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: $\quad$ November 7, 2017
SUBJECT: Report for the November 2017 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. October Instant Ticket Launch: (10/23/17):
a. \$1-Candy Cane Cash
b. $\$ 2$ - Gifts Galore
c. \$3-Polar Payout
d. \$5-Holiday Riches
e. $\$ 10$ - Winter Ice Multiplier
2. Game Closing Activity:

| Game \# | Price | Game Name | Total Sales | Prize Expense | Gross Margin |
| :---: | :---: | :---: | :---: | :---: | :---: |
| 245 | $\$ 3$ | Instant Keno | $\$ 5,795,706$ | $\$ 3,889,872$ | $\$ 1,905,834$ |
| 265 | $\$ 5$ | Ravens | $\$ 14,240,135$ | $\$ 10,322,674$ | $\$ 3,917,461$ |
| 271 | $\$ 1$ | Loose Change | $\$ 3,477,023$ | $\$ 2,087,257$ | $\$ 1,389,766$ |
| 279 | $\$ 2$ | Ravens | $\$ 4,867,104$ | $\$ 3,116,894$ | $\$ 1,750,210$ |
| 281 | $\$ 10$ | Blingo Bingo | $\$ 14,380,410$ | $\$ 6,590,996$ | $\$ 7,789,414$ |
| 295 | $\$ 1$ | Winter Wins | $\$ 2,530,099$ | $\$ 1,519,831$ | $\$ 1,010,268$ |
| 297 | $\$ 3$ | Peppermint Payout | $\$ 4,321,241$ | $\$ 2,930,241$ | $\$ 1,391,000$ |

3. Ravens: The fourth drawing was held $11 / 6 / 17-529,828$ entries were received.
4. Yahtzee: The fourth drawing was held $10 / 24 / 17-45,900$ entries were received.
5. Cash and Dash: The first drawing was held $10 / 31 / 17-346,198$ entries were received; the second drawing was held 11/7/17-591,813 entries were received.
ii. Upcoming tasks for this period:
6. November Instant Ticket Launch: (11/27/17):
a. $\$ 2$ - Money Multiplier
b. $\$ 5-\$ 50,000$ Bonus Cash
c. $\$ 10-\$ 100,000$ Crossword
d. $\$ 20$ - Win Big
7. Ravens: The fifth drawing will be held $12 / 11 / 17$ - an entry update will be included next month.
8. Cash and Dash: The third drawing will be held 11/13/17 - an entry update will be provided next month.

## b) Draw and Monitor Game Products and Promotions

## i. Key Accomplishments last period:

1. $\$ 350,000$ Fall Fortune: This all-games promotion began $10 / 9$ and will run for 6 weeks; During the promotional period, any draw game ticket purchased and entered into My Lottery Rewards is eligible for cash prizes ranging in value from $\$ 5,000$ to $\$ 150,000$. The first drawing was held on 10/23/17585,557 entries were received; the second drawing was held 10/30/17442,911 entries were received; the third drawing was held 11/6/17928,003 entries were received.
2. Thursday Night Football Keno Kicker: On 10/26, the Ravens played the Miami Dolphins for Thursday Night Football - to capitalize on football fans patronizing Keno establishments, from 6pm - midnight, the Keno Kicker promotion was active and an extra number was drawn on random Keno games.
3. Mega Millions Game Change: On 10/28, Mega Millions changed - the new structure offers jackpots starting at $\$ 40$ million with a $\$ 2$ price point.
ii. Upcoming tasks for this period:
4. $\$ 350,000$ Fall Fortune: The fourth drawing will have been held on $11 / 13 / 17$ - an entry update will be provided next month.
5. Keno Sprinkler Promotion: On $11 / 27$, the Winter Keno Sprinkler is scheduled to begin. This player favorite will run for 5 weeks, ending on 12/31/17.
6. Pick 3, Pick 4 Let It Snow Promotion: The Let it Snow promotion, beginning on $12 / 4 / 17$, will reward the loyal Pick 3 and Pick 4 player base, just in time for the holidays. During the promotional period, players could receive instant win vouchers in $\$ 2$ or $\$ 5$ denominations, just by playing their favorite daily number games.

## 2) Creative Services

## a) Traditional Advertising

i. Key accomplishments:

1. Holiday Scratch-Offs: Radio for the holiday scratch-offs began on $11 / 1$, focusing on the Warehouse Dash second chance promotion. A holiday TV spot, focusing on gift giving and incorporating the "Magic Moment" music, was shot on $10 / 19$. Production will be completed in time for a second holiday media flight that airs between 11/24-12/24.
2. Multiplier Family of Games: Began development of a marketing campaign to support the Multiplier family of games, launching in January 2018. Will edit and air television commercial that was previously produced for Multiplier
family of games in January, 2017. Selected a point-of-sale design and determined the printed pieces.
3. Towson University: Reached a sponsorship agreement with Towson University for men's basketball and lacrosse seasons and began moving forward with creative deliverables.
4. Orioles and MASN 2018 Sponsorships: Reached agreements with the Orioles and MASN for 2018 sponsorships.

## ii. Upcoming tasks:

1. Holiday Scratch-Offs: Finish production of holiday "Magic Moment Gift Giving" :30 and :15 TV spots and companion radio spot. The Lottery will execute added-value radio station promotions that were negotiated by the media agency.
2. FY'18 January - June Planning: Have outlined advertising plan for January through June 2018. Will finalize the budget for each initiative and begin developing plans for each initiative.
3. Multiplier Family-of-Games Scratch-Offs: The Lottery will continue to work through the planning process to support this latest family of games. Creative development has begun and the Lottery reviewed and approved the media brief on $11 / 6$.
4. Home Run Riches: Began the creative development process for Home Run Riches on 11/6. Need to determine the level of media support for Home Run Riches and finalize a media budget.
5. Jackpot Bulletins: Finalize the production schedule to revamp the Lottery's five (5) jackpot bulletins boards.
6. Orioles \& MASN: Finalize 2018 sponsorship agreements with the Orioles and MASN.

## b) Web/Digital/New Media

i. Key Accomplishments:

1. Launched digital campaign for the new Holiday scratch-offs and second chance promotion.
2. Informed players of Mega Millions changes through social media, email blast and website changes.
3. Currently promoting the Holiday scratch-offs and second-chance promotion, Ravens scratch-offs and second chance promotion, \$350,000 Fall Fortune promotion and various winners' stories via social media and web assets.

## ii. Upcoming Tasks:

1. Continue refining the design of the new mdlottery.com website and MLGCA/Gaming combined website.
2. Create digital and social plans to promote the new Multiplier family of games and second chance promotion.

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## c) Research

## i. Key Accomplishments:

1. Received first draft of questionnaire for Wave 4 of Attitude and Usage Tracking study. Completing review. Anticipate being in field from late November to midDecember.
2. Received report and reviewed findings for research project identifying ticket art and key messaging points for planned Willy Wonka scratch-off.
