



—  
**A Comprehensive Look at the  
Next Generation of Draw Games  
in North America.**

Research conducted by



---

# If I could show you a new draw game that...

Adds in-store value to retailers...

Projects 12-16 cents PC with a top  
end of 24...

Grows the lottery base and appeals  
to millennials...

Delivers a 2 minute live action sports  
lottery experience through a mobile  
device, website or in-store monitor...



—

# Would I have your attention?

A comprehensive Ipsos study conducted in Kentucky over the summer of 2015 suggests EquiLottery is that draw game.

---

# What Is EquiLottery?

A daily \$2 draw game based on the results of a live horse race.

Each ticket represents a 3 number bet with horse numbers and names listed.

\*Lotteries with little or no local horse racing can still offer the game daily by utilizing races outside their state.



---

## What Is EquiLottery?

Quick Pick game play to simplify player and retailer experience while satisfying “game of chance” provisions.



---

# What Is EquiLottery?

Daily race videos delivered through mobile app, website and retailer monitors.

A link to the mobile app and website available on each printed ticket.



---

# What Is EquiLottery? Cash Prizes

Variable top prize = \$300 - \$1,000

Box prize = \$5 - \$40

Any two numbers = Free Ticket

\*Variance based on field size and odds of winning horses.



---

# What Is EquiLottery? Second Chance Raffle

Kentucky Derby Dream Trip  
VIP Racetrack Experience  
Exclusive Stallion Farm Tours  
Horse Ownership  
Retail Gift Cards





---

# What Is EquiLottery? Every Ticket Is A Winner

Registered tickets receive voucher  
for free racetrack offer including:

General Admission	Betting Voucher
Food or Beverage	Track Program

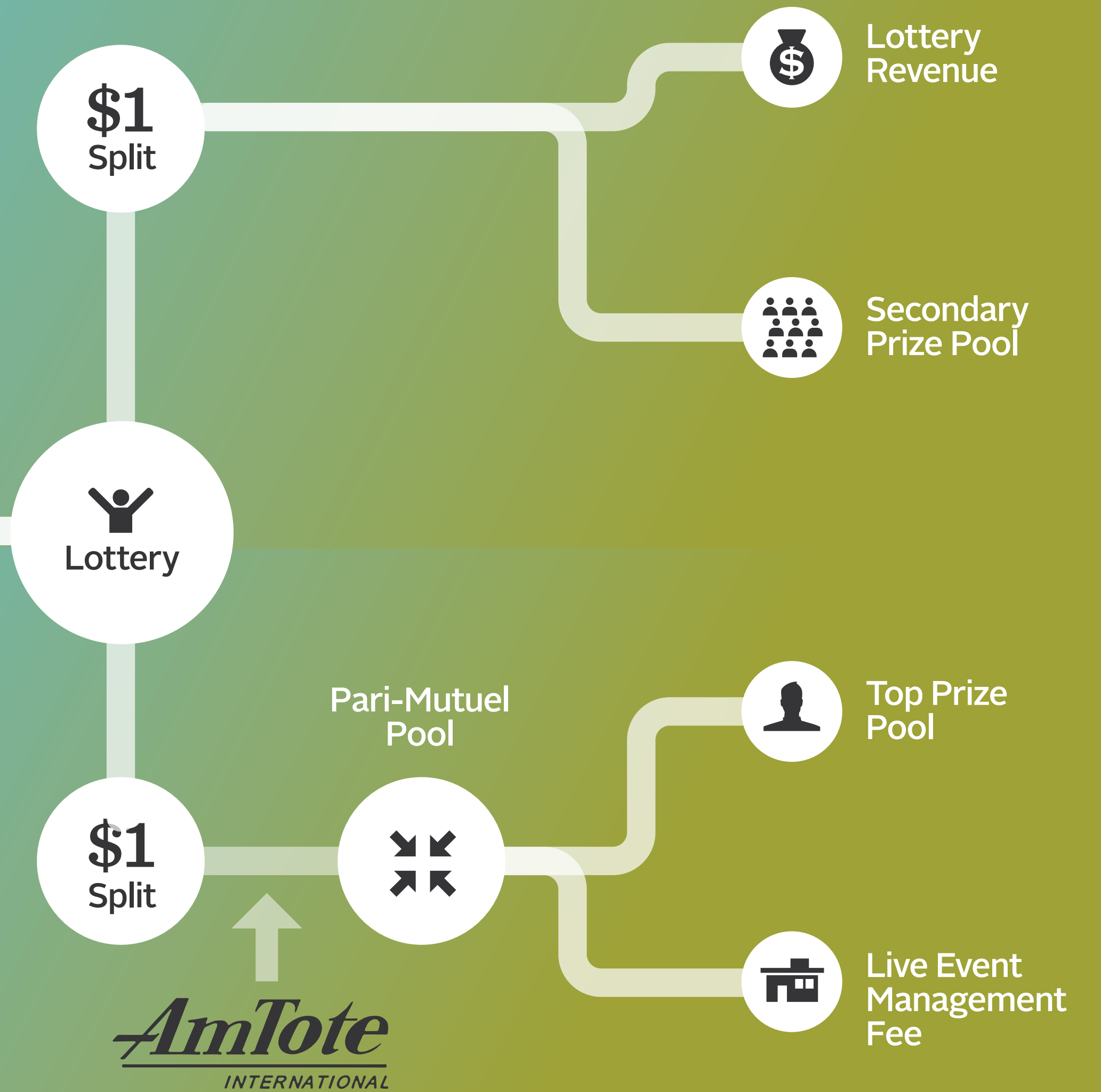
\*States without racetracks have potential to partner with other sporting events for similar offers.



