Larry Hogan, Governor • Gordon Medenica, Director

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## 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: January 14, 2020

#### SUBJECT: Report for the January 2020 Commission Meeting

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

#### 1. Product Development

### a) Scratch-Off Products and Promotions

- i. <u>Key accomplishments last period:</u>
  - 1. December Scratch-Off Launch (12/30/19):
    - a. \$1 Cash To Go
    - b. \$5 *Magic 8 Ball™ Bingo*
    - c. \$10 Instant Jackpot
  - 2. *Game Closing Activity*:

Game	Price	Game Name	Total Sales	Prize Expense	Gross Margin	Final Claim Date
312	\$30	\$2,000,000 Fortune	\$106,138,980	\$84,362,397	\$21,776,583	11/11/2019
372	\$5	Cash Craze Doubler	\$18,528,125	\$13,244,049	\$5,284,076	11/11/2019
382	\$2	Ravens X5	\$5,418,800	\$3,424,913	\$1,993,887	11/11/2019
386	\$1	Quick 8s	\$4,411,200	\$2,593,459	\$1,817,741	11/11/2019
398	\$10	\$100,000 Winter Winfall	\$18,042,500	\$13,333,360	\$4,709,140	11/11/2019

- 3. *Ravens second-chance contest*: The sixth drawing was held 12/17/19; 805,246 entries were received. The seventh drawing was held 1/14/20; as of 1/12/20, 693,592 entries were received.
- 4. Holiday Cash and Dash second-chance contest: The seventh drawing was held 12/10/19; 4,400,680 entries were received. The eighth drawing was held 12/17/19; 5,008,790 entries were received. The ninth drawing was held 12/26/19; 5,820,048. The tenth drawing was held 1/2/20; 6,582,125 entries were received. The eleventh drawing was held 1/7/20; 6,987,166 entries were received. The twelfth and final drawing was held 1/14/20; as of 1/12/20, 7,371,946 entries were received.

### ii. <u>Upcoming tasks for this period</u>:

- 1. January Scratch-Off Launch (1/20/20):
  - a. \$1 *5X The Cash*
  - b. \$2 10X The Cash

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- c. \$5 20X The Cash
- d. \$10 50X The Cash
- 2. *Multiplier Family of Games second-chance contest*: The Multiplier suite of games will be accompanied by a My Lottery Rewards second-chance contest, beginning with the launch of the tickets on 1/20/20. Three drawings offer players chances to win one of 17 cash prizes ranging in value from \$2,500 to \$40,000.

### b) Draw and Monitor Game Products and Promotions

### i. <u>Key accomplishments</u>:

- 1. *Holiday Draw Promotions*: The Holiday Keno Sprinkler and the Pick 3 and Pick 4 Let It Snow Promotions ended on 12/29/19.
- 2. *Racetrax Race Into 2020 Promotion*: Racetrax players enjoyed this 3-day blitz promotion, offering \$1 discounts on purchases of \$6 (maximum \$5 on a purchase of \$30 or more), from 12/31/19 1/2/20.

#### ii. <u>Upcoming tasks</u>:

- 1. Keno Kicker Promotions: On 1/20, 2/20 and 3/20, from 8am to 10pm, players could see an extra winning number drawn on random Keno drawings.
- FAST PLAY Product Launch: A new category of games will launch on February 10<sup>th</sup>, 2020. Fast Play games are instant win draw games with play styles that resemble Scratch-off tickets, but print directly from the terminal – no scratching needed. Five price points will help to establish this new game type: \$1 Piggy Bank Bucks, \$2 Cherry Twist, \$3 Treasure Chase, \$5 Hit \$250, \$10 Lucky Numbers. \$10 Lucky Numbers features a progressive top prize – the prize starts at \$100,000 and grows with each ticket sold – progressive prize is reset when a winning ticket is sold.

### 2. Creative Services

### a) Traditional Advertising

#### i. <u>Key accomplishments</u>:

- 1. Ravens: Supported the *Ravens* scratch-off through the AFC Divisional playoff game on 1/11.
- 2. *2020 Cash*: The media for the *2020 Cash* scratch-off began running on 12/26, and will conclude on 1/26. All creative was finalized and a second radio commercial was recorded on 1/13.
- 3. *Multiplier Family of Games:* Finalized the media plan for the *Multiplier FOG.* It is scheduled to run for 3-weeks from 1/27 through 2/16. The plan includes TV, radio, digital, social and out-of-home elements. The TV and radio spots are in production and GKV is working to finalize the digital and out-of-home elements.
- 4. *FAST PLAY*: Finalized the media plan to promote the launch of *FAST PLAY*. It will begin on 2/18 and run through 4/5. Television, radio, out-of-home, and digital creative materials will be finalized in the coming weeks.

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- 5. *James Bond 007:* Met to review all creative elements being offered by the licensor. Selected the point-of-sale design and will finalize the other creative elements in the coming weeks.
- 6. *Powerball Jackpot:* Began supporting the *Powerball* jackpot with radio and digital OOH on 1/14.
- 7. *Televised Drawings*: Continuing to work with GKV and WBAL on updated graphics, new music and a virtual set for the televised drawings.

### ii. <u>Upcoming tasks</u>:

- 1. *Multiplier FOG*: MARC to finish purchasing all media for the launch of the *Multiplier FOG*. GKV to finish the production of all creative elements.
- 2. *Fast Play*: MARC to purchase all media per the finalized plan. All creative elements will be finalized and produced TV and radio spots, digital elements, out-of-home, etc.
- 3. *Rose Gold and Rose Gold Black*: Review creative and media recommendations for the launch of *Rose Gold* and *Rose Gold Black* scratch-offs.
- 4. *James Bond 007*: Hold a kick off meeting with GKV and MARC to discuss the launch of *James Bond 007* scratch-off.
- 5. *Powerball Jackpot:* Continue to support the rising *Powerball* jackpot.

# b) Web, Digital and Social

# i. <u>Key Accomplishments:</u>

- 1. Promoted the *Holiday*, *2020 Cash* and *Ravens* scratch-offs and second chance promotions during December. Also promoted responsible gifting and various winners' stories via social media and web assets.
- 2. Held a contest on Instagram where players posted how they featured *Holiday* scratch-offs in their holiday celebrations. This gave us user-generated content that we reposted on the Maryland Lottery Instagram page, which promoted both the contest and the *Holiday* scratch-offs.

# ii. <u>Upcoming Tasks:</u>

- 1. Execute social and digital plans for the *Multiplier FOG*.
- 2. Finalize *FAST PLAY* social and digital plans. Also, implement updates to mdlottery.com and the Lottery's mobile app to feature this new category of games.
- 3. Develop social and digital plans for *Rose Gold* and *Rose Gold Black* scratch-offs.

# c) My Lottery Rewards

# i. <u>Key accomplishments:</u>

- 1. 55,225 players engaged with *My Lottery Rewards* (*MLR*) during December 2019; up 11% from November 2019.
- 2. During the month of December, *Holiday Gold* had the most ticket entries and *Stocking Stuffer* had the highest number of unique enterers.
- 3. More than 49 million points were awarded to *MLR* members in December; up 7% vs. November 2019.
- 4. 6,565 players registered for *MLR* during December, up 37% vs. November 2019.

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- 5. 59,775 *"\$2 off any Lottery purchase"* coupons were issued to *MLR* members in December. Approximately 25% of these coupons have been redeemed.
- 6. Implemented and/or maintained two second chance promotions and six points-for-drawings promotions during December.

#### ii. <u>Upcoming tasks:</u>

1. Continue to work with SG to develop overall CRM strategy and marketing plan.