

Questions and Answers 10/16/2024

This list of questions and responses is being issued to clarify certain information contained in the above-named Request for Proposals (RFP). Nothing in the State’s responses to these questions is to be construed as agreement to or acceptance by the State of any statement or interpretation on the part of the entity asking the question. The responses are not binding on the State unless the State expressly amends the RFP.

The following are questions submitted pursuant to the RFP and the Maryland Lottery and Gaming Control Agency’s (“MLGCA” or “Lottery”) responses to those questions:

	RFP Reference Number	RFP Page Number	Question	Response
21	5.4	93	<p>The contract duration is listed as a Three (3) year base period with Two (2) two-year option periods and the Financial Proposal submission form states that “All Monthly Flat Fees proposed for both Functional Area I and II shall be fixed prices for the entire term of the base Contract. These Monthly Flat Fees shall be the same for the Renewal Option periods, if exercised, the final 6 month renewal (for transitioning), if exercised, and any other extensions.”</p> <p>Can the Lottery confirm that the Monthly Flat Fees contracted for are fixed prices throughout the base and potential option periods and cannot be adjusted by the Lottery?</p>	<p>The fees for the option periods may include a specified increase over the fees in the base contract term. The Financial Proposal will be amended to reflect this addition. (See amended financial proposal)</p>
22	2.3.2 J	13	<p>Creative Concepts and Production Deliverables (Legal Clearances) – Is the Functional Area I Contractor responsible for working with and obtaining legal approvals and clearances of intellectual property for communications that involve licensed/cooperative agreements with other organizations/brands that the Lottery may be partnering with? If so, how many times a year does this occur?</p>	<p>The FA1 contractor is responsible for working with the licensor(s) and assisting the MLGCA in obtaining approvals from licensors or their representatives for licensed intellectual property used in marketing communications. This occurs four to six times per year.</p>
23	2.3.2 K	14	<p>Creative Concepts and Production Deliverables (Graphic Design Services) – The RFP mentions a large volume of work often “averaging fifty to seventy-five plus executions of varying sizes per month.”</p> <p>a. Is the Lottery also able to provide an average number of total assets for an advertising campaign that would include video, audio, print, out-of-home, digital and social media executions?</p> <p>b. Is the Lottery able to provide an average number of campaigns that the Contractor would be working on in a month (Simultaneous campaigns at various stages of creative development and production.)</p>	<p>The MLGCA is a consistent advertiser in the Maryland markets. A summary of the scope of our efforts is listed below.</p> <ul style="list-style-type: none"> • The MLGCA strives to have large media initiatives on the air lasting four + weeks, five to six times per year. Initiatives or campaigns usually last four to six weeks and include, but are not limited to television, terrestrial radio, streaming audio, cable, connected TV, online video, various out of home elements, digital banners, rich media, and paid social posts. Within these campaigns, we will often have two to three executions per media element. • Depending on the priority of the initiative, we may exclude TV for the campaign, but the other executions are required. These “lower

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				<p>level” or non-television campaigns happen an additional three to four times per year.</p> <ul style="list-style-type: none"> ● In addition to these campaigns noted, the Lottery has partnered with the area’s three (3) professional sports teams and three (3) Maryland universities. All have a large number of changeable assets that the FA1 contractor is responsible for developing and delivering. ● The MLGCA has a commitment to responsible gaming and the industry’s efforts to promote healthy play. The FA1 contractor is responsible for delivering numerous assets to support this program, television, radio, various web components, retailer materials, training videos, print ads, social posts, etc. ● In addition to paid media, the Lottery has a number of owned assets, or things that fall outside of a specific campaign, that the FA1 contractor will be required to deliver. <ul style="list-style-type: none"> o These include things like web graphics, promotion landing pages, retailer point of sale materials, social media videos and graphics, weekly graphics for our Lottery in Motion retailer monitors (static and video), community print ads, creation and maintenance of brand style guides, development and production of annual reports, monthly commission dashboards and creation/development of weekly emails. <ul style="list-style-type: none"> ▪ The FA1 contractor is required to develop approximately 25 different graphics per month to support the MLGCA’s My Lottery Rewards player loyalty program, email programs, and promotional drawings. <ul style="list-style-type: none"> ▪ The MLGCA currently has a robust “always on” digital display program requiring approximately 25 different sized ads per month or campaign. Multiple messages are often trafficked into these units.

