Larry Hogan, Governor • Gordon Medenica, Director

Montgomery Park Business Center 1800 Washington Blvd., Suite 330 Baltimore, Maryland 21230



Tel: 410-230-8800 TTY users call Maryland Relay www.mdlottery.com

TO: Maryland Lottery and Gaming Control Commission

Gordon Medenica, Director

FROM: Leo Mamorsky, Managing Director, Chief Marketing Officer

DIVISIONS: Product Development and Creative Services

DATE: September 16, 2019

SUBJECT: Report for the September 2019 Commission Meeting

Following is the status update of ongoing and special projects in Product Development and Creative Services.

1. Product Development

a) Instant Ticket Products and Promotions

i. Key accomplishments last period:

- 1. August Instant Ticket Launch (8/26/19):
 - a. \$2 Lucky 3
 - b. $$5 Deal \text{ or No Deal}^{\mathsf{TM}}$$
 - c. \$5 Deluxe Crossword
 - d. \$10 The Money Game
 - e. Soft Launch (8/22): \$10 \$100,000 Crossword 3rd Edition
- 2. *Game Closing Activity*:

Game	Price	Game Name	Total Sales	Prize Expense	Gross Margin	Final Claim Date
396	\$3	Peppermint Payout	\$4,505,400	\$2,882,589	\$1,622,811	7/3/2019
359	\$5	20X The Cash	\$24,670,565	\$17,753,531	\$6,917,034	7/15/2019
370	\$2	Marilyn Monroe	\$5,695,818	\$3,539,870	\$2,155,948	7/15/2019
385	\$1	Instant Pick 3	\$2,867,953	\$1,600,125	\$1,267,828	7/15/2019

- 3. *Home Run Riches* Contestant of the Game: The sixth and final Contestants of the Game drawing was held 8/27/19; 93,294 entries were received.
- 4. *Skee-Ball*®: The second drawing was held on 8/27/19; 98,325 entries were received. The third and final drawing was to be held 9/24/19; as of 9/15, 52,114 entries were received.
- 5. *Ravens second-chance contest*: The third drawing was 9/10/19; 868,306 entries were received.
- 6. *Deal or No Deal™*: The first drawing was to be held 9/24/19; as of 9/15, 124,329 entries have been received.

ii. Upcoming tasks for this period:

- 1. September Instant Ticket Launch (9/23/19):
 - a. \$1 *Wild Cherry 777s*
 - b. \$5 88 Fortunes®
 - c. \$10 *Emerald 10s*
 - d. \$20 \$500,000 Crossword

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- 2. *Ravens second-chance contest*: The fourth drawing will be held 10/16/19; as of 9/15, 169,762 entries have been received.
- 3. *Deal or No Deal*^m: The second drawing will be held on 10/29/19.

b) Draw and Monitor Game Products and Promotions

i. Key accomplishments:

- 1. Cash4Life Best Day Ever Promotion: 680,325 entries were submitted; 24 players won \$100 a day for 30 days and one player won \$1,000 a day for 30 days.
- 2. New Year's Rockin' Eve, Powerball's First Millionaire of 2020 Promotion: The promotion launched on 8/26. Players who purchase Powerball during the promotional period may enter into My Lottery Rewards to enter for a chance to go to NYC for New Year's Eve. The First Powerball Millionaire of 2020 will be chosen from a bank of winners selected for this National Powerball promotion, and will be announced live just after midnight. As of 9/15, 79,799 entries have been received. Drawing will be held on 10/7/19.

2. Creative Services

a) Traditional Advertising

i. Key accomplishments:

- 1. *Ravens:* Production completed for all Ravens creative elements, including TV and radio spots, digital, out-of-home and in-stadium assets. The media plan began on 9/2 and will run through 10/20.
- 2. *Deal or No Deal*: Production completed for all *Deal or No Deal* creative materials, including TV and radio spots, digital and out-of-home elements. The media began on 9/2 and will continue through 9/29.
- 3. *Holiday*: Approved the *Holiday* scratch-off media plan, which begins in November and runs through late December. Reviewed various creative concepts and will finalize a campaign direction in the coming weeks. All *Holiday* point-of-sale was finalized.
- 4. *Fast Play*: Initiated creative development for the launch of *Fast Play* and selected a new game logo.
- 5. *Jackpot Support*: Started production for a new high jackpot TV campaign. The new work is estimated to be ready in late October/early November.
- 6. *Televised Drawings*: Working with GKV to develop new open and close segments for the televised drawings.

ii. **Upcoming tasks**:

- 1. *Holiday 2019*: Complete all media buys for the *Holiday* campaign. Finalize a creative direction for the *Holiday* campaign and begin production.
- 2. *Fast Play*: Continue working with GKV to develop the materials needed to launch *Fast Play*.
- 3. *Jackpot Support*: Finish production of the new high jackpot TV spots. Review media analysis MARC is preparing that addresses how best to support high jackpots.

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- 4. *Televised Drawings*: Finish development of the new open and close segments for the Lottery's televised drawings.
- **5.** *FY20 Planning*: Finalize those initiatives that will receive advertising support from January through June, 2020.

6. Web, Digital and Social

i. Key accomplishments:

- 1. Promoted the *Ravens* scratch-offs and second-chance promotion, *Deal or No Deal* scratch-off and second-chance promotion, *Powerball New Year's Eve* promotion, *Cash4Life Best Day Ever* promotion, Maryland State Fair events and various winners' stories via social media and web assets.
- 2. Enhanced features and pages on the website with elements like an events photo gallery, cross-selling promotional area on game pages and easier navigation of homepage image slider.

ii. **Upcoming tasks:**

- 1. Create social and digital plans for the *Holiday* scratch-offs and second-chance contest.
- 2. Explore emerging technology and features in social media like augmented reality filters and giveaways through Facebook Live videos.

iii. My Lottery Rewards

I. <u>Key Accomplishments:</u>

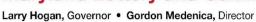
- 1. 48,981 players engaged with My Lottery Rewards during August 2019, up 4% from July 2019.
- 2. More than 39 million points were awarded to MLR members in August, down 3% from July 2019.
- 3. The *Hot 5s* scratch-off had the most ticket entries and the most unique enterers.
- 4. Implemented and/or maintained five second chance promotions and eleven points-for-drawings promotions during the month of August.

II. <u>Upcoming Tasks:</u>

- 1. Continue to work with SGI to implement coupons into the My Lottery Rewards prize wheel and finalize coupon redemption instructions for retailers and players.
- 2. Implement *Welcome* email for new player registrants.
- 3. Execute Prize Point expiration procedure, which centers on a series of email notifications to players encouraging redemption of Prize Points prior to their conversion to Draw Points.

iv. Research

- 1. Implemented SG player segmentation module into Ipsos Attitude and Usage Tracking study during August. Goal is to compare Maryland player segments to national segments developed by SG. Anticipate receiving analysis in late October.
- 2. Held the first in a planned series of focus groups with players who have played *Fast Play* in Pennsylvania. Information received was very insightful and will help shape Maryland's communication plan when launching the new game.





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