# How EquiLottery Works



Purchased  
\$2 Ticket



# Qualitative Study Methodology

A qualitative study was performed in May of 2015. 3 focus groups were recruited for Louisville and Lexington.

Core Players  
Infrequent Players  
Retailers



47 Total Participants

---

## Qualitative Study Findings Excitement of Live Horse Race

**“More exciting than  
watching three ping pong  
balls coming out of  
a machine.”**

— Study participant

Players loved the excitement of a 2 minute horse race as the basis for a lottery.

Lottery based on a live event also felt more authentic to players than other lottery games.

Shorter event time made horse racing more interesting than other sports.

Retailers celebrated the idea of playing races in their stores.

---

**Qualitative  
Study Findings**  
**Convenience of  
Mobile App**

Most players and retailers found mobile app appealing and convenient.

Made lottery more relevant to people's daily lives, especially millennial participants.

**“Awesome to have race offered  
on mobile device.”**

— Study participant

---

**Qualitative  
Study Findings**  
**\$2 Price Point**

Players found the price point appealing and a good value for their money.

Retailers believed \$2 Quick Pick ticket without play slip would be easy to sell.

**“If you could spend \$2 and have a chance to win a minimum of \$300, what’s wrong with that?”**

*— Study participant*

---

# Qualitative Study Findings Second Chance Prizes

Second chance raffle and free racetrack offer were appealing, especially to infrequent players.

Psychology of receiving something for free was compelling, even if players did not plan to use it.

