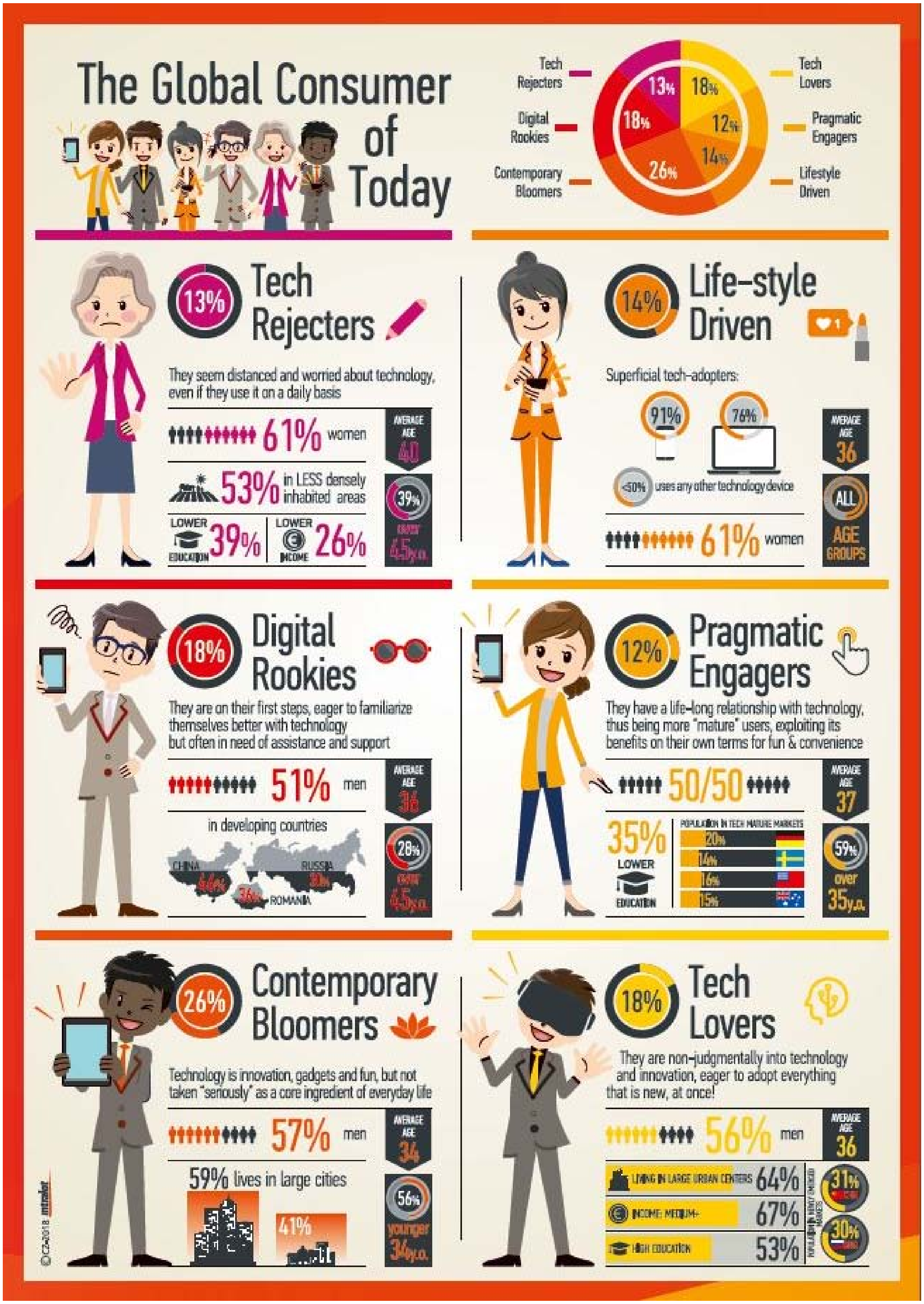
EL MAGAZINE ISSUE #59 U a
NEWS AND UPDATES ON THE EUROPEAN LOTTERY SECTOR

MAPPING GLOBAL CONSUMERS AND MARKETS: ONE-SIZE DOES NOT FIT ALL!

As a global leader in the gaming industry, INTRALOT is constantly into gaining thorough understanding of new technology trends and tendencies in the consumer and the retail business contexts, so as to serve all its stakeholders better. To this respect, in late 2017, INTRALOT led the way into a global market research project, addressing 11.000 “dynamic” consumers, 18-54 years old internet users who live in urban centers, in 11 countries and 2.107 gaming & non-gaming offering retailers in 12 countries, further segmented into: large chains, independent stores and exclusive gaming stores, so as to define each audience’s relation to technology & innovation and their respective needs and trends.



WHO IS THE GLOBAL CONSUMER OF TODAY?

Living in a multi-geared world, dominated by different levels of attainment to technology and innovation, is a fact that INTRALOT knows all about. From a global point of view, "one size fits all" is a misconception that cannot apply to the complex, multi-leveled forces of change; nor is the "black or white" approach enough to capture the diversity and richness-in-difference of today's global consumers. To determine behaviours and preferences, thinking in continuums is more appropriate; thus, Intralot has segmented global consumers into 6 clusters depending on their degree of affiliation, familiarity and use of technology and technology innovation, representing a continuum of stances that vary from tech-enthusiasts to tech-phobics.

