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Are You Testing Player Acquisition and Retention Strategies?

When it comes to social media marketing, reaching the right audience is critical for acquisition and retention. “Leveraging CRM segmentation to optimize social campaigns allows lotteries to maximize their advertising spend and enhance engagement,” says Lyndsay Torres, Player Acquisition Manager, Scientific Games.

As part of the new SG Digital Academy, the company’s CRM experts partnered with Optimove and Meta in an exclusive engagement to test the impacts of CRM segmentation in Facebook marketing for five U.S. lotteries. The results of the six-month studies provide a roadmap for integrating data-driven CRM strategies into lotteries’ paid social media campaigns.

Testing Lookalike Audiences

In collaboration with the lotteries and their agencies, Scientific Games conducted tests using the campaign platform to assess the effectiveness of utilizing CRM segments for generating lookalike audiences on Facebook. The objective was to evaluate how custom audiences, as opposed to the conventional broad approach involving demographic and interest-based audiences, could elevate acquisition performance in paid social campaigns. Additional testing was executed to evaluate CRM segmentation for retention tactics, aiming to gauge the overall effectiveness in improving performance and engagement with existing players.



In this study, Scientific Games formed a segment from the Arkansas Scholarship Lottery’s data, derived from players who purchased \$1 or \$2 games in the past 180 days. This segment was employed in two distinct tests—acquisition and retention—utilizing the Lottery’s *Spring for Cash Giveaway* promotion. In the first test, the segment was used to generate a lookalike audience, presenting ads with an acquisition message. The second test

concentrated on delivering a retention-focused message to previous players, intending to boost player activity and engagement.

In both tests, strategic use of CRM data increased player engagement with the Lottery’s products. There was a 4% increase in player registrations during the acquisition test and a 3% increase in game purchases among existing players during the retention test. Additionally, both tests saw higher than average click-through rates that ranged between 2.6-3.77%.



Scientific Games’ study for the Kentucky Lottery focused on using Optimove’s high-value player segments, which have the highest future value of all player accounts, to build lookalike audiences on Facebook. The ads featured a strong acquisition message, emphasizing a first-time deposit offer.

Compared to the Lottery’s broad acquisition audience, the lookalike audience saw a 20% higher reach, a 256% higher click-through rate, a 31% increase in player registrations and a 3% increase in purchases. This indicates a greater responsiveness of the lookalike audience to the content of the ads.



This study also focused on testing lookalike audiences using high-value player segments. The creative featured a welcome offer and Scientific Games’ eInstant progressive jackpot game *Cave Quest*. The Lottery’s broad acquisition audience acted as the control group for this test.

Scientific Games’ analysis shows a positive impact on player acquisition,

with a 42% higher conversion rate (registrations to first-time deposit), a 60% lower cost-per-first-time-deposit and a 67% lower cost-per-deposit. An assessment of future value within the platform indicated a substantial increase during the test period, ranging from \$412-\$442 compared to the pretest period range of \$266-\$353.



In this study, the same segment was used to perform acquisition and retention testing. Scientific Games concentrated this segment on players who engaged with the draw game *Hit 5* or who had purchased sports-themed instant games in the last 90 days. Both tests used a creative focus around a sports-themed promotion featuring *Hit 5*. For acquisition, the segment was used to generate a lookalike audience while on the retention side, it was used to engage existing players to increase player activity and engagement.

Compared to the broad acquisition audiences, the lookalike audience demonstrated a 7% increase in ad recall and a 5% boost in click-through rate. Notably, there was an 8% surge in registrations, a 4% increase in conversion (registrations to game purchases) and an 11% rise in future value. For the retention test, there was a 21% increase in draw game tickets purchased, resulting in an incremental lift of 22,000 draw game tickets and an overall 2% uptick in total tickets purchased.

Scientific Games’ early studies show CRM’s potential to optimize lottery-paid social media campaigns. “Deploying curated creative content can help lotteries acquire new players and keep current ones engaged,” explains Torres.

In the digital era, strategic, data-driven social media marketing can help lotteries maximize their ad spend and reach players like never before.

For the complete studies, contact your Scientific Games representative.