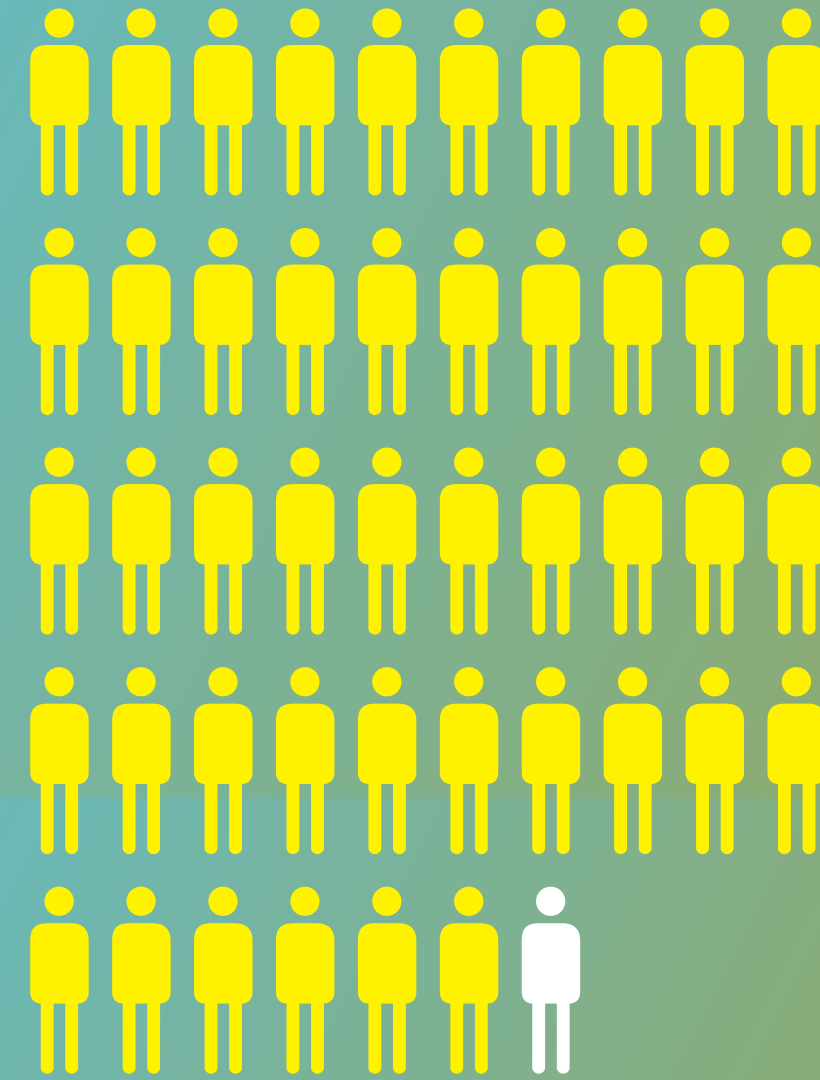
**“Every ticket is  
a winner!”**

— Study participant

# Qualitative Study Findings Anticipated Behavior

**“May become my  
new favorite!”**

— Study participant



**46** out of **47**

participants indicated  
they would play game.

**Overall Impression  
and Understanding**



**28** out of **47**

said EquiLottery would  
cause them to increase  
overall lottery spend.



**4.4 out of 5**



---

# Quantitative Study Methodology

An online quantitative study evaluated Kentucky residents who were:

18 years or older.

Not employed in the gaming, advertising or media industries.

Not morally opposed to playing the lottery.



