

IGT Offers a Full Turnkey Sports Betting Solution



Technology

KEY TAKEAWAYS

- As sports betting becomes approved in more jurisdictions, IGT PlayDigital's PlaySports is prepared to bring a proven, tested platform quickly to market.
- IGT has market-leading solutions to support retail, kiosk, and mobile sports betting channels.
- IGT operates the Rhode Island Lottery's sports betting services, in partnership with William Hill.

SITUATION

Until 2018, the sports betting conversation in the United States was largely contained to the legally permitted play in Nevada, with smaller niche products available in recent history in Oregon, Delaware, and Montana. When the Supreme Court overturned the Professional and Amateur Sports Protection Act (PASPA) in May of that year, the marketplace suddenly opened, and states quickly began to investigate how best to leverage sports betting as a revenue generator.

Less than a year and a half later, sports betting is now active and operational in 10 states, legalized but not yet operational in six more, plus Washington, D.C., and on the legislative docket of more than a dozen more. Given how quickly the opportunity opened up, state legislators and regulators found a need to identify proven, trustworthy options to bring a product to market that players were eager to engage with.

SOLUTION



IGT PlaySports is a fully customizable, turnkey platform with a straightforward implementation, designed to be live and operational in a short timeframe; key for the

U.S. market as customers look to quickly develop and leverage in the emerging marketplace. The platform supports retail, kiosk, and mobile touchpoints.

IGT's solution, having already been significantly developed and deployed globally over the past 10 years, is well-positioned to bring a proven platform to the quickly growing U.S. market. PlaySports became the first to be approved by the state of Nevada in almost 30 years.



In many markets, IGT provides the technology platform to enable Sports Betting in a particular jurisdiction. However, in Rhode Island, IGT won a procurement to provide end-to-end sports betting services at the state's two casinos, as part of a partnership with William Hill. The first of its kind in the lottery industry, this partnership helped bring PlaySports to market in Rhode Island only eight weeks after being selected by the Lottery. William Hill provides the odds-making, risk management, and other services related to the sports betting portfolio, and IGT provides the platform.

RESULTS

PlaySports accepted the first sports bets in the country outside of Nevada when it became operational at the Borgata Hotel Casino and Spa in Atlantic City, New Jersey, in June 2018, just one month after the PASPA decision. A year later, PlaySports is live in seven states: Nevada, New Jersey, Mississippi, West Virginia, Rhode Island, Pennsylvania, and New York. In that time, the IGT system has handled over \$3.5 billion in wagers. Between retail, kiosk, and mobile channels, IGT now handles about 60% of the sports betting business in the U.S.

As important as the system is, making it more convenient and efficient for players to consider wagers and place bets is equally vital. IGT's PlaySports self-service sports betting kiosk, gives players control over their bets in a compact footprint, while giving the facility the same level of oversight as a traditional over-the-counter transaction. IGT has installed over 125 PlaySports kiosks to date in New Jersey, Pennsylvania, Rhode Island, New York, and Mississippi.



A bank of PlaySports self-service sports betting kiosks at the FanDuel Sports Book at Tioga Downs Casino Resort, in Nichols, N.Y.

IGT's existing relationships with commercial, tribal, and lottery customers alike have been crucial in establishing the trust to extend the U.S. sports betting market so quickly. "The number one reason why we went with IGT [as a sports betting partner] is our prior business relationship with IGT. Who in gaming does not know the reputation of IGT, what they bring to the table," said Neal Atkinson, Director of Table Games at Pearl River Resort Casino in Mississippi. According to Atkinson, the introduction of sports betting had a significant impact in bringing in a younger demographic, including an estimated 70% boost in revenue from players in the 21-32 age range. Just as important, sports betting did not cannibalize from the property's other gaming options; table games at Pearl River have seen a 6% month-over-month increase since the introduction of sports betting.

PlaySports is deployed at the FanDuel sports book at the Meadowlands Racetrack (New Jersey), the largest sports book in the country, and has gotten rave reviews from staff and players alike. "We are using the number one retail sports betting solution on the market," said Garreth Core, Sportsbook Product Manager at FanDuel. In particular, the introduction of 50 PlaySports kiosks to the property in February 2019 has been a boost to an already-thriving business. Sales via the kiosks see consistent week-over-week growth, with 49% of customers using kiosks to place their bets.



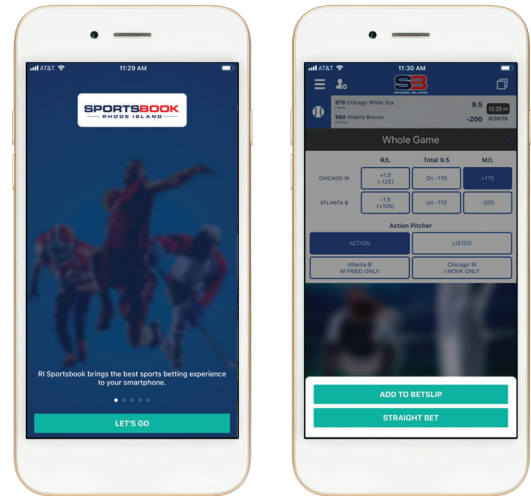
PlaySports self-service sports betting kiosks at Twin River Casino in Lincoln, R.I.

In Rhode Island, sports betting operations began in November at Twin River Casino, followed soon after at Tiverton Casino. In the fiscal year that ended June 30th, sports betting made a \$6.9 million profit, of which \$3.5 million was contributed to the state. PlaySports kiosks were installed in early 2019, and mobile wagering was introduced in September, shortly before the beginning of football season.

Looking Ahead

As the sports betting market in the U.S. develops, players will look for more sophisticated ways to engage with the sports betting product. One of those means is mobile betting. IGT currently has mobile sports betting solutions live in Nevada (in partnership with MGM), Mississippi, Pennsylvania, and New Jersey (PA and NJ in partnership with FanDuel).

Mobile betting, tethered as broadly as within a state's borders or as narrowly as within a sportsbook or retail establishment, gives players new and convenient ways to place and track their bets. Mobile betting also makes in-play or live betting much easier and convenient for players. In-play betting represents "the number one area of growth," according to Atkinson.



Screenshots of the Rhode Island Lottery's Mobile Betting app, powered by IGT's sports betting platform.

As more states are able to introduce this new channel to their sports betting product, IGT PlaySports is ready to quickly bring a mobile platform to market.