTRIES

5
INSTANT GAME
production facilities on
4 CONTINENTS

3,000+
employees

40+
locations
worldwide

With 70% of global instant scratch game retail sales, 30+ iLottery customers, 40+ systems customers, and partner to the largest government sports betting program in the world, Scientific Games brings 50 years of innovation and experience to responsibly drive lottery performance.



Global LOTTERY COMPANY

Games



Technology



Digital



Sports