**1,853 interviews collected.**

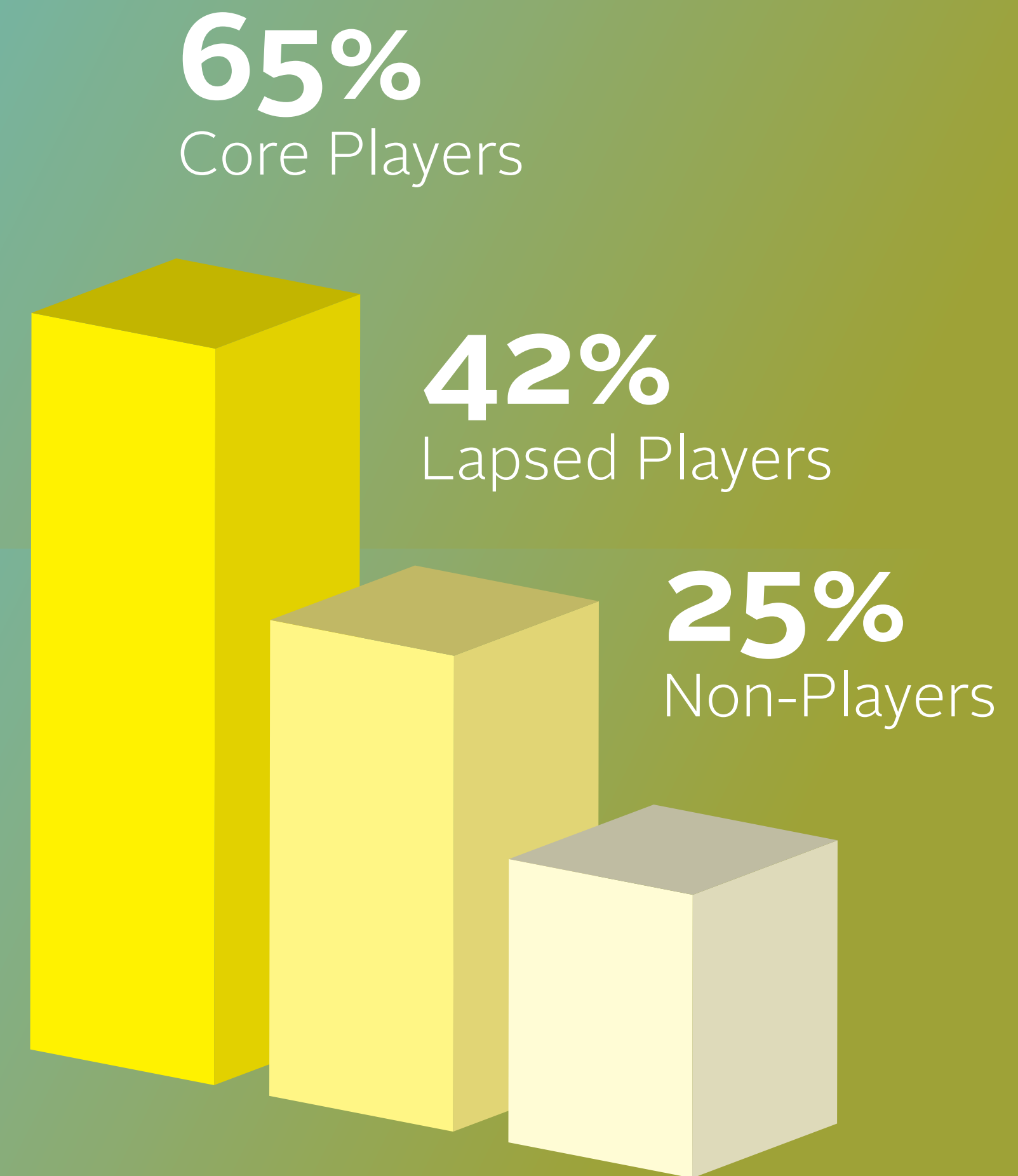
**1,200 identified lottery players.**

Results weighted by age, gender and region.

# Quantitative Study Findings Game Appeal and Player Spend

Overall appeal scores 15% higher than average.

Adds 300,000+ new players to lottery from state population of **4.4m**.

