

Maryland Lottery and Gaming Control Agency



Larry Hogan, Governor • Gordon Medenica, Director

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TO: Maryland Lottery and Gaming Control Commission
Gordon Medenica, Director

FROM: John Gorman, Managing Director and Chief Marketing Officer

DIVISIONS: Product Development and Creative Services

DATE: August 14, 2018

SUBJECT: Report for the August 2018 Commission Meeting

Following is a 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. July Instant Ticket Launch (7/23/18):
 - a. \$1 – *Quick 8s*
 - b. \$2 – *Ravens X5*
 - c. \$5 – *Ravens X10*
 - d. \$10 – *Bingo X10*
2. Game Closing Activity:

Game	Price	Game Name	Total Sales	Prize Expense	Gross Margin	Final Claim Date
260	\$3	Loteria	\$7,537,974.00	\$5,097,178.49	2,440,795.51	5/7/2018
267	\$1	Instant Pick 4	\$4,758,898.00	\$2,810,605.53	1,948,292.47	5/7/2018
269	\$5	You Win	\$16,189,415.00	\$11,654,623.47	4,534,791.53	5/7/2018
285	\$5	Magic Number Bingo	\$21,360,580.00	\$15,386,026.08	5,974,553.92	5/7/2018
289	\$2	Easy Money	\$4,398,352.00	\$2,922,171.28	1,476,180.72	5/7/2018
284	\$2	Bonus 7-11-21	\$4,544,428.00	\$2,950,093.63	1,594,334.37	6/11/2018
290	\$5	Pay Me	\$15,212,295.00	\$10,946,713.77	4,265,581.23	6/11/2018
293	\$2	Double Match	\$4,398,352.00	\$2,819,343.80	1,579,008.20	6/11/2018
309	\$10	Super Crossword	\$16,788,510.00	\$12,566,147.51	4,222,362.49	6/11/2018
321	\$5	Home Run Riches - 17	\$18,401,575.00	\$13,250,866.39	5,150,708.61	6/11/2018
323	\$1	\$50 Frenzy	\$3,454,708.00	\$2,073,510.56	1,381,197.44	6/11/2018
326	\$3	Uno	\$6,167,385.00	\$4,164,545.65	2,002,839.35	6/11/2018

3. *Home Run Riches* second-chance contest: The fourth and fifth drawings were held on 6/25 and 7/23/18. 112,065 and 94,055 entries were received, respectively.
4. *Marilyn Monroe™* second-chance contest: The third drawing was held 6/19/18: 82,069 entries were received; the fourth drawing was held 7/17/18: 65,076 entries were received. The fifth and final drawing was held 8/14/18, as of 8/12, 49,559 entries were submitted.

5. *Willy Wonka Golden Ticket™ BILLION DOLLAR CHALLENGE™* second-chance contest: The second drawing for the BILLION DOLLAR CHALLENGE was held 7/2; 562,170 entries were received. The third drawing was held 8/6; 401,805 entries were received.
6. *Ravens* second-chance contest: The launch of the \$2 and \$5 Ravens instant tickets also marks the launch of the second-chance contest. Over the course of the NFL season, players will have six opportunities via second-chance drawings to win cash and Ravens prizes like Season Tickets, game tickets and to be selected as a finalist for the Seats for Life prize (Season tickets for 20 years).

ii. **Upcoming tasks for this period:**

1. August Instant Ticket Launch (8/27/18):
 - a. \$2 – *Heads or Tails*
 - b. \$5 – *Deluxe Crossword*
 - c. \$10 – *Win \$50 or \$100*
2. *Home Run Riches* second-chance contest: The sixth and final drawing will be held 8/27/18; as of 8/12, 62,287 entries have been received.
3. *Willy Wonka Golden Ticket™ BILLION DOLLAR CHALLENGE™* second-chance contest: The fourth drawing will be held 9/10/18; as of 8/12, 60,129 entries have been submitted.
4. *Ravens* second-chance contest: The first drawing was held 8/14/18; as of 8/12, 659,841 entries were submitted. The second drawing will be held on 9/18/18.

