

# WLA MAGAZINE

No. 61 / SUMMER 2023



## INSIGHTS

# Combatting illegal betting to maintain sport integrity

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Tackling illegal lotteries across Asia

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Uruguay lottery triumphs over illegal betting operations



Photo courtesy of Hong Kong Jockey Club and Asia Pacific Lottery Association

EDITORIAL

# Combating illegal betting to maintain sport integrity



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**T** For many people, sport is an important part of life. Witnessing incredible human feats, whether individually or as part of a team inspires, challenges and unites people across communities, nations and the world. It also provides great entertainment.

In recent years, online sports betting has flourished, as more jurisdictions legalize online betting, and advances in technology enable the rapid growth of online betting products and services. Unfortunately, the flipside to this, is that online sports betting has also boomed for the illegal betting industry. The negative impact of this can affect athletes, clubs, federations, sports fans, our members and their customers, but it goes even further. As is the case with illegal lotteries, the loss of funds from unpaid taxes by illegal betting operators also results in less support for many important good causes worldwide.

The WLA represents over 150 state-authorized lotteries and their suppliers. Many of our members also offer sports betting or have partnerships with licensed and regulated sports betting operators. We strive to meet the highest standards and ethics for our industry, as we help our members to reach their goals of raising money for good causes in a responsible and fun way.

We work continually to get a better understanding of the scale and nature of the illegal betting market, and to maintain the integrity of sport, so that we may better assist our members and the greater sports and sports betting ecosystem.

It is paramount to ensure our members around the world have a clear and harmonized understanding of the definition of illegal operators in the lottery and betting market and the types of services they provide, in order to be able to recognize and combat such operations. The WLA Code of Conduct, to which all members adhere, is clear on this point, and aligned with the definition found in the Council of Europe Convention on the Manipulation of Sports Competitions.

Additionally, the WLA Illegal Lotteries and Betting Committee has developed a database that provides country fact sheets with an overview of the legislative, judicial and commercial situation regarding bet-on-lotteries and courier services in each country. The Committee also provides trainings and seminars, with other partners, to raise awareness of the different issues that arise from illegal betting and are developing a best practices guide for protecting intellectual property of multijurisdictional games.

WLA and a growing number of our member lotteries, work with and support the United Lotteries for the Integrity in Sport (ULIS), sharing knowledge and proficiency of sports betting, from their markets. ULIS provides bet monitoring services, including alerts on suspicious betting activity to members and reports which can be used by law enforcement in investigations into sports competition manipulation. It also partners with other organizations and actively participates in diverse sports projects that they initiate.

In this issue, we hear from WLA partner the Asian Racing Federation and its Council on Anti-Illegal Betting and Related Financial Crime, about global trends contributing to the growth of illegal betting. Additionally, insights from the Hong Kong market and examples of actions that can be taken to successfully combat such operations are provided.

We also discover a project underway at Singapore Pools to develop an algorithm to assess the size of the illegal betting market in Singapore. While still in its infancy, this work may have the potential to be used in other jurisdictions in the future.

We hope you enjoy this issue.

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INTERVIEW

## Combatting illegal betting to maintain sport integrity

WLA President, Rebecca Paul



Combatting illegal lottery and betting operations requires international cooperation, and the WLA is well-placed to provide the framework for such collaboration.

The scale and growth of illegal betting continues to pose a serious threat to the integrity of sports. This increasingly complex and global issue has an impact on legal lotteries and sports betting operators, but also on economies and different communities around the world. The United Nations Office on Drugs and Crime estimates the figure for annual illegal betting on all sports to be around USD 1.7 trillion.

Illegal operations not only take away jobs from the sports and sports betting sector, they foster money laundering that is often linked to organized crime. They disregard regulations to ensure responsible playing environments, which puts player safety – and especially the vulnerable – at risk. And, by avoiding other regulations, important revenue for funding good causes is lost.

With so much at stake, it is vital for stakeholders across the entire lottery and sports betting ecosystem to join forces to combat illegal betting operations to maintain their reputations and the integrity of sports.

**The WLA advances the interests of its members and provides them with services and tools to best achieve their goals of raising funds for good causes. What are some of the challenges faced with regard to illegal betting, and how does WLA help address these?**

Illegal gaming stands in stark contrast to the world of WLA members, who responsibly provide entertainment to benefit good causes throughout the globe. Illegal gaming undermines our work to contribute to the public good, has little regard for player safety and security, infringes on licensed operators' territory and intellectual property and can also be a source of funding for organized crime. These operations threaten to create unfair competition that conflicts with our ability to raise

funds for society in a safe, friendly environment.

The WLA has always advocated a regulated lottery and betting market, and we are making strong strides to assist members through our Illegal Lotteries and Betting Committee (ILBC) and the Betting Integrity on Sports & Horse Racing Committee (BISHRC). In addition to organizing and participating in various events to raise awareness and provide education and a forum for discussion, the ILBC has produced an informative brochure that analyzes the trends and technologies that have contributed to the global expansion of illegal betting. The piece also examines the impact that such operations have on the legal lottery and sports betting sector. The Committee also produced and provided each WLA member with

a template for cease-and-desist letters and a template for a letter that can be sent to the concerned multi-jurisdictional game operators advising them of

**"Illegal gaming stands in stark contrast to the world of WLA members, who responsibly provide entertainment to benefit good causes throughout the globe."**

the issue. The WLA also maintains the Overview of Illegal Lottery and Betting Operations database, which provides country-specific fact sheets on the legislative, judicial and commercial

situation regarding bet-on lotteries and courier services in each country.

The BISHRC is also heavily involved in events and gathering and sharing best practices with WLA members as part of its commitment to lead the fight against match fixing and illegal betting.

And, of course, the WLA continues to strengthen partnerships with relevant organizations that are also committed to curbing and eventually putting an end to the criminal activity that is causing an ever-growing threat to the lottery and sports betting industry.

**The vast and international scope of illegal betting and related issues, such as match fixing, must be fought on many levels by many stakeholders. What kinds of organizations does the WLA partner with?**

Combatting illegal lottery and betting operations requires international cooperation, and the WLA is well-placed to provide the framework for such collaboration. The list of teams is numerous, and the level of participation is encouraging.

We're proud to work with organizations involved in this fight, such as the Asian Racing Federation Council on Anti-Illegal Betting & Related Financial Crime (ARF), the United Lotteries for Integrity in Sports, the Council of Europe, Interpol and numerous national and international sports federations and regional lottery organizations across the globe.

**The WLA supports the Convention on the Manipulation of Sports Competitions or Macolin Convention, which is the only international accord in the global fight against the manipulation of sports competitions and illegal sports betting. What are some measures provided in the Convention that WLA members take to thwart corruption in sports?**

The Macolin Convention is a united front against the scourge of sports competition manipulation, and it's encouraging that so many members are involved. Indeed – more than 50 States and organizations, including WLA and the International Olympic Committee, were part of its creation. Its mission is to establish a legal framework for the

**"By setting out a clear definition of illegal betting, the Macolin Convention creates a powerful international framework for the cooperation of all relevant stakeholders in the fight against sports competition manipulation."**

prevention, detection and sanctioning of the manipulation of sports competitions and to promote the cooperation of all relevant stakeholders. The Convention

provides each jurisdiction with the legislative means and practical tools to address specific issues. Such actions will vary based on the area, but national platforms have already been established in a number of WLA member states and have proven effective. For example, national lotteries can provide data on illegal or suspicious betting, help run awareness campaigns and become part of other platforms to facilitate an international flow of vital information.

**"In our digital world, the extent and international nature of the manipulation of sports competitions calls for global action."**

In our digital world, the extent and international nature of the manipulation of sports competitions calls for global action. By setting out a clear definition of illegal betting, the Macolin Convention creates a powerful international framework for the cooperation of all relevant stakeholders in the fight against sports competition manipulation. In fact, the Convention's definition of illegal betting is embedded in the WLA Code of Conduct as the basis for defining legal betting and its operations. WLA members must subscribe to the Code of Conduct, designed to ensure we and our members maintain the highest standards of ethics, integrity, transparency, and democratic principles.

**In 2015, WLA and the European Lotteries launched the United Lotteries for the Integrity in Sport (ULIS), which helps lotteries navigate and proactively manage the complex world of sports through its services and a global multi-stakeholder network. What are some of the key activities and benefits of being a member of ULIS?**

ULIS offers an international platform for licensed state lotteries, law enforcement agencies and regulators to collaborate and share information under one umbrella. Services include monitoring and detection, which use a combination of automated systems and human analysis to provide alerts to partners and members every time a suspicious or irregular betting pattern is detected. Additionally, the ULIS portfolio includes:

- Training and education provided through seminars, workshops, events and other projects.

- Intelligence and information services to investigate the manipulation of sports competitions.
- Integrity know-how to provide expertise for the promotion, development and implementation of sports betting policies and regulations worldwide.
- Serving as a global “think tank” that contributes to policy actions of intergovernmental bodies such as the United Nations and Council of Europe.
- Risk assessment based on its monitoring surveillance, historical data of alerts, the betting market, media and other external factors.

By offering preventative and interventional services that are tailored for lotteries, ULIS provides an innovative opportunity to help ensure integrity and fight crime in sport.

More information can be found at the new website: [www.ulis.org](http://www.ulis.org).

**"ULIS offers an international platform for licensed state lotteries, law enforcement agencies and regulators to collaborate and share information under one umbrella."**



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## Tackling illegal lotteries: Findings from Hong Kong, the Greater Bay Area and across Asia

Douglas Robinson is Executive Manager, Due Diligence & Research at the Hong Kong Jockey Club, Deputy Chair of the Asian Racing Federation's Council on Anti-Illegal Betting and Related Financial Crime and a member of the WLA Illegal Lotteries & Betting Committee.

In this article he presents key insights from both of these roles, first with an overview of Illegal Betting on Lotteries in Hong Kong presented at the Asia-Pacific Lottery Association Seminar in May 2023, and then a summary of the ARF Council's recent research into wider illegal betting trends across Asia and the world.

Established in 1884, the Hong Kong Jockey Club (HKJC) is the only Licensed and Regulated betting operator in Hong Kong (offering football, racing and a lottery). Approximately 80% of betting and lottery revenue goes back to Hong Kong society in taxes and charitable donations, amounting to HKD 34 billion (USD 4.3 billion) in 2021-22. The HKJC is the largest single taxpayer in Hong Kong and one of the top 10 private charity donors in the world, with its Charities Trust donating an average of HKD 4.5 billion (USD 573 million) per year to the community over the past decade.

But illegal betting continues to thrive in Hong Kong due to its competitive advantages over the legal operator (explained further below). Factors such as the Covid-19 pandemic, advances in mobile technology and digital payments, and the shift to online have driven a boom in both offshore licensed but under-regulated betting operators and unlicensed and unregulated betting operators – both of which are illegal betting in Hong Kong.

Part of this huge market is illegal betting on lotteries, popular in Hong Kong since the 1800s. In 1975, with triad societies (Chinese organized

crime groups) making fortunes from illegal lottery betting, the HKJC was tasked by government to operate a legal lottery in Hong Kong, the Mark Six, in order to channel betting demand to benefit society.

But demand for illegal lottery products remains high in Hong Kong and the Mark Six is very popular in Mainland China (where it is not legally available). Illegal operators can offer lottery products at little cost, and in many ways offer a more attractive product via more product variety, betting on credit, better odds, and more promotions. They also cross-promote and

advertise other illegal betting products and activities, as well as other criminal products.

### Modes of illegal betting on lotteries in Hong Kong

Illegal operators often offer either the exact same product to customers who cannot access the genuine Mark Six product (due to physical location or account restrictions), or derivative bet types based on the legal draw. Operations can be online and/or land-based, where they operate in similar fashion to pyramid-selling schemes, with different levels of agents recruiting managing customers. These schemes can be extremely large: a 2015 operation spanning two provinces north of Hong Kong took CNY 500 billion (USD 70 billion) in bets, had more than one million members, and created and leased 500 websites to other syndicates.

Another illegal tactic is websites impersonating or claiming to be affiliated with the Hong Kong Jockey Club. Some claim to have advance knowledge of Mark Six results, or "fool-proof" winning systems, luring customers to "invest". This causes significant damage to the legal brand and erodes trust in the legal operator.

