

# iLottery Key to Industry Sustainability

**The Pennsylvania Lottery just shattered records again, contributing more than \$1 billion to the Commonwealth's Lottery Fund to benefit older Pennsylvanians for the eighth consecutive year. In 2018-2019, the first full year of its new iLottery offering, Pennsylvania Lottery digital games contributed more than \$381 million to the Lottery's \$4.5 billion in total sales, and an estimated \$31.3 million in profit.**

Known for its history of innovation in player convenience with self-service vending and cashless lottery play, the Pennsylvania Lottery launched iLottery in May 2018 – it is the most successful iLottery program in North America to date.

Merv Huber-Calvo, Director of Growth Marketing at Scientific Games, joined the company in early 2018 to collaborate with lottery customers exploring iLottery and provide strategic marketing expertise. He and his team work closely with customers to grow digital lottery games without eroding the popularity of traditional instant games.

He leverages his background in horseracing, where he has more than a decade of marketing experience in online wagering, to

develop robust marketing plans that include affiliate programs, bonusing strategies, conversion tactics and retention deliverables.

“It is exciting to be part of the Scientific Games iLottery team and the innovative games, mobile apps and digital programs we offer,” he explained. “The industry is on the cusp of exciting developments with more consumers seeking online and mobile lottery and interactive entertainment. Scientific Games is uniquely positioned with the experience and expertise to help state lotteries engage with these players.”

In 2014, the company launched the first digital instant lottery game in the U.S. and it has created more than 700 digital interactive games and promotions since the early 2000s.

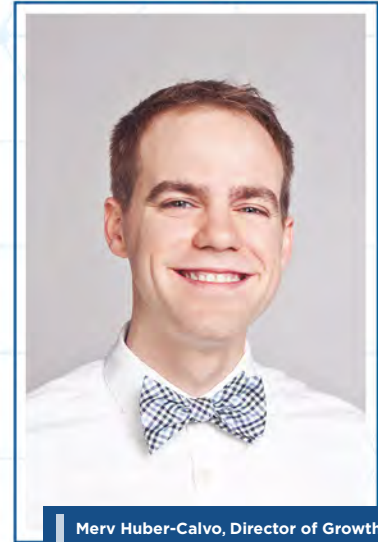
## Meet players online

To protect beneficiary funding, it is critical for lotteries to have an online solution for the growing numbers of players who seek other forms of digital entertainment.

Recent projections indicate that iLottery has the potential to be a \$6 billion\* opportunity in the U.S. within the next five years. Players of online games tend to be younger adults and prefer a mobile experience.

To date, 11 of 46 state lotteries in the U.S. actually sell games online. Even lotteries that can't sell games online for the immediate future are engaging with players on digital channels including mobile.

“The Pennsylvania Lottery aggressively laid the groundwork for a successful iLottery launch for years,”



Merv Huber-Calvo, Director of Growth Marketing  
Scientific Games

Huber-Calvo said. “More than 700,000 players had downloaded their app before digital games launched in 2018 to enter second-chance promotions and stay connected with the Lottery and its games. They already had a sizable and engaged user base for their traditional games sold at retail.”

## Provide solutions for retailers

A common concern of state lotteries when considering iLottery games is that it will compromise the success of traditional games, which historically drive sales and returns to beneficiaries.

