Why Experiences Are the Perfect Prize Strategy

Experiential prizes are perfect for winner awareness, but one lottery has figured out how they reduce costs.

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Focusing on Loyalty

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to Understand Your Players

Is Your Lottery Ready for 1-1 Relationship with Players?

Most U.S. lotteries do not have enough data to truly understand their players' behaviors. Their information is limited to focus groups and research efforts, where they must extrapolate information from a small group of players to understand the rest of their customers. But this one-to-many approach is a severe impediment to the industry moving forward. Most modern companies strive to reach a one-to-one relationship with their customer base, which means being willing and able to change their marketing tactics for an individual customer based on what they know about that customer.

For lotteries, particularly those without iLottery programs, Scientific Games believes its NextGen Loyalty Program is the best and easiest way to get this relationship which converts an anonymous player into a known customer. Lotteries can then use Customer Relationship Management (CRM) services to create lasting relationships with their player base, and tailor messaging to each player.

"With the loyalty data, we can tell when they play, what tickets they're entering, and from which cross-promotions," said Amy Warner, Director of Digital Engagement for Scientific Games. "We get an enormous amount of real player data. Adding CRM to a robust loyalty program is an essential engagement tool to reward players online or at retail and manage to responsible gaming standards."

Achievements

Creating an engaging program is one of the first steps to a successful loyalty program. Scientific Games' NextGen Loyalty Program emphasizes 'achievement' promotions, which are used in best-in-market loyalty programs like Starbucks Rewards. The core idea is players earn prizes when they complete specific tasks. For example, players might need to enter $20 of Powerball tickets and a $5 scratch card, and then they receive a reward such as a coupon.

It's fun for the player, and it also gives lotteries a far better understanding of their player base. "Our bonusing engine was founded on achievement-based thresholds. It provides a lot of insight to help drive specific product sales that align with a lottery's marketing initiatives. We can help lotteries learn critical information; for instance, if they're launching a new product, we can show them the kinds of players that are entering, or how to effectively cross-promote the game," Warner said.

Lotteries can update these achievements regularly, which encourages more player engagement. As players continue with their program engagement, they can review new achievements, whether it's around entering a new scratcher or watching a responsible gaming video, as example. Lotteries can then monitor how players interact with them and adjust the promotion to maximize engagement.

Early insights show players may prefer challenging achievements. The Missouri Lottery has a promotion called 'MO Money Monday.' Players must enter one of the new games released. "They see a huge response every time they do it. It's just fascinating. Our system is so flexible that it's easy to test different promotions until we see player activity increase and then we know players are really enjoying it." Warner said.

Communication

Once players engage with the program, the next step is creating a one-to-one relationship with them, as CRM is one of the most significant benefits of the NextGen Loyalty Program. "It's not only understanding who your players are and how they engage with your products, but then you can communicate with them in an extremely personalized way," Warner said. "Personalization is the critical aspect of modern marketing plans that you can never have without loyalty."

With the right CRM partner, then lotteries can give their players the information they want when they want it. "If you're a jackpot chaser, I'm going to talk to you when the jackpots are high. If you love $5 scratchers, then I am going to make sure that you know about this new $5 scratcher that just launched," Warner explained.

Advanced CRM programs can also find the optimal way to communicate with each player. By analyzing how individuals interact with the marketing communications that are sent to them, lotteries can know whether a specific player responds best to emails, texts, or push notifications.

"Our platform is smart enough to know that if we're sending you communications that you're not responding to, we can shift to a different channel until we find the highest engagement rate," Warner said.

With this level of granular data, lotteries can help boost marketing campaigns and measure their success. The Maryland Lottery had at least $1 million more monthly entries in the last three months because of the CRM campaigns compared to the control group. "This is the first time we've been able to tie an actual retail value back to the communication that's increasing the engagement to these programs," Warner said.

iLottery

"A big focus for Scientific Games is ensuring our platform continuously evolves to support iLottery programs," Warner said. "Whether you have iLottery now or think you may have it in the future, it's critical to make sure that your loyalty platform can support it."

When a loyalty club can connect with an iLottery platform, lotteries can use cross-promoting techniques to incentivize the trial of other channels. For instance, retail players can get promo-cash to try online eInstants. eInstant games can have coupon prizes to play scratchers at retail.
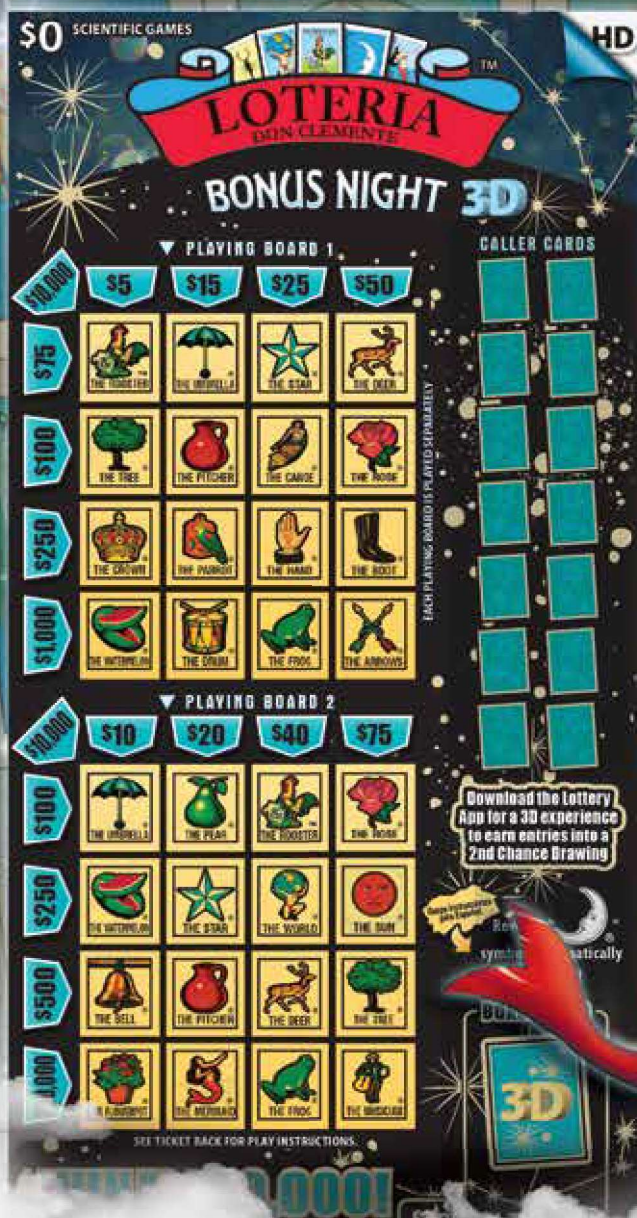
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The Fun.

We're always thinking about the player experience.

Because it's not just a game.

It's an instant of optimistic fun.

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