Physical lottery ticket smuggling is also an issue because of a lack of trustworthy alternatives elsewhere. Such tickets, purchased in Hong Kong, are typically sold overseas for around double their face value.

Illegal betting websites often entice customers also to bet on non-Mark Six lotteries, such as unlicensed versions of Mainland China's provincial lotteries, and even entirely fictitious lotteries. The ability to up-sell other gambling products to customers is important and selling made-up lotteries can be a significant revenue stream, as operators are obviously not required to make any payouts and essentially defraud their own customers.

Finally, international offshore lottery syndicates – licensed but under-regulated operators in the ARF Council's definition – offer their products within Hong Kong and other jurisdictions in which they are not licensed, despite this being illegal in Hong Kong. Companies (the identities of which WLA members are well aware) employ this mode of operation to both sell

bets on Mark Six draw outside of Hong Kong, and to attract Hong Kong bettors to bet on overseas lottery products.

Despite the multiple ways by which illegal operators can entice legal lottery betting demand to illegal channels, and the growing nature of this particular problem, action can be taken in the form of identified actions against such operations, as well as proactive and regular stakeholder engagement. The Asian Racing Federation's Council on Anti-Illegal Betting and Related Financial Crime has undertaken some work in such stakeholder engagement outlining the six main points on how to undertake successful stakeholder engagement:

1. Gambling regulators should adopt the Macolin Convention definition in national gambling regulation; *'Any sports betting activity whose type or operator is not allowed under the applicable law of the jurisdiction where the consumer is located.'* – Council of Europe Convention on the Manipulation of Sports Competitions
2. Betting operators should be licensed and approved by the specific jurisdiction in which they operate, rather than by offshore jurisdictions;
3. Taxation authorities should prevent betting and gambling being used to shelter tax evasion;
4. Internet Service Providers (ISPs) should be required to block access to illegal betting websites;
5. Financial institutions should lobby operators to block transactions to and from illegal betting merchants;
6. Licensed betting operators should commit to 100% of their revenues to come from regulated markets, and to exit markets in which there are no viable paths to regulation.

Research conducted by the ARF Council also shows that the growing state of illegal betting in Hong Kong is not isolated – over 2017-2018 period, illegal betting across the six Asia Pacific jurisdictions [studied](#) showed illegal profits of at least USD 4.2 billion a year, and the size of the illegal market is growing faster than its legal counterpart in every jurisdiction.

Illegal betting on lotteries in Hong Kong is thus a very representative subset of the wider global illegal betting problem. The next section examines some recent and emerging trends in illegal betting from the ARF Council's [research](#) (available at [asianracing.org/aib](http://asianracing.org/aib)).

### Illegal betting continues to grow at a faster rate than legal betting

As detailed in the ARF Council's 2022 report [The State of Illegal Betting](#), analysis of 500+ global betting websites showed that while traffic to all websites had increased (+36% year on year) the rate of growth was much greater to unlicensed and unregulated websites (+64%).

This supported earlier research on COVID-19's [impact](#), which showed that the pandemic had accelerated illegal betting growth. Post-pandemic, it is becoming clear in many jurisdictions that this switch has not been temporary: many bettors have not returned to the legal market.

As mentioned in the opening paragraphs, a simple reason is that under-regulated and unregulated betting websites are often more competitive than regulated operators in many jurisdictions.

Unrestricted by conditions of licence, they typically offer many more products (sports, bet types and other gambling products); and without obligation to pay tax they typically offer better prices (odds) than licensed and regulated operators.

The impact of this can be seen in the latest market-sizing in one ARF jurisdiction, Hong Kong, which shows the illegal market is estimated to have increased by 33% since 2017, from the equivalent of USD 1.6 billion in annual GGR to USD 2.1 billion.

### Illegal betting operators continue to outpace regulators

Given the enormous profits involved, and the fact that betting is now essentially a software business, illegal operators are always fastest to adopt latest technologies. Trends explored in recent ARF Council research include:

The rise of companies selling [sports data](#) and other essential software to run an online betting website means

it has never been easier to become an illegal bookmaker. This is a major issue if suppliers supply regulated, under-regulated and unregulated operators alike – thus facilitating illegal betting.

The ARF Council first examined the role of [cryptocurrency](#) in illegal betting in 2021. Crypto in illegal betting has continued to rise since, even as the general crypto market has suffered and the biggest under-regulated operators are earning more than USD 1 billion a year.

Another much-hyped technology, non-fungible tokens ([NFTs](#)), facilitated new forms of illegal betting and gambling during the height of the craze in 2022, including NFTs being used as currency on under-regulated betting websites.

The hype cycle has now moved from ‘web3’ to AI and illegal operators will be exploring its potential, a topic for further study. One obvious worrying potential use case by unscrupulous operators is to use AI to better target customers unlikely to be able to gamble responsibly.

**Illegal betting continues to be a bedrock for organized crime**

The importance of illegal betting as a linchpin funding source for transnational organized crime was illustrated in 2023 in the conviction of Suncity’s Alvin CHAU.

CHAU, leader of the largest Macau casino “junket operator”, was convicted of 162 charges relating to organized crime, illegal gambling and fraud and sentenced to 18 years in prison. Another court case in Mainland China heard that Suncity had 60,000 agents

recruiting customers, while state-linked media had earlier assessed Suncity’s turnover from online betting operations out of Southeast Asia as greater than that of China’s state lotteries (equivalent to USD 145 billion a year).

The most egregious new development in organized crime’s involvement in illegal betting in recent years has been its nexus with human trafficking, which the ARF Council explores in a forthcoming report.

**Illegal betting operators are eyeing new markets**

Some illegal betting syndicates have turned to new territories such as Africa and South America, and WLA members in Africa have already felt the huge economic impacts of betting operators aggressively marketing to consumers despite not being locally licensed. Unfortunately, this trend will accelerate as operators take their highly successful business models global, because regulatory capacity and understanding is lacking in many jurisdictions.

**Illegal betting continues to threaten global sports integrity**

Finally, the fundamental reason the ARF Council is concerned about illegal betting is that it presents the number one threat to the integrity of racing. Ongoing ARF Council research into the world’s largest unregulated platform for betting on horse racing shows its turnover is comparable to legal turnover even in some of the biggest racing wagering jurisdictions in the world, and outstrips legal [turnover](#) in others. As this hugely liquid and opaque platform also allows bettors the opportunity to profit from horses not winning a race, it is an obvious incentive for competition manipulation.

**Why we should care: the negative impacts of illegal betting**

Illegal betting – whether on lotteries, racing or other sports - has numerous negative impacts, both direct and indirect. Direct costs include the loss of tax revenue for governments and loss

of economic activity in the formal economy. Indirect costs involve increased criminality, money laundering, problem gambling, and corruption.

Tackling illegal betting is challenging due to jurisdictional issues, technological advancements, and resource limitations. Ultimately, no one stakeholder alone can tackle the issue, and transnational collaboration, education and cooperation are essential – facilitating this is the core purpose of the ARF Council.

Allowing licensed and regulated betting operators which benefit society more flexibility to compete with illegal operators, is also essential – but convincing decision-makers of this requires continued education and information-sharing between legal operators, organizations such as the WLA and ARF Council, and key stakeholders.



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“Methods for certain functions described herein are patented. United States patent number 11,011,027.”

# Sizing the illegal betting market

By Matthew Spinks, I.T., Data Analysis & Research Consultant

With the growth of illegal betting, match-fixing, and corruption in sport, estimating the size of the illegal betting and gaming market has become a key interest of WLA lottery and sports betting members and the wider gaming industry in general. However, sizing illegal markets is notoriously difficult. In a first, Singapore Pools has developed an artificial intelligence application that uses machine learning to deliver relatively accurate estimates of illegal betting and gaming for the local market.

## The rapid growth of illegal betting markets

The sports sector has undergone rapid and comprehensive change in recent decades. Globalization, underpinned by the information and communications technology revolution, has led to a huge influx of money at the top level of professional sport, most notably through the growth in audiences for elite-level sports and the advertising and marketing opportunities that have arisen in consequence.

The way we play and consume sport has been transformed, and nowhere has this been more evident than in the explosive growth in sports betting, both legal and illegal, that has occurred over the last decade. Indeed, illegal betting on sport has now become a global issue, with the financial scale of the problem being such that illegal betting is now a major driver of corruption in sport and a major channel for money-laundering, including by organized crime groups.

A key characteristic of illegal betting on sport is its transnational nature: it is possible to illicitly bet on a sporting event occurring in the US from, say, Kenya, with an illegal agent operating in Russia. The transnational nature of many illegal betting operations presents a challenge to authorities attempting to combat such activities,

as national authorities especially must typically limit the scope of their operations to their own jurisdictions by fiat. The situation is further complicated by uneven national legislative frameworks, the use of innovative bet types, the growth of cryptocurrencies for anonymous payments, and the proliferation of online gambling in general.

The illegal market for betting on sports is estimated to be between USD 350 billion and USD 1.7 trillion, according to the most authoritative recent report on the subject, the 2021 Global Report on Corruption in Sport from the United Nations Office on Drugs and Crime (UNODC). For comparison, the WLA through its Global Lottery Data Compendium estimates the size of the global legal state-regulated lottery and sports betting sector at USD 384.7 billion for 2021. For context, the WLA puts global money to good causes raised by the lottery and sports betting sector at USD 93.2 billion in 2021; the corresponding potential loss to good causes based on the upper estimate (USD 1.7 trillion) of the size of the illegal gaming market according to the UNODC report is USD 411.9 billion.

There are many negative effects on the social ecosystem when customers choose to bet with illegal operators. Downstream impacts include: the loss of funds – potentially up to USD

412 billion – that would otherwise be channelled to good causes; a potential increase in problem or pathological gambling given the inducement to spend and associated lack of Responsible Gaming (RG) tools; and many other social ills.

Understanding the magnitude of the illegal gaming market and its trends is thus crucial to both the state-authorized lottery and gaming sector as a whole, and to individual state-regulated lottery and sports betting operators. In consequence, numerous industry stakeholders, including the American Gaming Association in the US, and the Asian Racing Federation in Hong Kong, are actively engaged in sizing the illegal gaming market. Among WLA members, Singapore Pools has recently taken the lead in sizing the illegal betting market in their jurisdiction, motivated in particular by the desire to better understand key performance indicators like the Legal Coverage Ratio (LCR); the LCR metric tracks the size of the legal market over the size of the total market (illegal + legal). Better understanding of such key metrics is extremely helpful in regulating the market with the aim of minimising problem gaming; thus, Singapore Pools' interest in sizing their local illegal betting and gaming market is ultimately driven by their unwavering commitment to responsible gaming.



### Approaches to illegal market sizing

There are two main approaches to sizing legal markets: bottom up and top down. The bottom up approach sizes a market by obtaining data about individual entities and extrapolating or projecting from the data sample to obtain market size estimates (the 'addressable' market). For example, the WLA Global Lottery Data Compendium uses a bottom-up approach to obtain its estimates of the size of the regulated gaming market operated by WLA lottery and sports betting members: members are polled, and their responses are aggregated to determine the size of the global state-regulated lottery and sports betting market. In contrast, the top-down approach takes industry and regulatory data and socioeconomic parameters, which are typically used in sizing an overall 'ideal' or total market, and applies various selection criteria to obtain an estimate of the size of the actual or real market (the 'addressable' market).

Owing to the inherent difficulty in obtaining reliable information about illicit and illegitimate activities, approaches to sizing *illegal* markets typically reify and refine both the bottom-up and top-down approaches to sizing legal

markets by placing greater emphasis on the use of estimates, models, extrapolation, and projection, to compensate for data scarcity, data unreliability, and other deficiencies in data. Thus, bottom-up approaches to sizing illegal betting markets are typically based on a representative sample of illegal gaming activities and behaviors obtained by survey; this base is then built on by applying scaling factors and other relevant parameters such as population characteristics to obtain an estimate of the addressable market. On the other hand, top-down approaches to sizing illegal betting markets typically begin with a collection of national and global estimates of illegal market size. This pool of data is then used to build a model that – when parameterized by relevant variables including economic data and legal market sizes – estimates the addressable market. For a graphical comparison of these approaches, see *Figure 1*; observe in particular that there is some overlap in approaches through the use of elements in common like estimation.