For this continuum to make sense, one has to keep in mind that overall stances towards technology and innovation are highly influenced by individual factors such as age, gender, education, income but, most importantly, by “collective identity” parameters, such as historical and cultural legacy, collective past experience with technology and country’s level of social maturity. Thus, extreme tech-enthusiasts and tech-rookies may be mainly located in newly emerged markets, such as Russia and China, while, tech-phobics or down-to-earth users of technology can be mainly found in the technologically and socially “mature” markets of Northern Europe [Germany & Sweden], USA and Australia.

Who are, thus, the 6 global consumer segments? Tech Rejecters, as per their name, seem distanced and worried about technology, even if they use it on a daily basis; Digital Rookies are on their first steps, eager to familiarize themselves better with technology but often in need of assistance and support; Contemporary Bloomers represent the young and link technology to innovation, gadgets and fun, while still being reluctant to fully digitalize their lives; Lifestyle Driven are rather superficial tech-adopters, focusing on social & leisure usage, mainly smartphone and gadget dependent; Pragmatic Engagers have a life-long relationship with technology, thus being more “mature” users, exploiting its benefits on their own terms for fun & convenience; Tech Lovers, finally, are non-judgmentally into technology and innovation, eager to adopt everything that is new, at once!

HOW DO RETAILERS RESPOND TO CONSUMERS’ DIVERSIFIED NEEDS?

Opposite to consumers, retailers seem to follow a rather bi-polar “path” to innovation, either pro or against it; in other words, retail tech-diversity is still in the making and it will take considerable effort to achieve.

A dynamic group of open & uneasy retailers, mainly located in “mature” and competitive markets, such as U.S.A., Canada and Germany, or in tech-thirsty markets, such as China, easily adopt advanced applications and invest in new ideas ant propositions. Such retailers are the ones that follow technology and social trends, adapting to their customers changing needs; they also tend to describe the profile of their customers as rather tech-advanced who appreciate innovative offerings and spend considerably higher than others.

On the other hand, the majority of the global retail market consists of more settled retailers, with a set rule of habits, product portfolio and technological applications, who, in turn, portray a more traditional customer profile. Such retailers can be mainly found in markets, such as Greece and Romania, and tend to use mainstream technologies and devices only; respectively, they tend to attract lower-spending, less tech-engaged customers, who are not engaged by innovation.

HOW DOES DIVERSITY AFFECT THE GAMING MARKET?

Across profiles, targets and markets, it is evident that technology adoption, openness to the new and “thirst” for innovation go hand-in-hand with games of chance. Innovation-driven consumers “casualise” games of chance and incorporate them in their daily leisure patterns while dynamic, uneasy retailers of all sectors gradually incorporate gaming offerings in their portfolio.

As a result, current players of games of chance are mainly found among the Tech Lovers [54%] and Contemporary Bloomers [57%], who, combined, produce about 75% of total gaming share! Next to them, Digital Rookies [eager to familiarize themselves better with technology] are a new gaming audience of high potential.

At the same time, tech-adopting retailers, who are up-to date with the latest developments on their sectors, tend to invest in gaming options to a much greater extent than more “traditional” ones; thus, total penetration of games of chance reaches 26% among physical retail stores. Such retailers, aligned to their consumers’ preferences and needs, have incorporated gaming alternatives in their business and are open to enriching them with new, more advanced propositions, as long as they offer a differentiated customer experience environment and enhance profits.

THE FUTURE OF A DIVERSITY-DRIVEN GAMING MARKET

Along with the diversified and multi-dimensional consumers, respective diversification of gaming –in terms of channels, locations, experiences and platforms- is integral in today’s world; gaming providers need to provide the means for all types of players to enjoy seamless gaming experiences and address and cater for more complex audiences through multi-channel platforms.

In line with current global diversity, profile-based targeting is the next big step for retailers. In our days, market success is highly dependent on the degree to which retailers can address the customers they can best service and cater for their needs in a meaningful manner. Players seek tailor-made experiences that suit their broader profile, through retailers that can offer such experiences with specific, tailor-made products; thus, adaptability and flexibility in customer targeting that leads to satisfied, loyal audiences is today’s greatest challenge and asset for gaming retailers all around the world.

INTRALOT today offers 360^{o} Sports Betting and Lottery Solutions that allow diversification and adaptation to payers’ habits and preferences, who expect technology to be naturally at the core of all operations and appreciate a carefree gaming experience, whichever the channel.

Its novel product portfolio enriched with a variety of gaming technology innovations such as cashless transactions, retailer optimization, business analytics, in-lane solution, superior trading managed services and best in class terminals, ensures consumers’ and retailers’ satisfaction.

THE PROFILE OF THE STUDY

A quantitative online study conducted via distinct pre-structured questionnaires that addressed 11.000 consumers, aged 18-54 y.o., residents of urban centres, in 11 countries and 2.107 retailers, either involved in gaming or not, in 12 countries, across 5 continents [North America, South America, , Europe, Asia and Australia], during August and September 2017. The study was led by Focus Bari S.A., a leading Greek market research agency, with the cooperation of SSi and Isra Center.

Here is the link to the Infographics

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