

Leveraging the Multilot XtendGame Platform for Innovative iGaming Solutions with LuckySeatz

# **Overview**

LuckySeatz, in collaboration with XtendGame, addresses key challenges in the saturated iGaming industry by offering an innovative lottery solution that transforms stadium seats into lottery tickets. This unique approach engages sports fans and enhances the live event experience, allowing operators to stand out in a crowded market while navigating advertising restrictions. XtendGame's robust platform facilitates seamless integration, ensuring regulatory compliance, data security, and efficient technical operations. By leveraging these capabilities, LuckySeatz provides a fresh perspective for iGaming companies, driving customer engagement and offering measurable benefits in an evolving landscape. This case study highlights the successful implementation of LuckySeatz and the impactful collaboration with XtendGame.

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# **Background & Industry Context**

# Addressing Key Challenges in the iGaming Industry: How LuckySeatz Innovates for Competitive Advantage

There are many challenges iGaming companies face. The major ones LuckySeatz is specifically addressing are:

- <u>Market saturation, competition, and innovation</u>: It is an innovative completely new product to an industry that all offer the same games. It helps to stand out from the crowd and attract a new group of players.
- <u>Advertising and marketing restriction</u>: It being a lottery enables iGaming companies to have more advertising freedom in many jurisdictions. Next to that it, being a charity lottery, enables the iGaming industry to reduce its negative public perception; "the iGaming fund donated €1 million to cancer research.
- <u>Connecting Fans to their Clubs</u>: The LuckySeatz project is focused on appealing to fans of sports clubs (in and outside the stadium) by offering tailored lotteries tied to home stadiums and their favorite (football) clubs. One challenge in the iGaming industry that LuckySeatz addresses is the integration of gaming and sports to attract players. By linking lotteries to football (or other sports) clubs and stadiums it engages fans in a unique way, leveraging their favorite teams and seats.
- <u>Elevating the event experience</u>: LuckySeatz also provides entertainment during half-time and a platform for sponsors and advertisers to show their commitment to the club(s).

## Highlighting the Demand for Innovation: Industry Statistics Supporting the Need for LuckySeatz in Netherlands & Europe

There are many studies that show that lotteries are played by a vast majority of adults in any country. Still, the average age of lottery players is increasing (rapidly) due to the lack of innovation. There are studies showing that iGaming products only reach a limited part of all adults.

LuckySeatz will appeal to a younger audience than regular lotteries and offer iGaming companies to attract new and different customer groups whilst upselling existing clients on a risk-free product with better margins.

# **Problem Statement**

#### Common Challenges in Implementing Lottery Systems for iGaming Companies & Optimizing Customer Engagement

The scope mentions potential performance issues and the need for Random Number Generation (RNG) that can cover the defined range of tickets. Additionally, ensuring proper validation of player eligibility and integration between the game and CRM systems are technical challenges that need to be addressed. It also highlights issues with fulfillment, offline processes, and player authentication, which are common pain points in such implementations.

Lotteries are unknown to many iGaming companies. Implementing lottery systems within iGaming companies can, therefore, present several challenges. Here are some of the key problems typically faced:

#### Regulatory Compliance:

- Licensing and Jurisdictional Differences: Each country has different gambling laws, making it difficult for iGaming companies to operate across multiple markets. Adapting lottery systems to meet these diverse regulations requires time, resources, and constant monitoring of legal updates.
- Data Privacy and Security: Strict regulations around player data protection (e.g., GDPR in Europe) can complicate data handling, storage, and sharing practices.
- Randomness and Fair Play: Ensuring true randomness in lottery draws.
- Scalability:
  - Handling Large Traffic Volumes: Lotteries often attract high numbers of players, especially near draw deadlines. This requires robust infrastructure to manage large volumes of traffic and ensure system stability without

performance degradation or downtime.

#### • Technical Integration and Maintenance:

- Integrating with Existing Platforms: Many iGaming companies need to integrate lottery systems with existing gaming platforms, which can lead to compatibility issues.
- Ongoing Maintenance: Regular updates, bug fixes, and the addition of new features must be carried out seamlessly to avoid disrupting the user experience.

#### Marketing and Promotions:

 Compliance with Advertising Restrictions: Marketing lotteries must comply with advertising rules in different jurisdictions, which may restrict promotional methods (e.g., targeting minors or using certain incentives).

#### • Player Trust and Transparency:

Building Credibility: Players need to trust the platform and its lottery system.
Any concerns about the fairness or transparency of the lottery can result in negative publicity and loss of customers.

#### Auditability:

 Ensuring that the system is easily auditable, both by internal teams and external regulators, is essential to maintain compliance and public trust.

Addressing these challenges requires a combination of robust technical infrastructure, effective regulatory strategies, and a focus on user trust and security.