Each approach to illegal betting market sizing has its benefits and drawbacks. Given the obstacles associated with obtaining definite and reliable information about illegal gaming, however,

bottom-up approaches towards sizing illegal betting markets that emphasize the survey component tend (perhaps unsurprisingly) to be comparatively common. Thus, for example, the most comprehensive and authoritative report yet produced estimating the size of the illegal gaming market in the United States, the 2022 report 'Sizing the Illegal and Unregulated Gaming Markets in the United States' from the American Gaming Association, obtains its estimates primarily from a survey of more than 5,000 Americans about their gaming habits.

Unfortunately, surveys can be limited by the very fact that respondents typically hesitate to share information on sensitive topics such as illegal gambling, especially when they feel they can be identified. Even if they are willing to do so, respondents typically cannot accurately recall their wins and losses, and tend to overstate wins. Furthermore, the phrasing of questions can have a large impact on reported values. There are also selection biases to contend with, as respondents might not be truly representative of an operator's customer base. And, high-wealth individuals are typically under-represented or completely missing in population surveys.

The preceding discussion notwithstanding, surveys have their proper place. Surveys are ideal for understanding interest in games for instance, to get answers to declarative (yes/no) questions, or to understanding the prevalence of gambling. For example, across several commissioned studies, the popularity of products consistently converges, and the differences in adult gambling participation are minimal.

### The Total Addressable Market model, and results

When investigating the possibility of using a bottom-up, survey-based approach for estimating the size of the illegal betting and gaming market in Singapore, Singapore Pools encountered additional difficulties beyond those remarked upon previously. The company found it empirically difficult, for example, to obtain adequate sampling sizes for less popular markets. Given the spend patterns across different sports and the manner in which they are distributed, it often proved hard to get a sufficient sample size to provide meaningful estimates with low margins of error. More generally, Singapore Pools observed that while it is possible to minimize statistical noise in a survey via adroit phrasing of questions, clever survey design, and sophisticated analysis of received data, in general it is difficult to handle all aspects correctly to obtain reliable estimates.

To address the shortfalls of surveys when sizing the illegal betting market in Singapore, Singapore Pools supplanted these with a top-down approach, based on the methodology of *Figure 1*, but where the market size was modelled using Machine Learning (ML), a form of Artificial Intelligence (AI), informed by industry data, economic parameters, and other relevant data. In other words, Singapore Pools developed an AI system that takes a range of economic and other variables as input, processes it using ML, and then outputs an estimate of market size according to specified characteristics. For more about ML, see the inset box 'What is Machine Learning?'

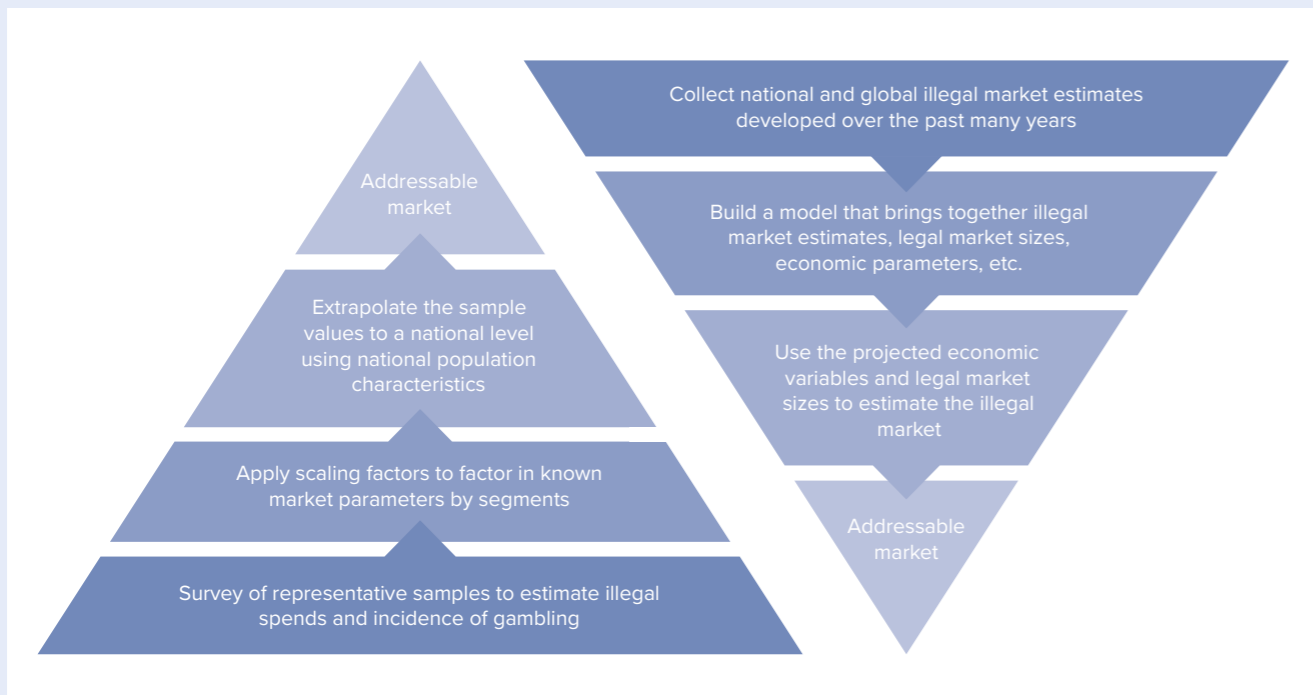
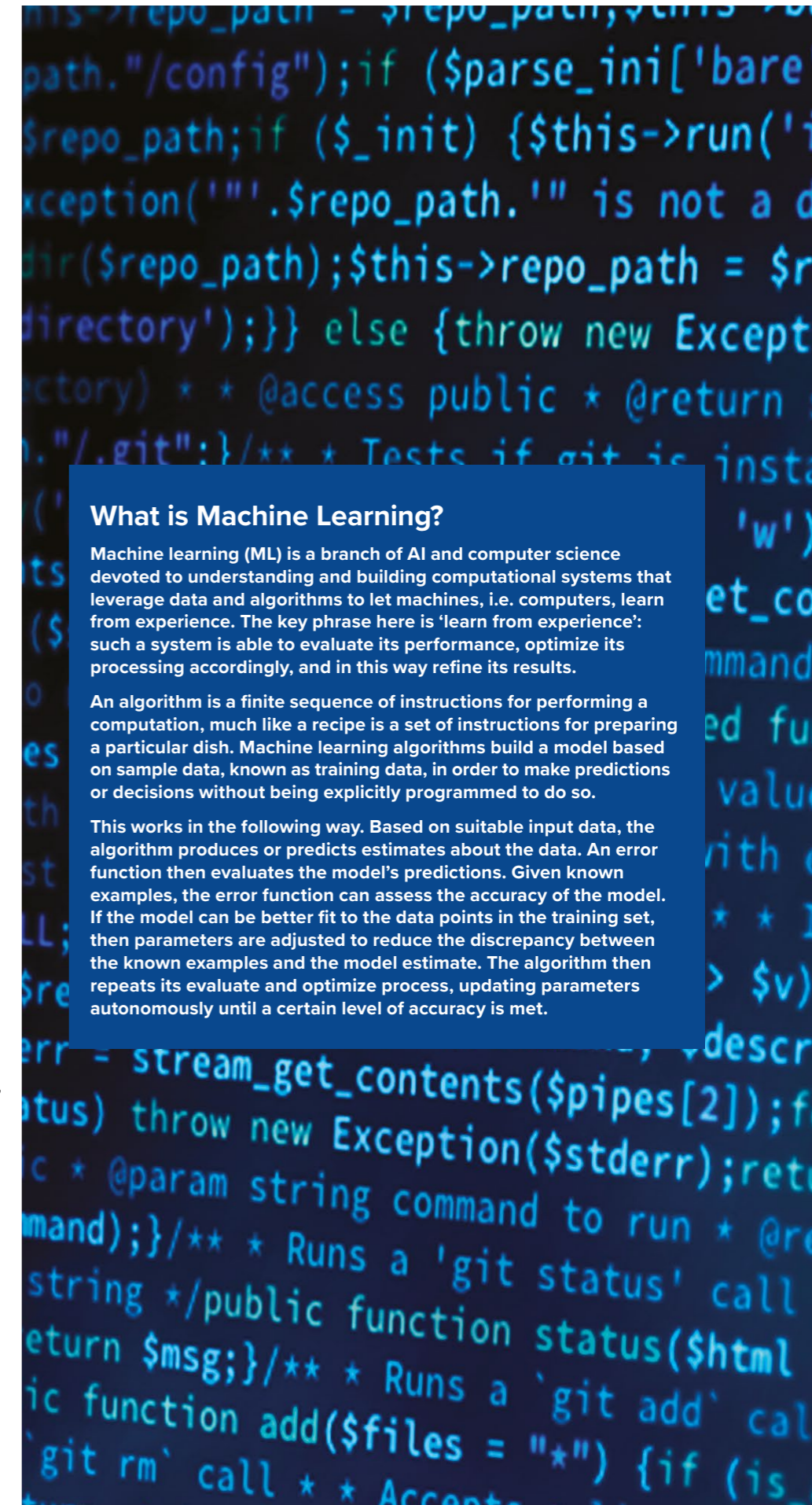


Figure 1. Bottom up (left) and top down (right) approaches to illegal market sizing.



### What is Machine Learning?

Machine learning (ML) is a branch of AI and computer science devoted to understanding and building computational systems that leverage data and algorithms to let machines, i.e. computers, learn from experience. The key phrase here is 'learn from experience': such a system is able to evaluate its performance, optimize its processing accordingly, and in this way refine its results.

An algorithm is a finite sequence of instructions for performing a computation, much like a recipe is a set of instructions for preparing a particular dish. Machine learning algorithms build a model based on sample data, known as training data, in order to make predictions or decisions without being explicitly programmed to do so.

This works in the following way. Based on suitable input data, the algorithm produces or predicts estimates about the data. An error function then evaluates the model's predictions. Given known examples, the error function can assess the accuracy of the model. If the model can be better fit to the data points in the training set, then parameters are adjusted to reduce the discrepancy between the known examples and the model estimate. The algorithm then repeats its evaluate and optimize process, updating parameters autonomously until a certain level of accuracy is met.

Singapore Pools calls the model it has developed the Total Addressable Market (TAM) model. For inputs, the model relies predominantly on published economic variables and population characteristics obtained from recognized sources like the International Monetary Fund (IMF). For betting related figures, numbers were extracted from Singapore Pools' internal data and industry intelligence services like H2 Gambling Capital for grey market data. For further details about the inputs, see *Figure 2* (Input). Altogether, data from more than 20 different countries spanning 19 unique years is used to train the model.

The processing part of the TAM model is primarily based on a MultiLayer Perceptron (MLP) with one hidden layer. A MLP is a feedforward (i.e. unidirectionally forward) neural network enjoying certain other natural properties. Informally, an MLP is a 'vanilla' neural network, consisting as it does of an input layer, one or more hidden layers, and an output layer. Each node uses a nonlinear activation function to fire and signal to associated artificial neurons; a supervised learning technique called back propagation is utilized for training. See the inset box 'What is a neural network?' and *Figures 2* (Processing) and *5* for details.

### What is a Neural Network?

A Neural Network (NN) is a machine learning algorithm that works by mimicking the biological neural network that constitutes the human brain in order to model complex patterns in datasets. Informally, a NN is a collection of connected nodes, called artificial neurons (see *Figure 3*), that loosely model the biological neurons in the brain; the nodes can signal (transmit information) to one another, much like how the synapses in a human brain fire to transmit signals from neurons to other neurons.

In a NN, the artificial neurons are aggregated into an input layer, one or more hidden (intermediate) layers, and an output layer. See *Figure 4*. A neural network takes an input, passages it through the multiple hidden layers, and outputs a prediction representing the combined input of all the neurons. To do this, each node in a NN has an associated weight and threshold; these parameters are used in conjunction with a nonlinear activation function to pass signals through the network, i.e. to determine when a node can signal to other nodes. For each node, its weight is used as an input to its activation function; if the output resulting from the activation function is above the node's specified threshold value, the node is activated, sending a signal one or more neurons in the next layer of the network. Otherwise, the node passes no data to the next layer of the network.

