

# The Roundup: Lottery and AI

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## Banking on Innovation

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## 4 Draw Game Trends Shaping the Industry

Leslie Badger, Vice President of Lottery Content at Scientific Games, offers an expert perspective on several draw game trends reshaping the industry. From increasing the price of draw games to the resurgence of raffles, she explains why these changes matter and how lotteries can use them to attract and retain players.

With the company's Americas systems business expanding to 15 jurisdictions, Badger's team is busier than ever, bringing Scientific Games' global portfolio management expertise to the draw category and delivering revenue-producing game and promotional strategies to customers.

### Higher Price Point Draw Games

With the Mega Millions price point set to increase to \$5 in April 2025, the price of draw games is top of mind for many in the industry. Some may be anxious about how the market will respond to a 150% increase in a flagship game, but Badger, who has worked with draw games for nearly 23 years, is confident that the change will be positive.

She points to past price bumps. When Powerball and Mega Millions rose from \$1 to \$2 in 2012 and 2017, respectively, social media fumed. "There was mixed initial reaction on social media. But player behavior proved that as the jackpot rises to newsworthy levels, people buy tickets because they want to be part of the excitement," she says.

Badger sees it as a natural progression of a more diverse draw game portfolio. "There should be \$1, \$2, \$5 and even \$10 draw games with very different value propositions," she says. More options will appeal to a broader audience. Some players go for the big prize. Others stick to lower price point tickets. "Either way, choice is important, and we need to ensure we are effectively communicating those game differentiators to players so they know the value proposition for each game," Badger says.

### Increasing Draw Frequency

There are alternatives to adjusting the price. "Maybe a game stays at \$2 but is drawn five times a week," she suggests. Draw frequency is becoming an increasingly important marketing lever for improving performance. "Our data analytics show repeatedly that people buy on draw days," she says. "So, the more draw days you have, the more sales you have."

In 2017, Pennsylvania expanded its Match 6 Lotto to seven days a week. Cash4Life did the same in 2019, and Lucky for Life followed in 2021. The evidence shows they smoothed out sales.

When it comes to which games do best with this type of change, game structure matters. Fixed jackpot games can benefit more from extra draw days. "By drawing more times a week, you're going to get hit more often ... and then you're able to

talk about that game more," Badger says. That can keep players interested and help boost sales.

### Raffles

Twenty years ago, Scientific Games worked closely with the Pennsylvania Lottery to launch its first holiday raffle, which sold out in just 14 days. The Lottery just completed its 34th raffle in January.

Raffles have been making a quiet comeback with other lotteries. Recent successes, such as one lottery selling out 500,000 \$20 tickets in three hours, suggest it is much easier to promote a raffle now. Social media spreads the word fast. "The ability to market lottery products through social media, rotating retail digital content screens, websites and apps is much better now," Badger says. "We've seen a lot of success with mobile apps

pushing alerts to players." Scientific Games has launched 24 mobile apps over the years. The company also develops loyalty programs that encourage achievement-based, repeat play.

The challenge with raffles is getting the ticket count right. If you offer too many, they might not all sell, which can weaken the buzz. The goal with raffles, especially for the first iteration, is to generate fear of missing out (FOMO) for future draws. "The best thing is a sell-out because this generates both word-

of-mouth at retail and news coverage, which creates momentum for the next raffle," she says.

### Fast Play SST Success

It's no secret that Fast Play is gaining popularity, and self-service terminals (SSTs), like Scientific Games' PlayCentral Powered by SCiQ, are one of the main driving forces behind player interest. Badger spent a week in Pennsylvania observing player behavior and has a few theories about why. First, the machine has improved visibility—with SCiQ technology providing unprecedented, real-time analytics. Fast Play can sometimes get lost behind billion-dollar jackpots. Yet, players can easily browse all the games and their jackpots at self-service machines, avoid check-out lines and enjoy convenient payment options.

"Secondly, with self-service, they're in their own comfort zone to select, deselect and reselect the games they want to play," Badger explains. "With a clerk, they may not feel that same level of control and be rushed to choose."

Finally, she noticed that age demographics are no longer a concern for self-service. "A wide age range of adults uses self-service," she says. "A few years ago, we observed that older generations were less likely to embrace self-service machines, but the constant exposure has broken down that barrier with their increasing ubiquity." She believes that the increasing use of self-service will continue to boost Fast Play sales.