# **Solution Overview**

# How LuckySeatz Functions Within the XtendGame Multilot Platform

LuckySeatz integrates seamlessly with the Multilot platform through a structured and scalable approach. Ticket sales and seat reservations are managed by leveraging the Multilot API. The process involves automating player creation, ticket reservations, and seat allocations. Key steps in managing a ticket sale include:

- <u>Game Template and Instance Creation</u>: Administrators can set up game templates and instances via the XtendGame Admin Panel. This panel allows users to create a game environment tailored to specific lottery events.
- <u>CSV Data Input</u>: Seat and section data are organized in a CSV file, which includes details such as tier, section, seat serial number, and the club ID associated with each seat. This file ensures that the correct seating information is mapped for each game instance.
- <u>Ruby Script Automation</u>: A Ruby script simulates ticket purchases, creates new players, generates reservations, and selects random seats based on the CSV data. The script automates up to 20,000 iterations, representing simulated ticket sales, and providing a scalable approach to handling large volumes of entries. The simulation is monitored in real-time via console output, and any errors are logged for troubleshooting.

This system provides a customizable and automated solution for managing seat-based lotteries, offering flexibility in game setup, player management, and ticket allocation.

# Core Features of LuckySeatz and Their Market Impact

LuckySeatz is a lottery based on the seats in a (sports) stadium. It incorporates several core features:

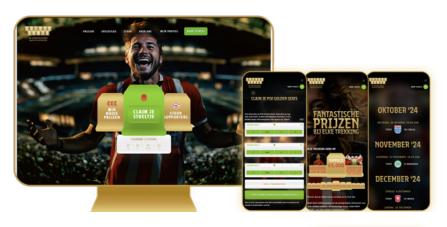
- <u>Seat Allocation as Lottery Numbers</u>: Each seat in the stadium is treated as a unique identifier, essentially becoming a lottery "ticket." Seat numbers are used to draw random winners.
- <u>Winning Together</u>: Winners always win together with their row, section, or tear creating the fear of missing out.
- <u>Random Selection Process</u>: LuckySeatz uses an audited RNG to select seat numbers, which represent the winners. The randomness ensures fairness in selecting seats.
- <u>Prize Assignment</u>: Different seats, rows, sections, and tiers can be linked to various prizes. The prizes could range from monetary awards to merchandise/sponsored prizes and special experiences (e.g., meet-and-greet with

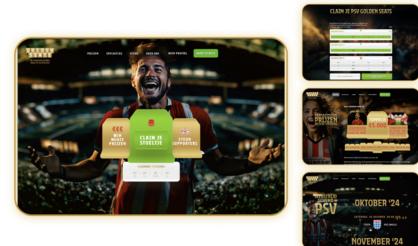
players).

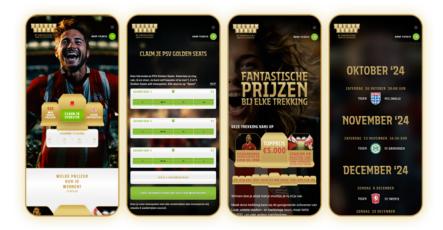
- Draw Time and Location: LuckySeatz draws are conducted during the event (e.g., halftime or intervals) or before/after the event. The results are announced over the stadium's PA system or displayed on the big screens with a specially created mini-show.
- **<u>Revenue Generation</u>**: LuckySeatz also serves as a fundraising mechanism, where a portion of the ticket sales or proceeds go to a charity or organization, while another portion funds the prizes.

# Overview of LuckySeatz Solution in Action

These images capture LuckySeatz in action, showcasing the engaging and immersive experience it offers to sports fans as they participate in the unique stadium lottery.







# Integrations Leveraged by LuckySeatz Beyond XtendGame

To further optimize its functionality and enhance user experience, LuckySeatz leverages strategic integrations with key service providers outside of XtendGame. Notably, these include:

- An integration with a Payment Service Provider (Adyen)
- LuckySeatz is actively working on an integration with Hubspot

# **Implementation Process**

## Steps to Implement LuckySeatz for Customers

Implementing LuckySeatz involves configuring game templates in the XtendGame Admin Panel, preparing seat data via a CSV file, and simulating ticket sales with a customizable Ruby script. Administrators can monitor the process in real time and generate reports, while the system's flexibility allows for tailored adjustments to meet operational needs.

- <u>Game Setup</u>: Game templates and instances are configured in the XtendGame Admin Panel. These game instances define the parameters of the lottery, such as the seating arrangement and club affiliations.
- <u>Data Preparation</u>: A CSV file is used to prepare seat data. The file includes the seat tier, section, seat serial number, and club ID, ensuring that the game environment is mapped accurately before the lottery begins.

- <u>Simulation of Ticket Sales</u>: Administrators run a Ruby script that simulates ticket purchases. This script creates player accounts, generates reservations, and selects random seats from the CSV data. The script is highly customizable, allowing users to adjust the number of tickets sold and the distribution of seat reservations.
- <u>Monitoring and Reporting</u>: The progress of the simulation is monitored via console output, providing real-time feedback on ticket sales, reservations, and seat assignments. Administrators can download reports from the XtendGame Admin Panel, which includes detailed data on winners and their allocated seats.
- <u>Customization</u>: The simulation process can be customized further by adjusting the distribution of ticket reservations through a configurable hash. This ensures that specific operational needs and scenarios can be catered to, making the system highly flexible.