Neural networks are 'trained' iteratively using certain optimization techniques. After each cycle of training, an error metric is calculated based on the difference between the desired and actual output values. Each neuron's weights are then adjusted proportionately to how they contributed to the total error. This process is repeated until the network error drops below an acceptable threshold, at which point the network ideally models the desired complex phenomena.

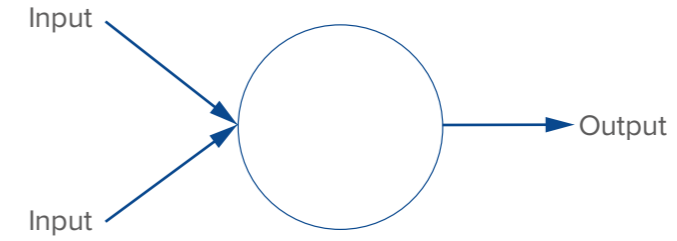


Figure 3. Schematic of an artificial neuron

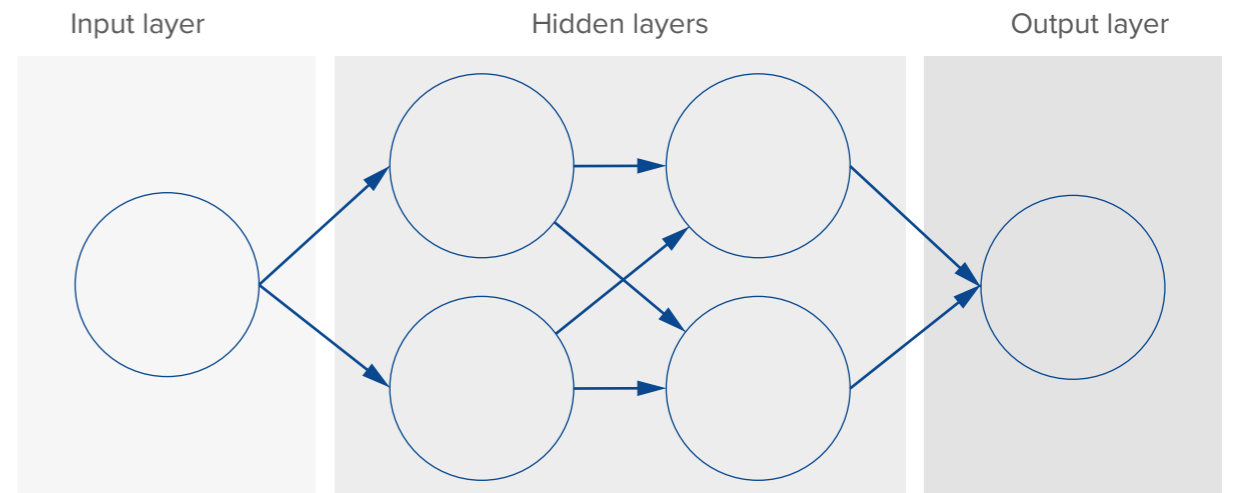


Figure 4. Schematic of a simple neural network

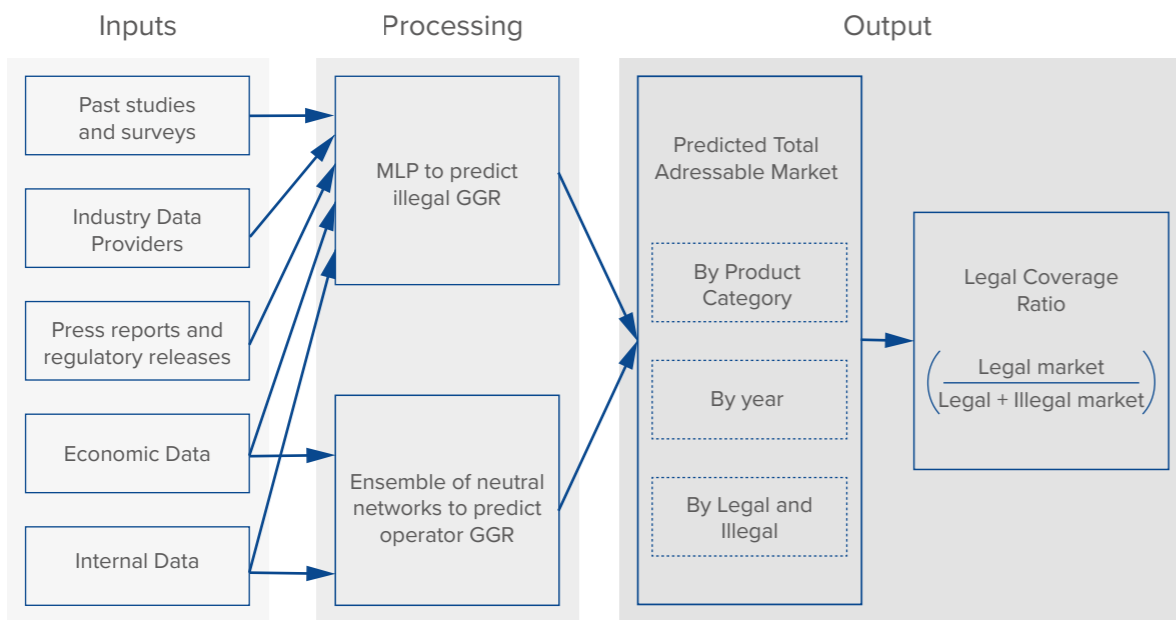


Figure 2. The Total Addressable Market model

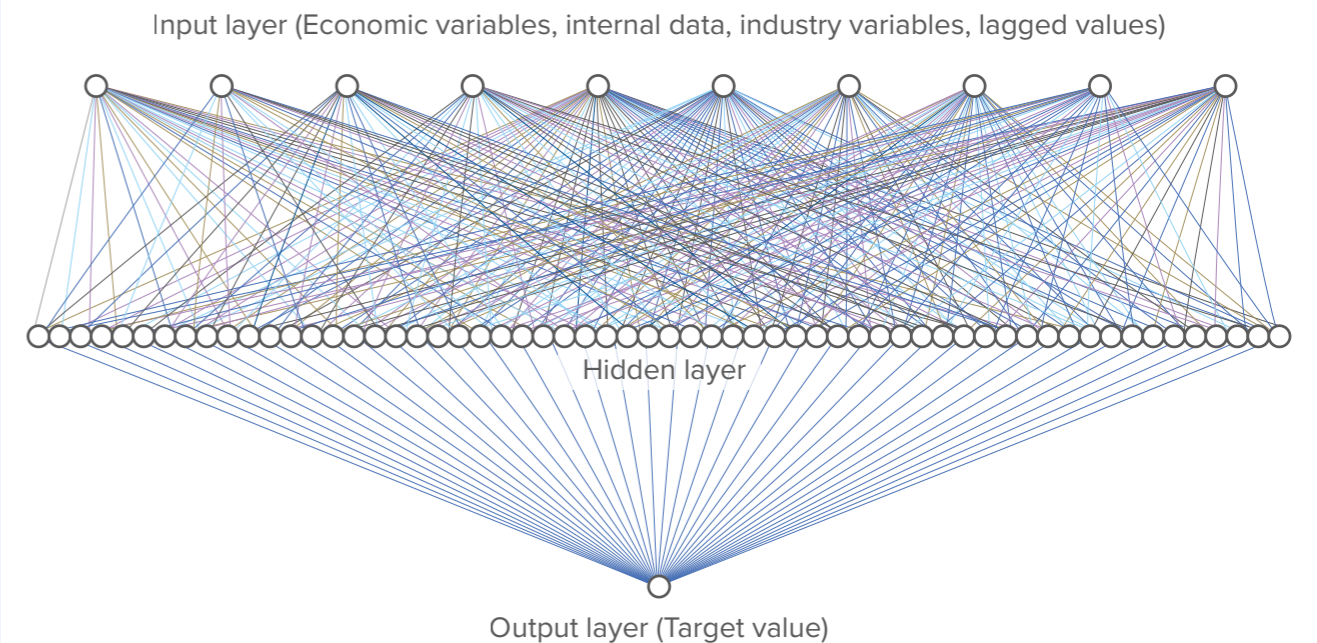


Figure 5. The Total Addressable Market model as a Multilayer Perceptron

Singapore Pools tested other types of models for their efficacy in estimating market size. It was found that owing to the relatively small amount of data (318 rows for training), an MLP with exactly one hidden layer had just the right level of complexity. Other models like ARIMAs (Auto-Regressive Integrated Moving Average, a statistical analysis model that uses time series data to either better understand the data set or to predict future trends) were too simple, while LSTMs (Long Short-Term Memory, a kind of recurrent neural network capable of learning long-term dependencies) were too complex, resulting in underfitting and overfitting of the training data respectively. The optimal parameters for the TAM model were selected based on a grid search, which is a particular way to exhaustively try all combinations of parameters.

Using market data from comparable regulatory regimes for benchmarking, Singapore Pools has run extensive back testing results and sanity checks to ensure that the results are reliable and consistent with the behavior of the market. Back testing is a way to validate time series models, where one makes sure not to leak future years into the test set. For example, to test the performance of the model at predicting five years into the future, one trains the model solely on data from 2003–2016, and then test the model on the period 2017–2021. (Values further than five years into the future are not reported on account of the uncertainties associated with extended time frames.)

The TAM model has been validated individually against Singapore and three other comparable countries, with high validation scores. A summary of the

results obtained using the TAM model for estimating the size of the illegal gaming and betting market in Singapore can be found in *Table 1*. The table does not show estimates of market sizes by period/market segment directly; rather, it illustrates the performance of the TAM model in making predictions, in terms of a statistical measure known as the coefficient of determination,  $R^2$ , whose values range from 0 to 1. Put simply, the better the TAM model is at making predictions for a period/market segment, the closer the  $R^2$  value for the segment will be to 1. Thus, for instance, the TAM model perfectly predicts the market size for a period/market segment when the corresponding  $R^2$  value is 1. The key takeaways from *Table 1* are that the model is performing well, and that – as one would expect – it performs better the more data is included or the fewer years it has to forecast.



**Next steps**

As it stands, the core of the current TAM model only allows Singapore Pools to make predictions for broad product categories; finer-grained analysis, for example by product, is not yet possible.

While the current model is performing well, it can be difficult to explain the rationale behind its projected values owing to the non-interpretable nature of neural network weights. In other words, the model can predict values which are sometimes not in keeping with intuition or data, and no insight can be obtained into how the model derived its predictions on account of the fact that the model is a kind of ‘black box’. Singapore Pools aims to improve the TAM model in such a way that it becomes clear to stakeholders how different factors influence the model’s predictions and their respective magnitudes. This is possible today with contemporary tools like SHAP (SHapley Additive exPlanations), which provide explanations by attributing contributions to different features. Integrating such cutting-edge tools into the model should allow Singapore Pools to achieve the desired level of interpretability.

Even though the estimated values output by the TAM model are at best indicative and near impossible for Singapore Pools to validate the results, the company is of the belief that as time progresses, and with more data and enhancements, the TAM model will continue to give it robust insights into the size of the local illegal gaming and betting market.

For its part, the WLA through its Illegal Lotteries and Betting Committee (ILBC) is currently examining whether the TAM model developed by Singapore Pools can be adapted to cover jurisdictions beyond those studied by the Singaporean national operator. Ultimately, the WLA is interested in developing accurate estimates of the size of the illegal betting and gaming market geographically (regionally and globally), by market segment (product vertical), and so forth.

The WLA has recently stepped up its fight against illegal betting, match fixing, and corruption in sport in concert with its sister organization and partner, bet monitoring service ULIS (United Lotteries in Sport). In tandem with ULIS, the ILBC spearheads the WLA’s effort

to protect the lottery and sports betting sector from corruption and criminal activity and to maintain the integrity and probity of state-authorized lotteries and sports betting operators.

With its broad worldwide membership, the WLA is particularly well suited to take a leading role in developing estimates of the size of the illegal betting and gaming market, possibly through a top-down, AI-informed approach to the topic, or via a combination of bottom-up methods (e.g. surveys) and top-down techniques. Currently, the association is actively engaged in this work. We look forward to reporting on subsequent developments both in relation to Singapore Pools’ TAM model and the WLA’s own work in illegal market sizing, in a future edition of the WLA magazine.