MLGCA Request for Proposals #2023-07 – ADVERTISING, MARKETING, MEDIA, DIGITAL, WEB & SOCIAL MEDIA, RESEARCH, AND RELATED SERVICES

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24	2.3.2 L	14	Creative Concepts and Production Deliverables (Digital Production Services) - To what extent, if at all, is the Functional Area I Contractor – responsible for formatting, versioning and cataloging digital product art files for scratch-offs games and other games for use in MLGCA Advertising and Marketing materials?	The FA1 contractor is responsible for receiving these files from the MLGCA's scratch-off printer(s) and/or central system vendor, and then formatting, versioning and cataloging these files for use in marketing communications materials. As a reference, the MLGCA launches about 50 scratch-offs and 20 Fast Play games per year. The FA1 contractor simplifies the actual ticket graphics provided by the scratch-off printer. In the case of Fast Play, the FA1 contractor colorizes the ticket art and simplifies some of the instructional copy before using it in various marketing materials (POS, digital ads, videos, etc.).
25	2.3.3. C	16	Development of Creative Concepts and Production: Responsibilities (Storage of Materials) Is the Functional Area I Contractor responsible for the storage and cost of storage in appropriate facilities for the materials created and stored previously by the MLGCA materials and/or previous Contractors?	The Contractor would be responsible for the storage for the materials created during the execution of this contract only.
26	3.9.2	48	SOC 2 Type 2 Audit Report (Guidance) - Can the Lottery confirm that the prime contractor is not required to be SOC 2 Type 2 certified if the Prime Contractor subcontracts what have been defined as critical functions or Sensitive Data to firms that are Soc 2 Type 2 Certified?	The SOC – 2 audit is required on the system containing the data, not the vendor.
27	3.9.2 G	50	SOC 2 Type 2 Audit Review (Alternative Assessments Possible) - Are there any guidelines or criteria that MLGCA can provide that would allow a contractor to determine whether their security assessment “generally conforms and will be acceptable to the appropriate State government technology and audit authorities?”	The SOC 2 audit standards are based on five Trust Services Criteria (TSC) developed by the American Institute of CPAs (AICPA): <ul style="list-style-type: none"> ● Security: Protects systems from unauthorized access ● Availability: Ensures systems, products, or services are accessible ● Processing integrity: Ensures data is complete, accurate, timely, and authorized ● Confidentiality: Protects sensitive information from unauthorized access ● Privacy: Protects personally identifiable information (PII) from unauthorized access

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28	GENERAL		<p>Several state lotteries seem to sell their games online and there was legislation presented in Maryland to consider selling lottery games online in 2023. Should Maryland pass such legislation and begin to sell online games during the contract period:</p> <p>a. Would the Contractor(s) for this RFP be responsible for services for Advertising, Marketing, Media, Digital, Web & Social Media, Research and Related Services related to promoting online Maryland Lottery game sales?</p> <p>b. If yes, would the Contractor(s) have an opportunity to adjust the Scope of Work and or implement a Contract Modification for RFP 2023 – 07 to accommodate those services and responsibilities?</p>	<p>iLottery is currently prohibited in Maryland. We can't speculate as to if, or when, it may be approved or what games may be offered. If the scope of this Contract needs to be adjusted we would pursue a Contract Modification.</p>
29			<p>What's driving the search for a new partner? Philosophically, what is MLGCA looking for/what's been missing? Will MLGCA rank the below in order of importance? Please add anything additional.</p> <p>a. Stronger ROI? b. Better creative? c. Stronger Strategy? d. Enhanced workflows and processes? e. Consolidation of partners?</p>	<p>The MLGCA has issued this RFP because the current contracts with the FA1 and FA2 providers are coming to an end on June 30, 2025. There are no further extensions available.</p>
30			<p>What are the top 3 challenges MLGCA is up against as it pertains to the services included in this RFP?</p>	<p>The MLGCA considers the following issues marketing and advertising challenges:</p> <ul style="list-style-type: none"> ● Attracting younger consumers (particularly since we are prohibited from online sales). ● Keeping retailers engaged with Lottery sales, products and promotions. ● Maximizing our reach with the ever-changing digital landscape.
31			<p>For the financial proposal, it mentions fees do not include contractors. During the Pre-Proposal call it was understood that 30% of the overall fee to the offeror would be allocated to MBE's. Can MLGCA confirm that for the financial proposal exercise, those ranges are for the primary offeror's fee and would increase by 30% to accommodate the MBE goals?</p>	<p>To clarify, 30% of the FA1 total spending and 5% of the FA2 total spending must be allocated to MDOT certified MBEs. The MBE spending commitment is not exclusive to the offeror's fee.</p>

