

LOTTERY INNOVATION

It's Part of Jeff Martineck's Life Work at Scientific Games

For many, innovation has become a buzz word in recent years. But Jeff Martineck has never lost his focus on what it means at Scientific Games. Rapidly evolving consumer trends, technology advances, and the power of data insights have always sparked his passion. Over 30+ years in the lottery industry, he's been issued more than 30 U.S. and international patents.

"For us, innovation means real solutions, not theoretical concepts. It means tangible and impactful products that advance our lottery customers' business," says Martineck, Senior VP Global Products & Innovation at Scientific Games. "That's why we've led the industry in product 'firsts'."

Martineck is a guy who's made his own stuff most of his life. He builds guitars. He's a woodworker. He even brews his own beer. Taking things apart and putting them back together to create something new and better is a part of his DNA. At Scientific Games, he gets to do it with stuff that helps raise money for good causes. His ability to look to the future, solve problems, develop the next new playstyles and product enhancements paved a natural path to a role 100% focused on innovation.

Backed by a diverse team of solvers, creators, product developers, technologists and futurists from around the world, Martineck moved into the expanded role of Senior VP Global Products and Innovation at Scientific Games Lottery in 2020 - a leadership position that he's prepared for his entire life.

Jeff's role spans Scientific Games' entire integrated lottery group including instant products, systems, as well as retail and digital solutions - with particular focus on how Scientific Games' unique product advances interconnect across these areas. His ideas and experimentation are behind some of the most exciting instant game products to hit retail stores. Now he's directing innovation across all Scientific Games lottery product lines in a world currently full of challenges and opportunities.



Jeff Martineck



What do the Scientific Games Lottery innovation teams around the world look like today?

Martineck: Let me start with the idea that innovation is the responsibility of all of our employees. We have a culture of innovation, whether it's to improve a process, make lottery functions more secure, find ways to modernize how lottery games are sold and make it easier for retailers, or develop products that engage consumers. For those who have direct responsibility for product innovation, we have groups in the U.S., Canada, U.K., South America, Europe, Australia and India that bring different perspectives about different markets across product lines and all lottery game categories. And we all learn from each other. It's through sharing ideas and our diverse experience that our insights become practical and profitable – what we like to call “meaningful innovation”.

The pandemic has kept innovators at many companies from in-person collaboration. Has a virtual environment impacted innovation at Scientific Games?

Martineck: Such an important question. I'm surprised at how our innovation groups have adapted so well to remote collaboration globally. But there are two main tactical changes taking place to allow innovation to move forward with limited in-person time.

- Collaboration is scheduled regularly and with enough time to really work through an idea. Spontaneously stopping by someone's office to say “What do you think about this?” isn't an option. So we make sure our innovation teams take time out to look to the future and are not only focused on making today's trains run on time.
- In those scheduled collaboration sessions, someone is responsible for pulling out ideas from everyone—even those who may be quieter by nature. Our goal is to have all of our brightest thinkers openly share their ideas in the innovation sessions.

What are the biggest areas of innovation our industry needs in the next two years to move forward with the consumer and stay ahead of gaming entertainment trends?

Martineck: Innovation is taking today's data and trends and doing your best to anticipate market changes, then building products and services that will be needed in the future. Change is happening at a faster pace than our industry has ever experienced. The amount of data needed to accurately predict future trends has grown exponentially. It's why we've been so disciplined about evolving data analytics and insights with advanced business intelligence and quality, communication with consumers that improves our understanding. What motivates players hasn't changed. But their behavior has changed, either out of preference or for reasons that have been forced upon them. Using our *ONE Segmentation Study*, we try to understand this fully to achieve innovation that's valuable to our product decisions and lottery customers.

How are your teams prepared to deliver?

Martineck: We think in terms of all products through all channels. Consumers want access to great lottery games through a variety of methods. They want traditional instant scratch-off games. They want traditional instants with mobile features. They want exciting terminal-generated games, including instant win opportunities. And they want to purchase games through multiple self-service and clerk-assisted ways. They also want to be part of loyalty programs that benefit them. And enjoy frictionless, engaging digital lottery experiences. Scientific Games has delivered on each and every one of these. We are continually evolving and improving so our customers can offer the most advanced experiences to their players.

If a lottery is investing in innovation in 2022, where would you guide them?

Martineck: In parallel with the obvious digital investment, lotteries

must also modernize retail, or it will lose serious ground. Retailers are changing their merchandise layouts and upgrading the vibe in their stores. Consumer paths and touchpoints are more important than ever. And those competing for the consumer's entertainment wallet have already upped their game. Both the retail and digital lottery experiences need to improve, requiring investment focus.

What's the most important area of focus at Scientific Games right now in the area of lottery innovation?

Martineck: For us, a priority is improved consumer engagement to improve game category performance – that starts with coordinating product ecosystems and robust business intelligence. It's not about building one monolithic central system, it's about product suites that combine content, enabling technologies, analytics, and services. These product suites – or building blocks – can work as a portion of the ecosystem, or combined as a whole. We continue to advance our technologies and analytics platforms to easily connect important functional modules that allow lotteries to engage consumers through multiple channels.

We have lots of examples of this strategy. *SCiQ* is a great example of a product suite that can operate stand-alone, or integrate into the broader ecosystem of instant game or sales force management tools. Our digital CRM program is another product suite of technology, analytics and services that we can deliver with our *iLottery* programs, loyalty and promotions programs tied to retail, or an overall consumer engagement across a lottery's full portfolio.

By partnering with Scientific Games for business intelligence, on any of these product suites, lotteries can realize significant impact on their sales. By delivering product ecosystems that collect and analyze data from various touchpoints, we can provide analytics services that create actionable intelligence about their players and retailers like they have never imagined. Powerful, meaningful stuff.

SCiQ® and ONE™ are trademarks of Scientific Games. © 2022 Scientific Games, Inc. All Rights Reserved.