Training Period Testing Period	Total Betting	Total Lotteries	Total Gaming	All Legal	All Grey	Total	Grey Betting	Mean
2003–2012 (10) 2013–2021 (9)	0.92	0.76	0.97	0.75	0.73	0.81	0.57	0.79
2003–2013 (11) 2014–2021 (8)	0.95	0.71	0.96	0.92	0.72	0.91	0.65	0.83
2003–2014 (12) 2015–2021 (7)	0.93	0.66	0.97	0.92	0.72	0.87	0.36	0.78
2003–2015 (13) 2016–2021 (6)	0.94	0.93	0.96	0.97	0.75	0.92	0.84	0.90
2003–2016 (14) 2017–2021 (5)	0.93	0.89	0.96	0.93	0.68	0.93	0.86	0.88
2003–2017 (15) 2018–2021 (4)	0.93	0.92	0.96	0.90	0.73	0.95	0.86	0.89
2003–2018 (16) 2019–2021 (3)	0.95	0.96	0.96	0.97	0.73	0.96	0.86	0.91
2003–2019 (17) 2020–2021 (2)	0.93	0.98	0.95	0.97	0.74	0.96	0.87	0.92
2003–2020 (18) 2021– (1)	0.97	1.00	0.96	0.99	0.90	1.00	0.95	0.97

*Table 1.* Results from the TAM model. The values are coefficients of determination,  $R^2$ . The coefficient of determination is a statistical measure indicating how well observed outcomes are replicated by the model. The closer the score is to 1.0, the better.



## Uruguay lottery triumphs over illegal betting operations

By Fabian Garcia, Sports Betting Manager at La Banca, Uruguay

Across the region of Latin America, gaming is a popular pastime that is growing rapidly. Almost half of the games market revenue comes from mobile accounts, according to research by [Newzoo](#) video games and gamer data research company. This translates to around 60 percent of the Latin America online population (273.4 million people) playing mobile games. However, the legality of gaming varies greatly from country to country, with different degrees of regulation. As technologies foster this boom and continue to evolve rapidly, authorities face the challenges of illegal betting, and in many countries are taking action to fight this problem.

### Establishing effective measures

In Uruguay, for instance, WLA member [La Banca](#) (Banca de Cubierta Colectiva de Quinielas de Montevideo), conducted an analysis of the most effective measures to counteract illegal betting and proposed the implementation of three of these to parliament, which later became law.

The goal of the measures was to develop different strategies to block illegal operators, including:

- Blacklisting and blocking of URLs: This tool has two objectives. Firstly, it aims to prevent access to illegal

gambling websites. Secondly, it serves as a communication strategy to inform consumers that accessing such websites is illegal in the country. In practice, La Banca, as an operator, reports illegal gambling websites to the regulator – National Directorate of Lotteries and Quinielas (DNLQ). The regulator then applies the rules outlined in the law and communicates with DNS providers to have the websites banned.

- Financial transactions: The law strictly prohibits any payments made to gambling sites using credit cards or bank transfers. The National Central Bank of Uruguay imposes

severe sanctions on banks that allow such transactions.

- Advertising restrictions: Not only is access to the Internet prohibited, but advertising related to illegal gambling is also not allowed. Therefore, upon receiving notifications from La Banca of such activities, the regulator can issue fines if illegal operators advertise on TV or in other mediums in Uruguay.

The process was designed by La Banca, which also manages the software to ensure that all domain name system (DNS) providers comply with the regulator's directives. Periodically, various actions are taken in the

commercial area to verify the ongoing effectiveness of these measures. Since 2017, approximately 1,600 websites have been blocked by the regulator.

### Addressing illicit activities

As part of its activities to combat illegal betting operations, La Banca monitors the market and takes action, when required. For example, the South American Soccer Federation, which has entered into partnerships with several operators that are not considered to be legal in Uruguay, has resulted in advertising related to these brands being promoted and displayed during games played in Uruguay.

In 2022, La Banca reported the issue to the regulator – DNLQ – which followed the legal process and confirmed the restrictions on illegal operators in Uruguay to the South American Soccer Federation, which continued its practices.

Ultimately, the matter was taken to the Supreme Court, which ruled in favor

of the regulator, affirming that the regulator's actions were in accordance with the established rules, and fully constitutional.

### Protecting consumers and maintaining sports integrity

It is important to note that in Uruguay, all games of chance are prohibited unless they are specifically approved by law. The parliament places special emphasis on consumer protection concerning illegal games and platforms. Therefore, the measures taken by the regulatory office align with the country's legal framework and its commitment to safeguarding consumers from unregulated gambling activities.

La Banca has effectively communicated to its stakeholders the significance of regulation in combating match-fixing. When bets are placed with illegal operators, governments and judicial authorities do not have access to the betting data and consumer accounts. Conversely, in regulated markets,

the regulator ensures that both the authorities and the justice system have access to analyze all relevant information related to betting activities.

By emphasizing the importance of regulation, La Banca highlights the inherent advantages of operating within a legal framework. This includes enhanced transparency and the ability to monitor and investigate any suspicious betting patterns or potential match-fixing incidents. These measures contribute to maintaining the integrity of sports competitions and protecting consumers from illegal and fraudulent activities.

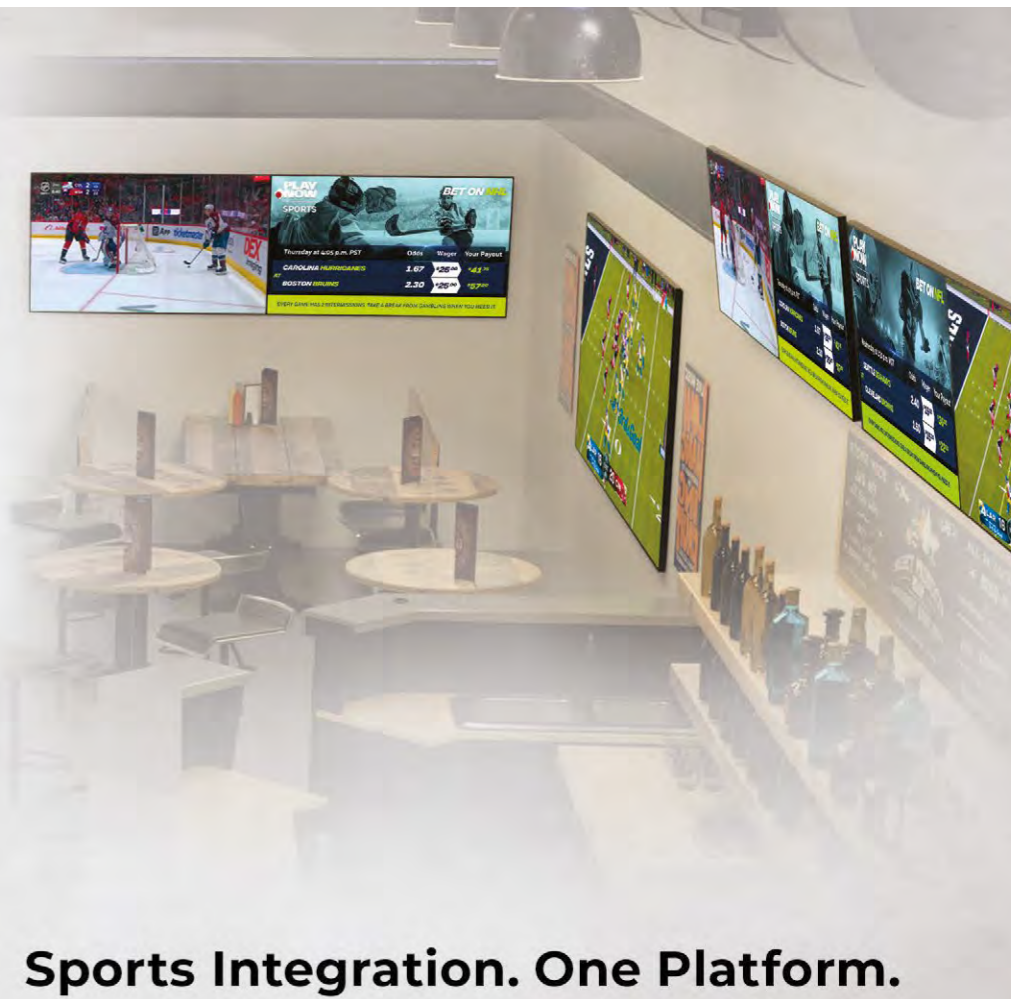


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ULIS can share this intelligence with members.

- Increase communication and intel sharing between different ULIS members, such as sports federations, law enforcement, NOCs and lotteries.
- The type of intel shared should include trends and other potentially relevant observations.

**Benefits of ULIS collaboration**

- ULIS provides a source of integrity insight into global lotteries.
- ULIS offers in-depth analysis of global betting markets.
- ULIS works closely with National Platforms enabling multi-stakeholder investigations.
- ULIS reports have assisted law enforcement agents to prove match fixing has occurred.

**Increase education and awareness-raising activities**

- It is vital to educate athletes, especially the young, about gambling issues and match fixing (ie not to bet on their own events and what to do if approached to fix a match).
- It is crucial to continue awareness raising activities (events, trainings) across the global lotteries and sports betting ecosystem.

The Macolin Convention – the only legally binding international instrument dedicated to manipulation of sports competitions – by working with partners such as NOCs and regulators.

- Match fixers shift their targeted areas so integrity work cannot be stopped or paused even if a country or sport is clean.

ULIS thanked the IOC for its organizational support, as well as all speakers, panelist and participants for making the Integrity Seminar a great success.



# ULIS integrity seminar underscores importance of stakeholder cooperation

The lotteries have a long history of supporting the Olympic movement, through funding athletes, sport federations, National Olympic Committees (NOC) and even Olympic Games Organizing Committees.

In recent years, sports betting has evolved to offer more betting products across more sports. The evolution of regulations, technology advances, and the global health crisis, have led to a boom in online sports betting. There have also been increased incidences of sports competition manipulation in many sports.

As part of the global movement to combat this problem, the United Lotteries for Integrity in Sport (ULIS) held an Integrity Seminar on the role of lotteries in supporting the sport movement on the prevention of competition manipulation. The event was organized with the support of the IOC at the Olympic Museum in Lausanne on 27-28 June.

In his opening remarks, ULIS President, Gilles Maillet, underscored the need to leverage the strong cooperation between all stakeholders involved in protecting sport integrity worldwide. This message was echoed by

other speakers from the different organizations.

Around 70 participants from across the global lotteries, sports and sports betting ecosystem took part in the event. Speakers from the IOC, ITIA, FIFA, UEFA, Council of Europe and INTERPOL presented their work and discussed how cooperation can be further enhanced for detecting, monitoring, investigating and ultimately sanctioning suspected sport competition manipulation. Experts from the French, Swedish and Danish lotteries explained how their industry contributes to this global effort.

**Key takeaways from speakers and panelists**

**Enhance communication**

- An association is only as powerful as its members. It is paramount to communicate as much as possible with ULIS, report suspicions so that

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## Enhancing public trust in the lotteries

The world has learned several important lessons from the global health crisis over the past few years. The unexpected does happen, so it is best to be as prepared as possible, or at the least, be ready to adapt to new situations.

During this time, several draws caught the attention of the public and world media. In December 2020, in South Africa, a notable draw was produced by an electronic drawing system (EDS) which used a random number generator (RNG). The South African National Lottery produced a sequential draw of 5, 6, 7, 8, 9, 10. Another draw, on 1 October, 2022, came from a traditional ball machine draw at the Philippine Charity Sweepstakes Office (PSCO), in which all the numbers were multiples of nine: 9, 18, 27, 36, 45, 54. There are other draw combinations that occurred over the last couple years that might also seem unusual, such as the sequence 1, 2, 3, 4, 6, 7 drawn by the Portuguese Lottery using a mechanical draw machine on May 10, 2023. These type of outcomes with patterns may result in many winners, which is a concern for lotteries and players.

### Seeing is believing

Such draws, unsurprisingly, call into question the trust that the players and public have in the lotteries, to ensure that they fully maintain the integrity of their operations. In particular, since the operation of an EDS usually happens behind closed doors and with no visibility to the general public, players will be skeptical and may wonder how

random the draw was. They will want to know that nothing was tampered with, that there was no hardware deterioration or software inadequacies, and that all procedures were followed correctly. Regardless of the draw system used, when this happens, the lottery industry must be able to demonstrate transparency for the entire draw process and be ready to share information with the players and the media, in a way they can understand.