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32			As offeror's are working towards fees, is there a standard staffing template MLGCA would like them to leverage?	There is guidance relative to staffing requirements in sections 3.10.2 (for FA1) and 3.10.3 (for FA2) of the RFP. The MLGCA will evaluate each offeror's staffing proposal as part of their work plan for servicing the account.
33			As it pertains to management/staffing/scope of deliverables, on average, how many campaigns does MLGCA run per year? Is there an approximate number of assets per channel per campaign that can be shared? Should offeror's reference the spend ranges outlined in the media planning part of the financial proposal to help inform the scale of MLGCA's efforts?	See answer to Q 23 for a more complete description of the volume of work.
34			For the financial proposal, there doesn't seem to be a place to provide context/parameters or caveats for pricing. Is there an opportunity to do that?	No. The Financial Proposal should not include any constraints or caveats.
35			Is there more detail to be shared around audience demographics? For example, details on playership amongst heavy (core), light and lapsed players? Types of games played, frequency played, etc....	The information available about MLGCA playership is attached.
36			For website management, will the offeror be expected to update the website daily with the numbers?	No. Updating of winning numbers, jackpots and prizes remaining for scratch-off games is accomplished via feeds from the MLGCA's central system provider. The MLGCA's Drawings Team also updates the website with daily drawing results for in-state games.
37			Is the MLGCA streaming live drawings? If so, is the offeror responsible for the production & streaming?	The MLGCA utilizes the services of Smart Play to provide animated representations of the Lottery's daily drawings. These representations are available for viewing on the MLCGA's website. The FA1 and FA2 contractors are not responsible for the production and streaming of these drawings; however, the FA1 contractor did provide creative direction and assets when these drawings were developed. Some multi state game drawings are streamed live to our website, but the FA1 contractor was only involved at the launch of these services.

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38			Is it required that any video or TV production take place in MD?	It is preferred, but not required, that all video and TV production take place in Maryland.
39			For email outreach, approximately how many emails are sent per month?	The current FA1 contractor is responsible for creating and implementing approximately four to six outbound emails per month.
40			As it pertains to existing sponsorships and potential new sponsorships as a part of this RFP, is the offeror expected to support in the execution of the sponsorship deliverables and/or promotional events?	Yes. Please reference Q23.
41			Knowing MLGCA is unable to advertise on TikTok, can MLGCA confirm their priority platforms? IG, FB, Snap? Any insight into the types of units being leveraged? Stories, Reels, Static?	The MLGCA's top priorities for social media platforms are Facebook and Instagram. Content also gets posted to X (Twitter); but when creating content, we make sure it will look best on the Meta platforms first and foremost. When possible, content is formatted for both Meta feeds and Stories. Video/animated content is preferred.
42			Is the offeror expected to manage the YouTube channel and content that's posted?	No, the FA1 contractor is not expected to actively manage the MLGCA's YouTube Channel. That content is developed internally.
43			Is MLGCA open to event marketing and live activation ideas?	The MLGCA has an active event marketing strategy that is managed and staffed internally by our Communications Department. The FA1 contractor is expected to provide support materials (i.e., signage, tent design). See Attachment #1 - MLGCA 2024 Events
44			Are there KPI's MLGCA can share for Draw Games vs Scratch-Offs vs overall brand awareness?	The MLGCA will work with the selected offeror to establish KPIs after contract award. A summary of the MLGCA's past year sales performance may be found at https://www.mdgaming.com/wp-content/uploads/2024/08/MLGCA-FY2024-Summary.pdf

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45			What's the expectation around app maintenance and updates in terms of frequency?	The MLGCA has a maintenance contract in place with our mobile app provider that accommodates updates and maintenance. The FA1 contractor would be responsible for working with the mobile app provider to coordinate maintenance and updates, which are done on an as needed basis.
46			<p>Is MLGCA looking for a narrative response to Functional Area II in all of the sections noted below? Some RFPs require that each element in the Responsibilities and Tasks area have a response, while other RFPs are noting what is expected of the offeror in this section and expects that these responsibilities will be addressed in the response to the Assignment (2.5). I just want to be super clear on what the expectation is!</p> <p>1.1.2 A and B – response required? 2.4 - response required? 2.5.4 - Assignment 2.5.5 - Assignment</p>	<p>For sections 1.1.2.A and B, the MLGCA needs to be assured that the offeror meets these minimum requirements.</p> <p>For section 2.4, the MLGCA requests acknowledgement that the offeror understands the technical responsibilities and tasks and has made can comply.</p> <p>The Assignments noted in section 2.5.4 and 2.5.5 are for information only. Responses to these case studies and questions are not to be included in the offeror's technical response. Once the MLGCA has determined that an offeror is qualified, the offeror will be asked to submit a written response and be prepared to present their case study examples in an oral presentation.</p>
47			With a 10 page submission limit are you looking for full media plan decks versus a campaign flowchart? If so, can media plans be in an addendum?	The ten-page submission limit is a guideline to keep the case study submissions concise. We would prefer media plan + flow chart in the FA2 submissions, but using an addendum for the media plan would also be fine.
48			Will out of state agencies receive equitable consideration?	Yes.
49			Will agencies that currently have other lottery accounts receive equitable consideration?	Yes.