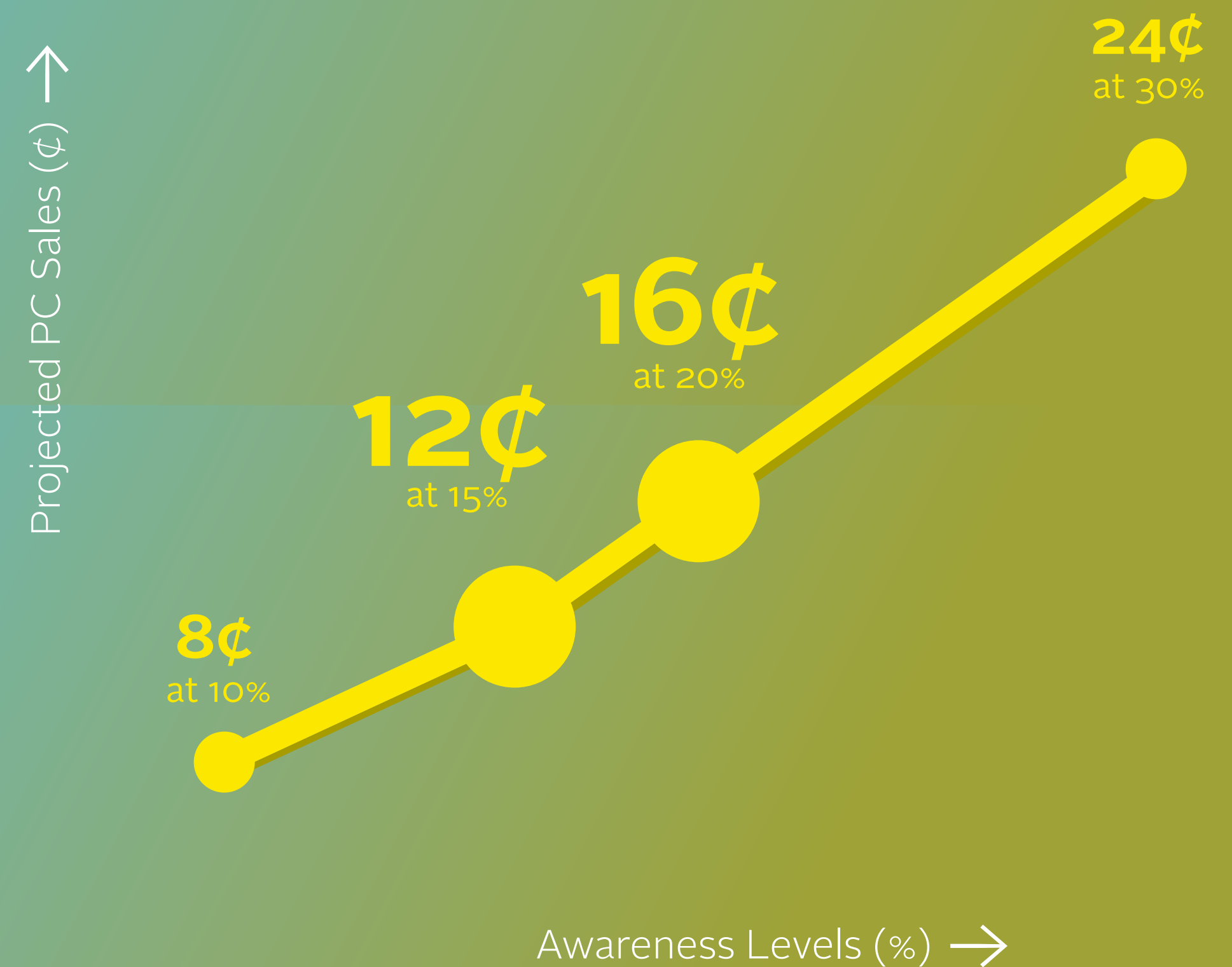


Percent of players planning to spend money on EquiLottery.

# Quantitative Study Findings Annual Player Spend

Based on awareness levels, first year projections range from \$18m to \$54m.