### The many benefits of RNG systems

There is something reassuring about watching the lotto balls as they are being chosen in a mechanical, manual draw – the old adage of seeing is believing – even if many of us have moved online to check our lotto tickets. While it can be argued that there is a place for both mechanical and electronic draw systems, there are some interesting benefits to RNG systems that don't exist with traditional ball draw systems.

Before the pandemic, the development of online products and services was booming, and a growing number of lotteries were moving to RNG systems. However, when the world shifted to remote working and living conditions

overnight, remote and automated applications of RNG became all the more important for the maintenance of business operations.

Equally, over the past five years, with the explosion of social media platforms, consumer preferences and habits have been driving industry growth. Many lotteries have adopted customer-centric strategies, which take onboard customer feedback, and work to deliver what the players want in as timely a fashion as possible. Frequent draw games, such as KENO (every few minutes) and instant win games, would not be possible without RNG systems, and are growing in popularity.

### RNG for a one-stop shop

All games can be supported by a single RNG system. This fosters innovation and enables lotteries to grow according to their needs and goals. While some EDSs are operated manually like mechanical draw systems, lotteries have discovered the benefits of automated draw operations and scalable draw system architecture, where games and features can be easily added to facilitate access to diverse audiences. Advances in draw technology, such as cloud-based operations, can bring more advantages.

### Automation increases flexibility, accuracy and saves costs

The automation of draws allows for manual steps to be replaced with automated processes. This has the benefits of supporting any draw schedule, including outside working hours, and special circumstances, like a lock-down during an emergency. In addition, automation requires less human involvement, decreasing staffing costs and reducing human errors.

The lottery back-end processes can be integrated with information generated by the EDS and processed automatically. For promotional or second chance draws, a well-designed EDS can streamline several pre- and post-draw internal lottery processes.

### Building on what already exists

While online growth has been tremendous over the past few years, our industry still has a very strong retail sector and mix of online and offline offerings. More advanced RNG systems allow for integration with multiple gaming system platforms and vendors, as well as with audit and control systems.

Over the last several years, it has become the norm for lotteries to use Internal Control Systems (ICS) to verify gaming system integrity. Some RNG systems can integrate with the lottery gaming system and ICS, allowing for the ICS to perform independent verification of the draw results.

### Computer-enhanced active audit

The traditional role of a draw auditor is to witness the performance of a draw and certify that the draw was performed according to required procedures. For draws performed by an EDS, this may not be sufficient, e.g., if draw software was tampered with it may not be detected. Some Public Key Infrastructure (PKI) based EDS systems provide audit capability with real-time proof of draw integrity, which is also verified in real time and enables lotteries to prove the integrity and randomness of all draws since inception.

### The challenge of proving transparency

How best can lotteries deal with unexpected situations of seemingly unusual

draw numbers? As already noted, clear and simple communication is paramount for addressing the public's concerns regarding the transparency of the draw process.

When the sequential draw occurred in 2020 in South Africa, the lottery reacted rapidly and openly, by discussing the situation at length with the regulator, and inviting the press to the data center to observe a draw of the same game. All parties were satisfied with the draw's authenticity.

The draw was verified by independent auditors and proved to be correct and legitimate. It was also verified at the time of the draw, and subsequently, by the EDS technology provider Szrek2Solutions, who produced a draw validity report within minutes of the draw in question.

The Szrek2Solutions verification process covers the detection of hardware and software failures and has the added feature of being able to reproduce the draw. The auditor compared the results of the original draw with the results of this independent verification to provide conclusive evidence for the validity of this specific draw. In contrast, other systems provide only partial evidence or analyze historic data.

### RNG verification

We highlight the importance of RNG transparency. The cost of a single problem is very high and hurts the whole industry. Though an "eye-brow raising" sequence or draw result may not seem so random, it is nonetheless part of the countless possible draw combinations, all of which are equally probable.

All draw results should be verified, whether or not the sequences look unusual. There are three key aspects for lotteries using RNG systems, starting with demonstrating the randomness of the draw. Then, they need to show that no problems occurred during the draw, such as errors in the hardware or software, manipulation or interference, and finally, provide proof of the origin and integrity of the numbers drawn.

The [RNG solution](#) used by the SA Lottery, when its historic draw of 5,6,7,8,9,10 occurred, is connected to the revolution in computing and cryptographic technology – brought by Public Key Infrastructure (PKI). PKI

technology enables secure communication over the Internet, Block Chain, Bit Coin and also transparency in RNG.

PKI enables verification of data without knowing how it was created. To make the RNG system transparent, it is enough to generate the RNG seed with PKI technology and to transfer it to an independent verification system. Now, it is possible to verify the correctness of the RNG seed and using the same RNG algorithm (PRNG), recreate the random numbers.

### Choosing an RNG system

The security and integrity of lottery and sports betting activities play a key role in maintaining public confidence and trust in the sector. The lotteries, sports betting operators, and their suppliers must be able to demonstrate that they maintain visible and documented security and integrity of their operations.

The WLA Security Control Standard ([WLA-SCS](#)) and associated WLA Code of Practice ([CoP](#)) provide a framework which aims to assist them in achieving levels of control in alignment with generally accepted information security and quality practices and specific industry requirements. The Standard specifies general security guidelines, while the CoP offers implementation guidelines to better understand and apply the Standard's requirements.

Each lottery's needs are driven by stakeholder requirements and are based on the games they support, the level of risk they are prepared to take, and the measures they are willing to put in place to ensure that the integrity of their operations meet best practices. Before adopting an RNG solution, it is highly recommended to first consult with an RNG expert, either from a leading RNG vendor or independent RNG testing lab, to understand the benefits of the different approaches.

For more information about the workings of RNG systems, testing and certification, potential threats, as well as security and integrity best practices can be found in the article [Random chance is the essence of the lottery](#) and in the presentation by Thomas Bierbach from the EL Conference "[Draws, Balls, and RNGs](#)".



## OpenBet: Bringing the full sports betting experience to lotteries worldwide

OpenBet recently reaffirmed its commitment to the sector by becoming a Gold Contributor to the World Lottery Association (WLA). We spoke with OpenBet's Chief Product Officer, Nikos Konstakis, to find out more how the sports betting entertainment provider adapts its approach to the lottery sector and why the company is set for future growth with new partnerships with WLA members in the pipeline.

**OpenBet has a proud history of servicing the lottery sector. What are the key considerations about entering a sports betting partnership with a lottery company compared to a commercial operator?**

Fundamentally, it's about understanding the different nuances in how a lottery operates on a day-to-day basis. While our platform technology, content and services remain the same, it's how we adapt these products to meet the expectations of each lottery. Jurisdictions have different regulatory frameworks and it's important we work closely with our WLA partner members to establish the types of content that can be offered and ensure we're delivering a responsible and safe betting experience. Regulation is of course strict for the commercial brands we work with but, for a lottery, the spotlight is intensified and they simply cannot afford to damage their reputation in any way. That's why compliance is such an important focus for us.

Our Managed Services is a popular choice among the lotteries we work with. They can manage the pricing and risk of sports betting events using OpenBet's sports betting pricing and trading services. Considering how sports betting complements the core offering, Managed Services provides lotteries with peace of mind, knowing that those with a superior knowledge of pricing and trading are handling such an important aspect of the overall sportsbook.

**The company recently partnered with leading Greek gaming company OPAP to power their online sportsbook, in what was described as a landmark agreement. What does the deal consist of?**

Working alongside OPAP, an established brand within the lottery sector, is an incredibly exciting project for us. OPAP's vision to scale their operations and take the digital sportsbook offering to the next level is perfectly aligned with our strategy. We provide OPAP with our full suite of world-class betting

and trading technology, alongside sports content via SportCast, creating a competitive edge to attract and retain the country's vast population of passionate sports fans and bettors.

The fact we were awarded this partnership through a highly competitive process makes it even more pleasing for everyone involved within the OpenBet team. Our global portfolio of operator partners, and additionally, our flexibility in delivering a service that matched OPAP's unique requirements was crucial, particularly in relation to their desire to control the frontend.

**What was the thinking behind the most recent acquisition of Neccton?**

Player protection and stringent anti-money laundering (AML) capabilities are at the forefront of the entire industry right now. Record fines of more than USD \$250 million were issued last year for responsible gaming, AML, and compliance failures, with further punishments handed out over the last few months. At OpenBet, we thrive on solving the most complex challenges our industry presents, and Neccton's

technology means we can take our commitment in this important area to new heights.

Under the leadership of industry pioneers Dr Michael Auer and Andreas Schneeberger, Neccton has played a leading role in researching and developing the necessary solutions to address this global challenge. Through the intersection of data science and cloud-based artificial intelligence, OpenBet now has a player protection offering that is unrivalled within the sports betting space. Neccton already works closely with Atlantic Lottery and Loteries de Catalunya, and we're confident more lotteries will benefit from our technology in the near future.

**What are the opportunities for lotteries in having a premium sportsbook offering and what makes OpenBet different to the competition?**

As markets evolve and regulation changes, lotteries have the potential to build on their core offering and offer alternative forms of entertainment. They are in a unique position where they can lean on an impressive player base and

brand recognition, while also being associated with social giving. That makes a real difference compared to a new start-up that requires significant marketing spend to cut through the noise or a big global brand who lacks the local flavor.

What gives OpenBet the competitive advantage is our expertise in the lottery sector, along with our modular portfolio which is flexible to combine a global product set with the local customization including product features required to win the market. For over 25 years, we have powered the biggest sportsbooks. While our platform technology is always dependable, we have the content too. Acquiring SportCast was a game-changer for us and means we can offer more content to our partners with the original BetBuilder product, which is one of the most popular forms of sports betting right now. Given our modular offering, lotteries have the option to deploy our full sports betting platform, including managed services that sees us take responsibility for trading and pricing, or pick and choose the products they require to drive forward their sportsbook offering.

# OpenBet

**OpenBet is Sport.** The world's top sports betting brands choose OpenBet as their partner for **world class content, leading tech and tailored services.** We have their back. So they're ready with exciting, memorable and safe sports betting experiences, to entertain millions of players worldwide.



## Sports Performance: Four Years into the Game, Sports Betting in Turkey Scores Big with USD 4 Billion in Annual GGR

In one of the biggest state-sponsored fixed odds sports betting markets in the world outside of China, sports fans continue to roar.



Şans Girişim, Scientific Games' joint venture with Şans Dijital, won a competitive tender and went on to launch their Turkish national sports betting program in 2019. Four years into the exclusive deal, the turn-key sports betting program is an undisputed champion, generating USD 13 billion in handle and USD 4 billion in gross gaming revenue (GGR) over the last 52 weeks.

The program is operated by the Şans Girişim joint venture and powered by Scientific Games' software and retail technology. The major beneficiaries of the proceeds are the state and Turkish Sports. A substantial amount of funds

goes to good causes, new construction and renovation of hundreds of sports facilities throughout the country, as well as retailer employment, supporting the livelihood of more than 20,000 people.

"When Şans Girişim took over the operation from Inteltek, a joint venture between Intralot and Cukurova Group, the combination of Şans Dijital's operational expertise and Scientific Games' product development and technology increased the handle 14 times (in Turkish Lira) by year four compared to the predecessor's system," says Steve Beason, President of Digital and Sports for Scientific Games.

Managing and offering live markets was one of the biggest game changers for the program. In four years, live markets grew to represent 67% of the total turnover.

"With the introduction of live markets in 2019, astute retail management, an experienced and talented trading operation, and a comprehensive range of betting propositions for online and retail players, we are proud to share that this program in Turkey contributes more money to the government than any other single license contributes to government anywhere in the world outside of China," shares Beason.