## **Common Challenges During the Implementation Process**

- <u>Gambling and Lottery Laws</u>: Depending on the country or region, running a lottery is subject to gambling laws, and the club must ensure it complies with local and national regulations, such as obtaining the necessary licenses and adhering to advertising restrictions.
- <u>Clear Communication</u>: The club needs to ensure clear communication about the lottery rules, including how seats are chosen, what prizes are offered, and how to enter. Misunderstandings can lead to frustration and fan backlash.
- <u>**Prizes**</u>: Encouraging high levels of participation requires a well-designed lottery that keeps fans excited. Clubs could use their sponsor network to increase the prize pool and ty in sponsors.
- <u>Advertising Restrictions</u>: Promoting the lottery must comply with local advertising regulations, which might restrict targeting certain demographics (such as minors) or using certain promotional techniques.
- **<u>Publicity and Messaging</u>**: Effectively promoting the lottery while ensuring fans see it as a fun, engaging opportunity rather than just a revenue-generating exercise for the club requires careful marketing.

# **Benefits & Outcomes**

## Measurable Benefits Reported by LuckySeatz Customers

- Increased Efficiency: The ability to simulate up to 20,000 ticket purchases in one simulation allows operators to optimize their game setup and reduce the risk of operational issues during a live event.
- <u>**Cost Savings**</u>: By automating the ticket reservation process and conducting preevent simulations, the system reduces the need for manual oversight, which can lower staffing costs and improve overall operational efficiency.
- <u>Flexibility</u>: The system allows for easy customization, meaning operators can adapt LuckySeatz to meet different operational needs, from small-scale local events to large international lotteries.

This scalability and flexibility help operators ensure smooth and efficient ticket sales operations, even in complex or large-scale events.

# **Projected KPIs**

- Each club is expected to sell tickets to at least 5% of their total Fan base for each match within 3 years after launching.
- A club with 2.000.000 Fans equals 100.000 tickets per match.

# Scalability & Flexibility

# Scaling LuckySeatz for Diverse iGaming Operators

The use of LuckySeatz is designed to scale according to the needs of different iGaming operators:

- <u>Handling Large Volumes</u>: The system can process up to 20,000 ticket sales in one simulation, demonstrating its ability to handle large-scale operations. The Ruby script used for simulations allows admins to adjust the number of tickets processed based on the event size.
- <u>Customization</u>: LuckySeatz offers flexibility through configurable parameters like ticket

distribution and seat allocation. Admins can modify the simulation scenarios to fit specific game configurations or operator needs, allowing it to be used for various types of events.

This scalability ensures LuckySeatz can be deployed for a wide range of iGaming events

## LuckySeatz as a Blueprint for Future Products

People buy the game and not the back office of the game. However, if the back office fails people stop buying. Therefore, the XtendGame platform is a vital part of our operation. While we focus on creating the next cool product, we are sure that it is safe and robust when we use XtendGame.

# Security & Compliance

# Security Measures for Data Protection Offered by LuckySeatz

LuckySeatz integrates with secure payment systems like Stripe and Adyen. These systems adhere to strict industry standards for data protection and secure transactions. API keys are used to authenticate system interactions, ensuring that only authorized accounts can access sensitive operations like player creation, ticket allocation, and payment processing. Further details on compliance with standards like GDPR and ISO 27001 are also in place.

## Compliance Certifications and Security Protocols Adhered to by LuckySeatz Frontend

Different markets have different regulatory demands and ask for different compliance setups.

## Ensuring Compliance with Regional Regulations for iGaming

Within the organization, there is a lot of knowledge regarding regulations in different markets and how to comply. Next to that, there is a flexible ring of (local) specialists we can and will make use of.

# **Customer Testimonials**

## Ensuring Compliance with Regional Regulations for iGaming

"Integrating with the XtendGame platform has been a game-changer for our company. The entire process was streamlined and efficient, with the platform's API providing clear documentation that made the implementation seamless. Our technical team was able to integrate the solution quickly.

The platform allowed us to manage ticket sales, draw logistics, and participant data with ease, significantly reducing the risk of errors and improving overall operational efficiency.

Features such as real-time ticket tracking and instant notifications added a level of transparency and interactivity that kept users more involved.

Additionally, the platform's robust reporting tools have given us valuable insights into user behavior.

From a security standpoint, the platform ensures that all processes comply with local regulations. This has reinforced trust with our Regulator, customers and protected our operations.

Overall, integrating with ExtendGame has not only simplified our lottery operations but also reduced costs while delivering a scalable, secure, and user-friendly solution." (Roelant Reizevoort, Co-Founder Lucky Seatz)