

FAMILY TIES:

GETTING **THE MOST** OUT OF A FAMILY OF GAMES

Product trends come and go, with few able to stand the rigorous test of time. In the lottery industry, families of games (FOGs) have proven to be a category that endures. Over the last decade, the impact that FOGs have had on lottery sales has grown exponentially, increasing from an average of 2.3% of U.S. instant ticket sales in FY 2012 to an impressive 15.3% in FY 2022. In fact, several lotteries consistently attribute over 30% of annual sales to their game families. The undeniable success and appeal of this category is further demonstrated by its seemingly universal popularity: *all* U.S. lotteries have launched at least one family of games in the last three years.

Game families are approaching a maturation point, becoming an established category in a lottery's portfolio that delivers reliable benefits, including the ability to offer "something for everyone", thus broadening a lottery's player base while remaining compelling to current players, as well as marketing efficiencies unmatched by other instant ticket products. As is the case with many established products, however increasingly sophisticated and multi-faceted, strategies are required in order to maintain consumer interest and drive sales.

Undoubtedly, the foundation of a successful family starts with outstanding games that feature attractive design themes, with appealing print innovations, bold colors, and interesting game graphics. Layer in unique retail approaches that boost

visibility by prominently displaying games together, as well as the added excitement that engaging interactive games and enticing second chance opportunities deliver, and the growth of this category can be nurtured for years to come.

Lotteries are increasingly leveraging the power of Pollard Banknote's print innovations and specialty features to create FOGs that pop at retail. In 2022, the **IDAHO LOTTERY** was the first jurisdiction to introduce a family of games featuring Pollard Banknote's Scratch FXtra™, which combines holographic images with Scratch FX® patterns. The Lottery chose regally, enhancing all price points in their Royal Card scratch game with this print feature. The game quartet dazzled players at retail, recording collective five-week sales 72% higher than the average of all regular game families launched by the Lottery since 2012 and accounted for 23% of all scratch game revenue in the first five weeks compared to the average of 16% among other Idaho families of games.

Print innovations also deliver a fresh look to a re-launched family, something the **MARYLAND LOTTERY** knows quite well. When the Lottery launched a new iteration of their successful *X the Cash* family in 2020, with Pollard Banknote's Scratch FX® combined with neon and pastel inks, sales of the family jumped. These games outperformed the previous *X the Cash* family by 21% in 27 weeks of sales.

The right games with the right features perform best when strategically

positioned within a lottery's portfolio. Considerations include the number of games and price points, including higher price points, along with launch timing and frequency. Since 2019, the most successful families of games launched across the U.S. included six

ALL IN THE FAMILY

PERFORMANCE AT EVERY PRICE:

Families of games frequently outperform regular games because they appeal to a wide variety of players with each price point delivering a clear value proposition.

PROMOTE POINTS OF ENTRY:

Advertising a family together boosts the profile of all games, especially the lower price points which pique the interest of new players.

PROMINENT VALUE:

Group display at retail increases the games' visibility and marketing reach.



Outstanding Games.
Retail Excellence.
Digital Innovation.



price points—and they sold 17% more than average across all price points.

Along with variety in price points, rotating themes helps to differentiate each game's specific value propositions while appealing to different player types. This attention to themes drives family sales growth by sparking purchases from new and returning players alike.

But, as with all family of game planning, timing is important. The new year, when holiday games come off the shelves, is the perfect time to greet players with fresh ticket offerings. Another crucial factor for family game success is launch frequency and a consistent schedule that primes players' expectations. In fact, most lotteries launch family games twice a year, while some lotteries launch three times annually. In FY 2022, 74% of lotteries that launched a family of games did so twice!

Staggering the launch of the highest price point—either leading or following the rest of the family—is another launch strategy utilized by some lotteries. This extends the family lifecycle and helps increase sales. **MICHIGAN LOTTERY** uses this strategy effectively; when they launched the \$20 price point of their *Frenzy Multiplier* family one month before the rest of the family, the \$20 game received a sales boost when the remaining price points entered the market.

Strong game characteristics and effective launch strategies are



complemented by a comprehensive promotional program. Families of games allow for unique promotions that stir up player excitement, and the **TEXAS LOTTERY** does this in a big way. Following the success of the Lottery's *Gems 7s*-themed FOG that featured the Big Cedar Lodge Cash Adventure Promotion, the Lottery launched the *X the Cash* family. These games sported Pollard Banknote's Scratch FX® and neon inks for a striking look and had the support of an exciting second-chance program, the Hawaii Dream Getaway Promotion. This family sold \$234.7 million in its first 12 weeks.

Similarly, a digital game component can boost instant ticket value, attract new players, and enhance the lottery's digital footprint. The results are persuasive: Pollard Banknote-printed games with a digital component have an average sales index 18% higher than those without, making a digital game the perfect addition to a family of games! Launched by three **INTERPROVINCIAL LOTTERY CORPORATION (ILC)** regional lotteries, the *Jackpot* family included a second chance draw and an exciting companion digital game for players to win bonus entries into weekly draws and one grand prize draw. Digital engagement was strong, with high site visitation among players under 45 years of age and a 19.5% participation rate.

While a key component of all instant ticket success is a prominent retail presence, this is particularly effective for driving family awareness. Displaying the games as a group creates a stronger profile that attracts new and returning players alike. When Schafer Retail Solutions + worked with the **KENTUCKY LOTTERY** to create

GAME LAUNCHES: MUST DOS



Launch at least **twice a year**.



Launch **following holiday games**.



Rotate themes. Do not launch the same theme **back to back**.

a specialized display for a holiday family and deployed 200 eight-game dispensers state-wide, featuring double facings of these games, participating retailers experienced a monumental 84% average growth in year-over-year holiday sales!

Families of games have evolved from a trend to become tried-and-true winners in a lottery's portfolio. Lotteries looking to maintain instant ticket growth have many options in building their family of games strategy to maximize their contributions to good causes. Lotteries can optimize the impact of their family of games at retail with the purposeful selection of game designs, the portfolio of games in market, and creative launch and promotional strategies. This strategic planning and support will help any lottery grow their revenues from families of games.