### Turkey Sports Stats

- **Population:** 85 million
- **Annual Handle:** USD 13 billion
- **Annual Gross Gaming Revenue (GGR):** USD 4 billion
- **Bet transactions per year:** 1.7 billion (2023), 1.5 billion (2022), 1.2 billion (2021), 635 million (2019)
- **Number of monthly bettors:** 16.6 million
- **Retail betting terminals:** 6,150 (including self-service betting terminals)
- **Pre-match events per month:** 15,000
- **Live events per month:** 5,500
- **Licensed virtual agents:** 6 + 1 retailer-focused platform
- **Highest number of confirmed transactions per second:** 1,903 (May 2, 2022)
- **Type of markets offered:** ~160 with over 1,000 outcomes
- **Sports offered:** 10 (Soccer, Basketball, Tennis, Ice Hockey, Volleyball, Handball, Mixed Martial Arts, Table Tennis, Snooker, Formula 1 Racing)

These betting propositions are managed via Scientific Games Event and Market Management module by Şans Girişim's Risk Management Team. One virtual agent is managed by the joint venture with a focus on retailers, and the other six virtual live betting sites are licensed to independent, third-party operators for digital betting connected to Scientific Games' platform to consolidate all wagers.

Since its establishment, Şans Dijital – a subsidiary of Demirören Holding, one of Turkey's largest companies with significant business interests in media, energy, games of chance and real estate – has been striving to surpass the expectations of Turkish sports betting players with an immersive and

engaging gaming style while creating responsible gaming environment.

"Through our long-standing partnership with Scientific Games, we have found an excellent opportunity to effectively implement our experiences in the Turkish Sports Betting industry," says Sinan Oktay, Executive Board Member of Şans Dijital. "We look forward to continuing to create value and drive growth through Scientific Games' state-of-the-art technology and our advanced quality of services."

### Winning Game Plan

The business model used in Turkey is credited for the program's success.

"The results achieved in Turkey are the perfect example of what a competitive, well-planned lottery-style sports betting program can achieve," explains Mike Conforti, President of International, for Scientific Games who works on similar programs around the world.

The concession is exclusive, which allows the government to set the GGR target higher than what is typically seen in a competitive sports betting environment where numerous competitors are pushing up the return to players, spending vast amounts on player acquisition and retention, and leaving less for the beneficiary's coffers.

The Turkish government set the return to player at 70% with the majority of resulting GGR going to the state for reinvestment. In 2022, the joint venture managed USD 10.6 billion in handle with the state receiving USD 3.2 billion. By way of comparison, the sports betting market in the State of New York, with nine licensed providers, generated USD 16.2 billion in handle and returned USD 693 million to the government.

In line with global trends, the majority of sports bets are placed in the digital channel, but it is a mistake to discount traditional retail. In Turkey, retail betting accounts for just under 15% of wagers; however, the retail contribution to the state in 2022 was approximately USD 400 million—more than half of the total amount received by New York. Based on retail alone, Turkey is still among the largest sports betting jurisdictions in the world."

"Jurisdictions that manage sports betting like other lottery products can leverage existing lottery infrastructure because retail is an important channel for players and bettors," explains Conforti. "It's a disservice to the government in terms of returns if bets don't flow through both retail and digital. In other words, you're limiting the size of your market."

### Competitive Solution

"True excellence lies in creating a best-in-breed solution that combines cutting-edge technology, unmatched user experience and a deep understanding of the ever-evolving dynamics of sports and sports betting. The spirit of innovation in this joint venture empowers enthusiasts to indulge in the thrill of sports betting like never before," says Sinan Oktay, Executive Board Member of Şans Dijital. "Our successful partnership with Scientific Games has greatly encouraged us to continue our ventures in different countries and continue creating value. With the strength we derive from this venture, we have entered the Azerbaijan market and achieved successful results."



In 2022, Scientific Games and Şans Dijital partnered in a joint venture to launch large-scale retail and digital sports betting in Azerbaijan, growing the market from the ground up to USD 280 million in handle in just 12 months.

"Government-authorized exclusivity for a sports betting concession is substantially more beneficial to government coffers than the current trend of opening up the market to many companies through a licensing regime that floods the market with options and provides the government with a fraction of the returns it would otherwise realize in a lottery-style regime," shares Conforti.



### What's Next in Turkey

The joint venture's exclusive concession in Turkey runs for 10 years. Managing growth is top on the priority list. Scientific Games is leveraging the company's 50 years of global lottery experience by continuously advancing its technology systems' efficiency and capacity. The product portfolio will also be continuously improved. Plans are in discussion to expand the retail network

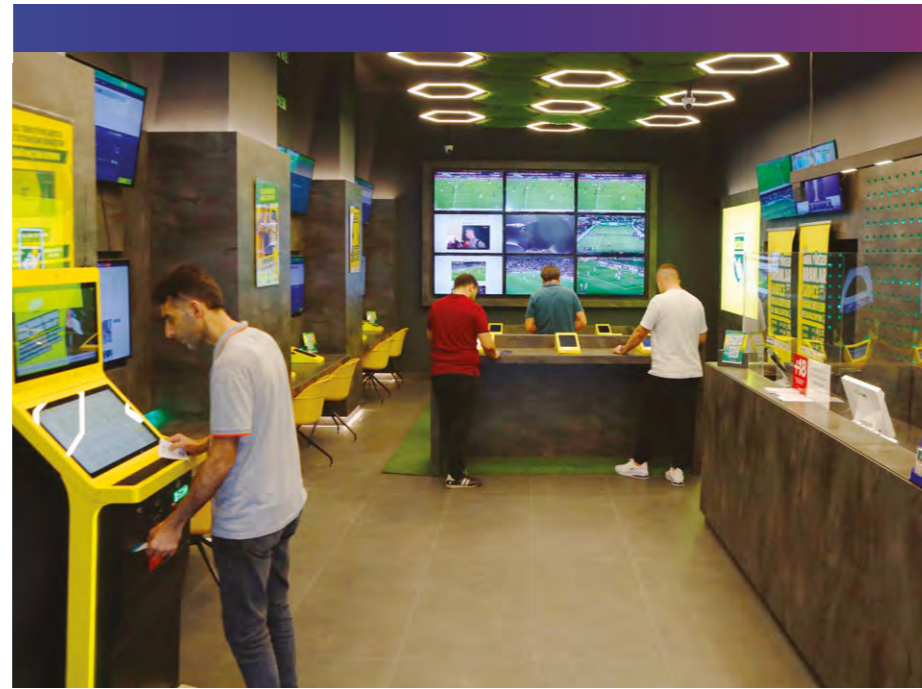
with mobile points-of-sale. And as in all markets, fighting the black market remains a constant.

"While we began this joint venture with 100% focus on driving maximum returns to the Turkish state, growth has been beyond our wildest expectations," says Beason. "As with our lottery customers worldwide, we will not waver in that focus to drive more contributions year-over-year."

No pun intended, so far, it's been a match for the record books.

*Scientific Games is a member of United Lotteries for Integrity in Sports and is among the first companies globally certified by the World Lottery Association as a responsible gaming provider.*

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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.



# INVESTED IN LOTTERY INNOVATION



We're invested in our commitment to be the **lottery partner of choice** by helping our customers responsibly grow revenue for good causes through outstanding games, retail excellence, and digital innovation.

## Player Engagement Strategies: Why You Should Care



We have entered a new era of consumer expectations. At every stage of their purchase journey, consumers anticipate a personalized, tailored, world-class user experience that caters to their unique preferences. And why shouldn't they? With brands like Nordstrom, Sephora, and Starbucks setting the bar for how a company should engage with its customers, anything less is now considered unacceptable.

While lottery may not be competing with these brands directly, we are competing for a share of consumers' attention and entertainment dollars. Considering that 75% of consumers say that they make purchasing decisions based on their experience with a brand, and 50% say that the customer experience is more important to them now than it was a year ago, the message for lottery is clear: offer a seamless and enjoyable experience, or risk consumers taking their time and discretionary entertainment dollars elsewhere.

Multifaceted player engagement strategies built on a foundation of responsible gaming are second to none in the quest for these limited and highly coveted resources. From second chance draws and loyalty programs to mobile apps and iLottery, a player engagement strategy that includes a combination of these brand-building heavy hitters serves to deepen a player's connection to – and appreciation for – their lottery.

### Open the Door with Second Chance Opportunities.

A foundational tenet of a solid player engagement strategy is identifying our consumer, which means that anonymous transactions at retail are a missed opportunity to learn more about players at a deeper level. Providing encouragement for players to willingly share the most basic personal information with a lottery is the first step to broader engagement. The good news is that this is not as challenging as it may initially seem; in fact, 77% of consumers indicate that they are willing to share

their email addresses with brands in exchange for a more personalized experience and additional incentives.

Second chance opportunities often serve as that nudge of encouragement a player needs. Beyond basic promotions that offer additional chances to win, leveraging advanced tactics, including those built around Progressive Jackpot Instants, game families, and digital games, amplify value and present players with even more motivation to provide personal information. Marketing efforts focused on gameplay cross-promotion further increase the stickiness factor, resulting in more – and more robust – player profiles.

Expanding the player experience with exciting second chance promotions is a win-win: players receive an enhanced lottery experience, and lotteries learn more about their players by building on multiple datapoints, creating a virtuous circle that facilitates more customized experiences in the future.

1. Zendesk CX Trends Reports 2023. 2. Share of consumers worldwide willing to share information with brands for personalized experiences as of September 2021, by country; Statista, September 2021

## App-lify engagement

While second chance promotions help us learn more about a particular cross-section of lottery players, there is a substantial retail segment that remains anonymous. Mobile apps are key to unlocking the identity of these players with the offer of increased convenience, enhanced customization, and beneficial features that improve their lottery experience. For example, an app with ticket-checking functionality offers players instant convenience while allowing a lottery to discover the retail and draw-based games a player participates in, even if that player has not played online.

But simply offering an app is not enough. When it comes to apps, consumer expectations are high: best-in-class design, enhanced navigation, and an intuitive user interface are shared features across all leading apps. Consumers also expect apps to offer them customized convenience tailored to their unique preferences and interests, such as push notifications and relevant promotional campaigns.

Lottery apps that deliver on these aspects will enable maximum engagement with players and facilitate the creation of their “digital fingerprints”. By combining multiple datapoints based on their usage of the app, it becomes possible to create effective cross-promotions based on a player’s individual preferences and engage the retail channel in the process.



### Inspire Loyalty with Exceptional Offerings.

In the early days of lottery player engagement, mechanisms and rewards were simple: buy a ticket, gain entries into a second chance draw. While this straight-forward exchange served to lay the foundation for more sophisticated player engagement strategies, they no longer suffice. Players simply expect more now.

Enter the modern player loyalty program. Whereas some lottery loyalty programs are designed for high value players, from our experience, the most successful programs are inclusive to ALL registered players regardless of spend, providing everyone with a chance to earn rewards. By incorporating responsible gaming principles such as points-earning activities beyond ticket purchases and low redemption thresholds, loyalty programs gently foster player engagement while building brand recognition and reliability.

When customers feel connected to their brand, 80% said they'll become brand advocates, so it's important to provide multiple opportunities to build those connections, such as digital games, polls, surveys, view URLs, and photo uploads. Tying these activities into the overarching goals and objectives of the program is critical to enhancing the player experience while building accurate player personas. When coupled with advanced analytics and reporting dashboards, a lottery can begin to better understand the distinct needs and expectations of each persona and design marketing efforts, including highly personalized, relevant, and timely offers, to cater to those preferences.

### Deepen Engagement with iLottery.

iLottery is one of the most valuable instruments in our toolkit to encourage and deepen player engagement. Learning more about player behavior has never been easier, thanks to sophisticated iLottery platforms that collect a wealth of data that can be harnessed to drive further engagement in a responsible manner. By broadening the player base, iLottery can support a lottery's mission to raise more funds for good causes while engaging with players on a deeper level.

The multiple interactive touchpoints that iLottery provides – including games and other activities – represent an important piece of the

lottery ecosystem, especially when coupled with an effective loyalty program. For those lotteries yet to embark on their iLottery journey, utilizing a loyalty platform such as the one offered by Pollard Banknote, which provides a foundation for an eventual iLottery program, is a future-proofing strategy that will pay dividends when the time comes. The data collected via the loyalty platform can be transitioned to the new iLottery program and used to design effective marketing campaigns, supporting the successful launch of the program, as a result.

### Removing Anonymity to Increase the Impact of Responsible Gaming Efforts.

The more you know about your players, the easier it becomes to identify the behavior and patterns that may lead to problem gaming. Player engagement tools are incredibly valuable in these efforts, removing player anonymity and opening a window into player behavior that might otherwise remain closed.