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

i. **Key accomplishments:**

1. Monitor Game Promotions, Keno Sprinkler and Racetrax \$6 for \$5:
These two promotions are player favorites – the Keno Sprinkler and the Racetrax \$6 for \$5 promotions began 8/13 and will run through 9/9/18.

2. **Creative Services**

a) **Traditional Advertising**

i. **Key accomplishments:**

1. *OLD BAY Bucks*: *OLD BAY Bucks* media ran from 7/2 until 8/19. The campaign consisted of TV/Cable, Radio, Out-of-Home, Digital and Social media.
2. *Ravens X10* and *X5*: Completed production of all in-stadium assets, a 30-second and a 15-second television spot, digital out-of-home, and digital and social creative. The sponsorship assets began with the first pre-season game on 8/9.
3. *Maryland 7s*: Approved the campaign direction for *Maryland 7s*. Reviewed the proposed media plan that is scheduled to begin on 10/1. POS supporting *Maryland 7s* is approved and in production.
4. Powerball Jackpot: Supported the high jackpot with radio, out-of-home and social media.

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5. Sponsorship Agreements - Washington Redskins and Baltimore Ravens: All creative/production has been completed and all sponsorship assets are in place.

ii. Upcoming tasks:

1. *Ravens X10 and X5*: The Lottery is working with its agency to finalize radio and will move into production once the campaign is selected.
2. *Win \$50 or \$100*: The Lottery will support *Win \$50 or \$100* with a small-scale digital and social effort. All creative elements are complete and the media will run 9/3-10/14.
3. *Maryland 7s*: Beginning the production phase of the *Maryland 7s* initiative. Will finalize the media plan, tentatively scheduled run 10/1-11/18.
4. Sponsorship Agreements:
 - (a) *University of Maryland*: The Lottery will finalize the creative materials for all football sponsorship assets.
 - (b) *Morgan State University*: The Lottery has finalized the 2018-2019 sponsorship and is working through the sponsorship agreement. The Lottery to work with MSU to complete the creative materials for all of the sponsorship assets.
 - (c) *Towson University*: The Lottery is working to finalize the 2018-2019 sponsorship agreement. The Lottery is also working with TU to complete the creative materials for all of the sponsorship assets.

b) Web/Digital/Social Media

i. Key Accomplishments:

1. Promoted the *Home Run Riches* scratch-off and second-chance promotion, the *Old Bay Bucks* scratch-off, the rising Mega Millions jackpot, the agency's year-end financial results and various winners' stories via social media and web assets.
2. Finalized the social and digital creative components and media plans for the *Win \$50 or \$100* scratch-off.
3. Shared the development versions of mdlottery.com and mdgaming.com with Lottery staff and accepted feedback. Recommended changes have been incorporated into the development sites.

ii. Upcoming Tasks:

1. Continue work to finalize the new mdlottery.com and mdgaming.com websites and prepare for launch.
2. Execute social and digital plans for the Ravens Multiplier scratch-offs.
3. Create digital and social plans for the *Maryland 7s* scratch-offs.

c) My Lottery Rewards

i. Key accomplishments:

1. Player engagement grew in July, with a 20% increase in the value of tickets entered over July 2017.
2. The number of unique monthly users saw a 17% year-over-year increase in July.
3. The *Willy Wonka Golden Ticket* was the scratch-off game most entered by MLR members for the third consecutive month.

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4. Completed POS, FAQs and rules for upcoming changes to the MLR program. Launch date pushed back to October 1st to allow adequate time for software development and testing.
 5. Implemented and/or maintained four second-chance promotions and five points-for-drawings promotions during the month of July.
- ii. **Upcoming tasks:**
1. Monitor Dormant Account Email program.
 2. Continue working with SGI on user acceptance testing of new MLR website and program changes.
- d) **Research**
1. Reviewed results of Wave 5 of the Ipsos Consumer Tracking Study and the 2018 Retailer Satisfaction Survey. Presented/distributed to management team.
 2. Finalized questionnaire for Wave 6 of the Consumer Tracking Study. Ipsos collecting responses throughout August.