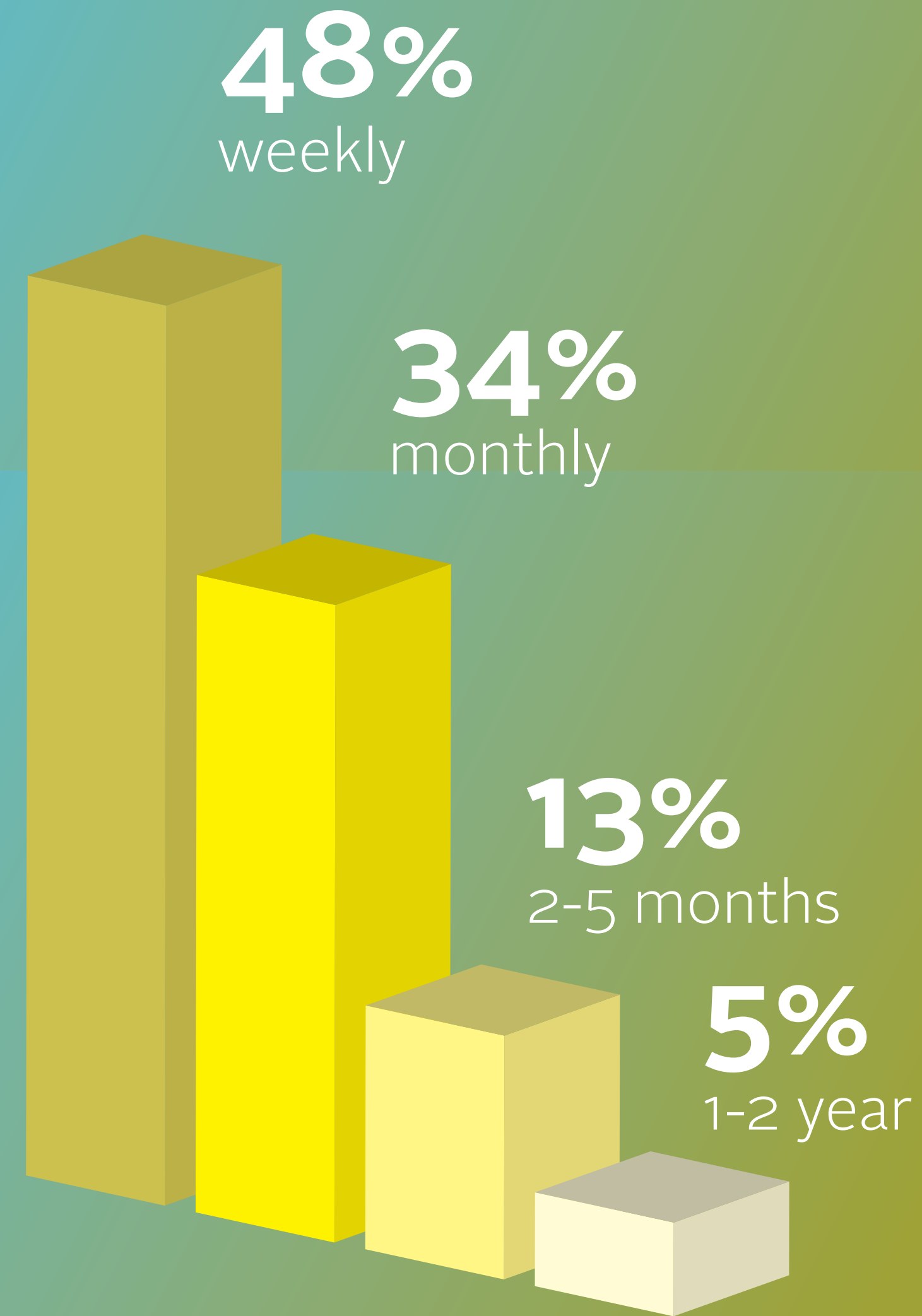
Increases profits with low cannibalization rates ranging from 0.55% to 1.64%.



\*PC sales based on game being offered once a day.

# Quantitative Study Findings Stickiness

“These findings demonstrate that players find EquiLottery to be a suitable game for them to start playing on a regular basis... the initial indications demonstrate that EquiLottery presents high potential for stickiness.”



Players average purchasing 2.2 tickets per race.

---

# Quantitative Study Findings Positive Game Attributes

Many measures performed above the average for games tested.



**+23%**

“Watching the draw is exciting.”

**+18%**

“Is different from other lottery games.”

**+8%**

“I feel like I have a good chance of winning a prize.”

**+7%**

“Appealing secondary prizes.”

**+6%**

“Provides good entertainment value.”



**+5%**

“I would recommend this game to my friends.”

---

# Quantitative Study Findings Demographics



Millennials found many of the game features more appealing than the general population.

There was no discernible difference between urban and rural player interest.

**+19%**

“I like the idea of using a mobile app to find out whether I won.”

**+16%**

Impression of the game if races were offered from outside the state.

**+11%**

“I would purchase more tickets until I got the horses I like.”

**+11%**

“Having some of the proceeds of the game directed to the Kentucky horse racing industry is appealing.”

---

**These studies show EquiLottery has the potential to break open a next generation in lottery gaming. The reasons players and retailers are drawn to this game are clear.**

**Live action player excitement**

**Simple mobile integration**

**In-store value for retailers**

**Easy to sell**

**Excellent prize value**

**Appealing \$2 price point**

—  
If you would like to reach out to...

...millennials...  
...core players...  
...lapsed players...  
...non-players...

...and add great value to your **retailers...**

...it's time to consider EquiLottery as a part of your portfolio and help to usher in **the next generation of draw games in North America.**



—  
**For more information,  
including a copy of this  
presentation, contact:**



Brad Cummings  
(502) 644-1454  
[brad@equilottery.com](mailto:brad@equilottery.com)