For example, loyalty programs can encourage players to educate themselves with activities that provide rewards for viewing videos or completing activities focused on responsible gaming. In addition, by using player information collected from iLottery and loyalty platforms, we can build predictive models that strategically address problem gaming on a proactive basis. Initiatives like these are made possible only with the advanced tools available within player engagement platforms, providing a new line of proactive defense against problem gaming.

### Elevated Strategies to Elevate Engagement.

World-class customer engagement programs aren't limited to large consumer brands. As a leader in the player engagement space, Pollard Banknote supports lotteries with proven products, technologies, and strategies designed to foster meaningful interactions at every step of the customer journey, leveling the playing field for lotteries to compete with those brands. Advanced player engagement strategies based on the principles of responsible gaming and incorporating second chance, mobile apps, and iLottery components provide unparalleled opportunities to build valuable relationships and forge deeper connections with players, for the ultimate benefit of the good causes that lottery supports.

**POLLARD**  
banknote limited

Outstanding Games.  
Retail Excellence.  
Digital Innovation.

3. Loyalty Deciphered-How Emotions Drive Genuine Engagement; Capgemini, December 2017.



**IGT™**  
**Poland Be Jammin'**

Totalizator Sportowy's (TS) iLottery program began with the launch of three draw-based games in 2018. Since May 2020, all draw-based games including Keno and daily raffles are available online, accounting for 10% of total draw-game sales. Five eInstant games, known collectively as Gierki, were onboarded at the tail end of 2020. Since launch, the Poland iLottery program has significantly grown in terms of users, game content and revenues for good causes. Currently, TS boasts over one million registered players, with 36 eInstants in its game library, and iLottery sales represent 14% of total sales.

Because most TS iLottery players engage in draw-based play only, it was exciting when TS achieved a remarkable milestone in September of 2022. This was the first month that eInstant sales surpassed online draw sales, thanks to sustainable eInstants portfolio growth and excellent TS marketing efforts, powered by IGT's guidance and shared leading practices.

"We have an ongoing, active promotions calendar refreshing bonus offers weekly to engage players," said Maciej Kasprzak, Totalizator Sportowy General Manager of Online Gaming Division. "We also use traditional media to showcase our exciting Gierki games. Our most recent TV campaign featured people playing games as they went about their daily activities, highlighting top-performing titles Pots O'Plenty, Cash Fever, and Jammin' Gemstones, to name a few. This on-air campaign has had a direct impact on reaching our eInstant sales milestone. We are so pleased with the growth of the program, and the fact that 35% of people who play eInstants are between 18 and 30 years old."

**A Balanced Approach**

TS executes a balanced eInstants portfolio strategy, which includes a mix of faster and more casual play styles that engage a range of player segments. IGT partners with TS to analyze game performance and player activity to recommend the right mix of

games for the program, launching one to two times per month. All games are localized; name, logo, in-game text, and currency are all translated to meet Polish needs.

"We follow a data-based formula to ensure we develop and recommend relevant games. That, coupled with TS's knowledge of its players is a winning strategy," said Sebastian Meitz, IGT iLottery Account Development Director for Poland. "One play style and theme may resonate with a specific player segment, while another engages multiple player segments. Jammin' Gemstones is an example of a game with wide appeal, comprising a casual play style, tumbler mechanic, bright graphics, and a popular gemstone theme. Jammin' Gemstones launched in October 2021, and while many games typically taper off around month seven, it still performs well, 18 months later. This popular title is consistently featured in the top five sales rankings and in monthly average sales per player. It is a true best seller."



**TOTALIZATOR SPORTOWY** | **IGT eInstants**

**Football Fever**

TS closed out the year with another chart topper, Piłka W Grze (The Ball in the Game), a bespoke eInstant developed by IGT. TS capitalized upon its ambassador relationship with Poland's national football team captain, Robert Lewandowski, to launch a Lewandowski football-themed eInstant, and a retail instant ticket to coincide with the World Cup.

"We have such tremendous pride for our best striker and TS ambassador Robert Lewandowski," said Mateusz Warpas, Totalizator Sportowy Head of Online Offer Team. "Sports is one of our social pillars, so it was a natural fit to create a Lewandowski football-themed game. The omnichannel content enables all TS lottery players a chance to interact with our football team brand online and at retail. We partnered with IGT on the

development of the custom eInstant utilizing a top-performing tumbler mechanic and are extremely pleased with the outcome. IGT paid attention to featuring Lewandowski, amplifying the graphics from the instant ticket, and utilizing real-life sound effects. Players feel like they are at the match with sounds of the cheering crowd and whistles."

"Having Robert Lewandowski, one of the world's top strikers and a great athlete, as our ambassador is a huge honor for Totalizator Sportowy," said Kornel Eljaszewicz, Totalizator Sportowy Director of Events and Partnerships. "We are proud of the tangible results of our cooperation, and we are already planning to engage in more similar partnerships in the future. We received positive feedback, not only from our players, but also from the public. We believe this is a positive way to move forward."

The strategy to create relevant content in time for Lewandowski and the team to compete in the World Cup tournament was a winner. As predicted, the eInstant quickly became a top performer with 68% of TS iLottery players playing the game and ranking number one in sales in the first two months (November and December), respectively 84% and 34% higher than the second-ranked game.

"Although we didn't bring home the trophy, we have a lot to celebrate," said Kasprzak. "Our omnichannel launch was a great finish to a very profitable 2022, raising money for our good causes. We look forward to the rest of 2023 and our continued partnership with IGT, focused on delivering the best eInstants to our TS players."

**2022 RECAP**

Top Three Performing Games	Jammin' Gemstones, Dazzling Diamonds Deluxe, Pots O'Plenty
iLottery Sales Increase - Year Over Year	52.4%
eInstants Sales Increase - Year Over Year	93.3%
eDraw Sales Increase - Year Over Year	26.8%





## Holistic, Scalable, Limitless

INTRALOT LotosX Omni, introducing a brand new gaming solution, evolving from omnichannel to omni-experience.



intralot

Holistic Player Engagement, Scalable Platform Solution, Limitless Ecosystem Possibilities



# INTRALOT LotosX Omni:

Evolving from omnichannel to omni-experience gaming solution, now complete with a new Player Account Management system.

Shaping the next generation of lottery experience, LotosX Omni is a unified lottery proposition that enables seamless gaming journeys across all player channels, providing advanced and reliable omni-gaming solutions. The long-standing INTRALOT lottery experience, together with the proven high performing and reliable retail and digital solutions, provide with the LotosX Omni proposition, a unique offering that enables lotteries to embark on the digital transformation journey, rapidly and securely and adapt to the changing player environment.

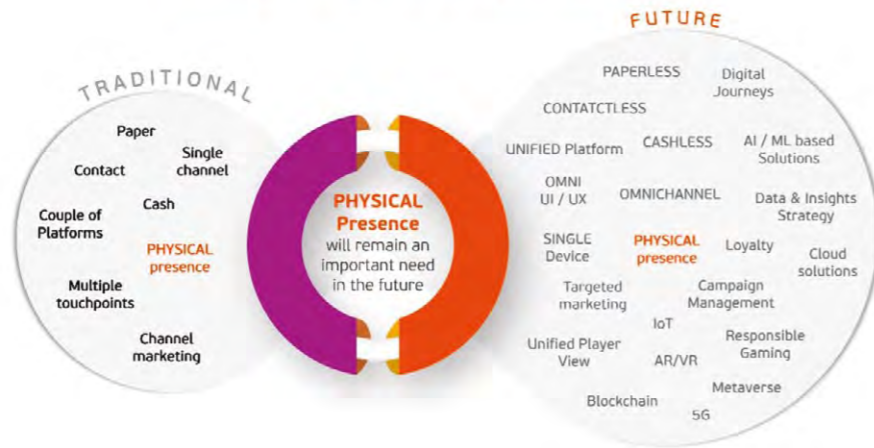
LotosX Omni is at the heart of the new INTRALOT gaming solution. Combines INTRALOT's well-established and reliable, secure industry-leading lottery proposal, designed on a microservices architecture, with principles of scalability, modularity, and extensibility, for the benefit of gaming operators and players. It is enabled to support cloud or hybrid technology infrastructure models and consists of a future proof, modular architecture that delivers a holistic, omni-channel experience across channels, deployment models,

configurations, games, and services.

LotosX Omni redefines the retail landscape with a digitized player-friendly gaming environment, simultaneously enforcing lotteries with fresh perspectives on responsible personalized

player gaming behavior. Integrated with state-of-the-art services, LotosX Omni allows gaming operators to simplify and accelerate the launch of new games, maximize the configuration of existing content, and personalize the player experience.

### The SHIFT to OMNI Moving from Traditional to Future Lottery

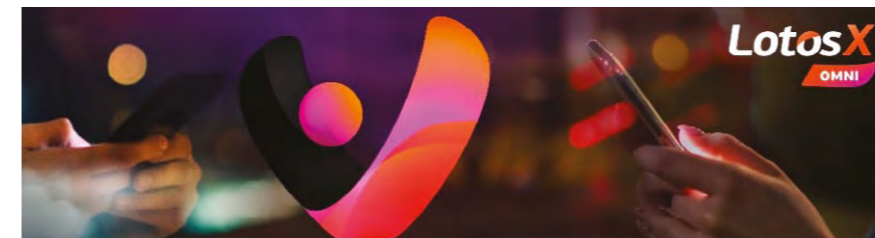


In a nutshell, LotosX Omni proposition, provides advanced player account management features that enable unified player journeys across all channels for all games.

The new player account management system "INTRALOT Player X", benefits from a future proof, modular and flexible design that can adapt to continuously changing operator needs.

A unified player account management system, allows lotteries to provide a seamless and consistent player experience across all channels by transforming integrated user data and analytics to a comprehensive view of player behavior and preferences that can lead to further improved games, promotions, and loyalty offerings.

LotosX Omni provides the enablement of digital journeys playbook, which provides a strategic framework to the lottery operators to use and plan, to design and optimize their digital players experiences. It outlines the key stages and touchpoints of the player's journey, focusing on how to engage and interact with them effectively across various digital channels based on responsible gaming rules.



Retail consumers have the expectation of a digital experience and equally when purchasing online, they expect a physical part of that journey. Those two things need to be complementary to each other.

### Scan&Play

Players can prepare a playslip using the mobile application and then scan the resulting QR code in a retail terminal inside a store to place the bet. Players can also scan a QR code displayed in retail stores, download the mobile application, prepare the playslip and then proceed with the game journey described above.

What differentiates INTRALOT gaming solution is long experience in the industry and a customer-centric approach providing technology, IT services, game operations and support worldwide, tailored to customer needs. Empowering players in a secure and trustful environment by preventing underage, illegal and problem gambling is our priority.

LotosX Omni solution is designed to simplify the installation and use of new software by automating many of

### Tap&Play

A prepared playslip, saved in a mobile app wallet can be submitted by tapping mobile device in a smart IoT terminal inside a physical store, similar to how consumers use their smartphone wallets for payments.

the setup processes providing lotteries a seamless and intuitive experience. With LotosX Omni gaming platform, lotteries can reduce the go to market processes of software development and integration projects, allowing them to focus on their core business operations. This approach also enables businesses to take advantage of new technologies and applications without the need for extensive technical knowledge or expertise. Our advanced solution enables easy integration with other systems or applications, without

### Pair&Play

The player journey is to pair the mobile device with a Self-Service Terminal (SST) just to transfer funds and then have the retail game experience of the SST in order to place playslips.

requiring extensive programming or customization as it comes with pre-built integrations, connectors, and APIs that allow businesses to connect with different systems and applications quickly and easily. Features of customer relationship management (CRM) software, data analytics, and marketing tools enable lotteries to execute omnichannel strategy with ease and meet players where they are, providing a convenient and seamless experience that drives further engagement, KYC and loyalty.

New, advanced LotosX Omni  
**Holistic, Scalable, Limitless**



**LotosX**  
**OMNI**

INTRALOT LotosX Omni introduces a brand new omnichannel gaming solution.

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[intralot.com](http://intralot.com)

**intralot**

Certified by WLA for its Responsible Gaming program, INTRALOT is committed to the principles of responsible gaming incorporating them at its best-in-class product solutions and global operations.

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**The WLA Magazine is published by:**

The World Lottery Association  
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 Case postale 6744  
 1002 Lausanne  
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The views expressed in the WLA magazine are those of the authors and do not necessarily reflect the views of the World Lottery Association.