

October 12, 2017

## LESSONS LEARNED FROM G2E 2017

Read on for some of The Innovation Group's main takeaways from last week's Global Gaming Expo:



- 1. There is a "shuffle" to find new sources of income.** The most basic shifts in modern gaming have been gradual, with a slowing of new bricks and mortar opportunities and the measured globalization of online gaming, distributed systems, and other new gaming channels. As there is now convergence among these channels, the frenzy to control wallet is more pronounced than ever. We believe strategic relationships and consolidation will be key to driving growth. The Innovation Group's research will continue to offer ideas for maximizing the value of existing assets and finding vehicles for growth.
- 2. Sports betting on deck.** The question of expanded sports betting in the United States has moved from "if" to "how and when". Among conference goers, it seems a foregone conclusion that sports betting is on the horizon in the United States. With a December 4th hearing date set for Christie v. NCAA, stakeholders are trying to figure out next steps. European sports betting companies showed at G2E in a big way to suggest what platforms and structures of governance are best. Look for The Innovation Group's upcoming analysis of sports betting potential in the United States.
- 3. Tribes more actively seeking diversification than ever.** Native American Indian Tribes and First Nations began looking in and outside of gaming over a decade ago for strategic investment options. Today we are seeing tribal leadership refocus within gaming, setting aside funds and pooling resources to add value in the gaming industry which they know so well. Large expansions of non-gaming amenities have already been introduced at Native American casinos, with more development to come. New themes include super-amenities, like TopGolf and Punch Bowl Social. The next year, however, should also bring further consolidation by Tribes of commercial assets, and the funding of gaming technology incubators for products to market to the broader industry. [Join our mailing list](#) and follow us on social media for information about our upcoming video webinar, "Evolution of Non-Gaming Amenities".
- 4. Data analytics goes mainstream.** Operators generally have solutions for big data management, analysis, and marketing platforms, but still struggle to utilize their tool set to make business decisions. As development opportunities become less available, casino management teams are turning to big data and analytics to improve operations. In the past, a lack of technology and analytical resources stifled big data efforts within gaming. Today, improved gaming management systems, data management platforms and tools customized for the industry are widely available and have been implemented at many casinos. Still, there was significant discussion from management teams at the conference who feel like there is untapped potential in their analytical efforts. Uncovering big data and analytics opportunities is the core strength of [Innovation Analytics](#), the data analysis arm of The Innovation Group.

5. **New content over hardware and systems.** While we did see the quintessential new best cabinets and higher resolution screens at G2E, the focus was primarily on content. Skill-based games were presented by most major operators, though with more measured anticipation than last year. Notably, Konami's Beat Square, borrowing themes from the popular arcade game Dance Dance Revolution, garnered significant interest by presenting a head-to-head tournament mode. Additionally, branded products were at the forefront: Scientific Games prominently featured its three new James Bond games, and Aristocrat rolled out - among others - an updated Game of Thrones featuring content from recent seasons of the hit HBO show interacting with the reels. GameCo presented a Terminator theme (a rebranded v2.0 of its existing game: Danger Arena) and had a meet-and-greet with DJ Steve Aoki to support the launch of GameCo's new game: Steve Aoki's Neon Dream. Lastly, Gambli's Pac-Man product brought a combination of nostalgia and simplicity, making it highly-anticipated, highly-discussed and a favorite of show attendees.
6. **The next generation of leaders have taken the helm.** Along with the shift to technology based growth in gaming, a new generation of professionals has arrived on the scene and is now settling in. Gaming is a unique industry in the context of generational change. First, the dominant players in the industry emerged within the last 25 years, thus we are only cycling through the first generation of leaders now. Second, the basis of change in gaming is distinctly tied to new technologies, both in terms of supply and demand. The result is a frenzied emphasis on innovation which largely sets our industry "tone". We believe this means that future success will benefit disproportionately from rich relationships with emerging leaders. To enter the dialogue and track emerging professionals, please visit The Innovation Group's [Emerging Leaders of Gaming forum](#).

## EMERGING LEADERS OF GAMING AWARDS RECEPTION



Last week marked another packed networking event at TAO with the Emerging Leaders of Gaming™ as they celebrated Global Gaming Business magazine's "40 Under 40" [Class of 2017](#) , and acknowledged this year's six honorees:

- **Amy Lawrence**, Senior Director of Regulatory Affairs and Associate General Counsel, AGS
- **Mattias Stetz**, Chief Operating Officer, Rush Street Interactive
- **Murali Ganesan**, Vice President, Sales - Gaming, Scientific Games
- **Seth Young**, Director of Online Gaming, Foxwoods Resort Casino
- **Shannon Keel**, General Manager, Akwesasne Mohawk Casino
- **Tyler Bain**, Executive Director Relationship Marketing, Las Vegas Sands Corp.

Emerging leaders were nominated online and honorees were ultimately voted on by event organizers as well as this year's co-chairs: Seth Schorr, CEO of Fifth Street Gaming and Chairman of the Downtown Grand Hotel & Casino Las Vegas; Kathy George, CEO of FireKeepers Casino Hotel and; Julia Boguslawski, Chief Marketing Officer at AGS.

Michael Soll, President of The Innovation Group and organizer of the program, said, "We must thank our co-chairs, the American Gaming Association and G2E for their tremendous support of the Emerging Leaders program." [Click here](#) to learn more about the history of the program and the progress it continues to make. Congratulations to both the Class of 2017 and the recently announced [Class of 2018](#) .

Emerging Leaders of Gaming provides career and networking advancement opportunities to tomorrow's industry leaders, and its video webinars continue to achieve great success in educating attendees on hot industry topics. To watch videos of past webinars, visit the [Emerging Leaders of Gaming web page](#) , and [join our mailing list](#) to learn more about our upcoming webinar, "Evolution of Non-Gaming Amenities".

## About The Innovation Group:

The Innovation Group has long been recognized as the world's most respected and sought-after research and advisory firm, specializing in the gaming, entertainment, hospitality and leisure industries. To date, our research and analyses have driven over \$100 billion in investment decisions across more than 80 countries and six continents. The Innovation Group's accuracy and reliability is unparalleled, with our forecasts historically tracking within 5% of actual revenues across the most complex of gaming jurisdictions throughout the globe.

### Stay Connected with The Innovation Group:



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