

# Massachusetts State Lottery Commission Meeting

*Executive Director's Report*

**Delivered by: Beth Bresnahan**

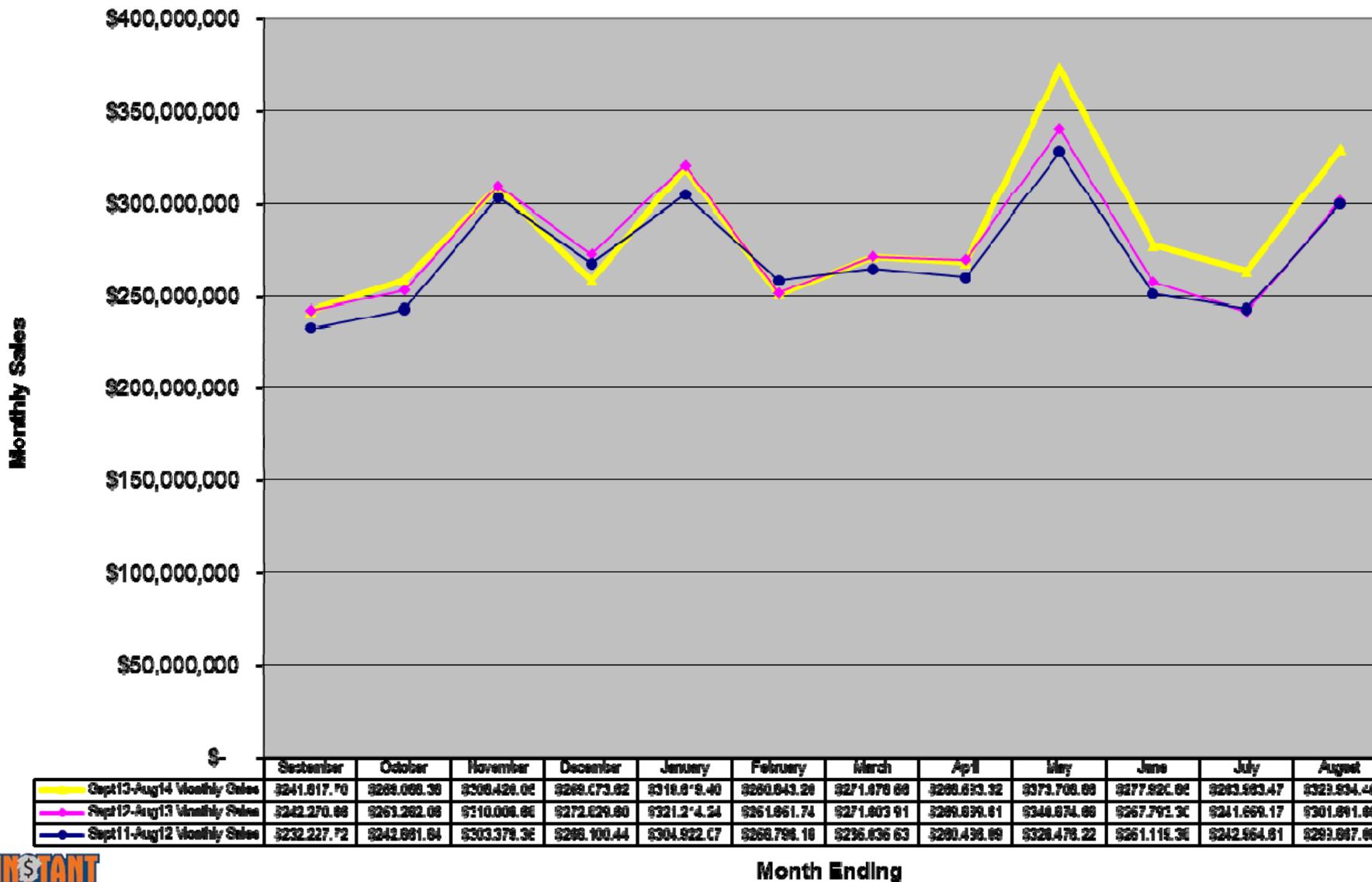
**September 30, 2014**



# Lottery Sales Update

- Sales for August 2014 were up \$18 million as compared to August 2013 thanks to a continued surge in Instant Ticket sales.
- The prize payout for August 2014 was 73.84 percent, as compared to 71.55 percent in August 2013. This increase has driven the prize payout for the first two months of FY15 to 72.79 percent as compared to FY14's 70.82 percent, and has decreased net profit by \$12.7 million as compared to last year.
- Instant Ticket sales were \$28 million higher this year thanks to a strong four game release (\$1, two \$2 and \$5) in early August and a new \$5 Patriots-themed game on the 26<sup>th</sup> of the month, along with continued excitement around the \$30 ticket that debuted in April. Additionally, Mega Millions sales were up \$3 million due to a higher jackpot offering as compared to last year, and KENO experienced an increase of \$1 million.
- Powerball sales were down \$14 million due to a smaller jackpot offering as compared to last year (\$90 million vs. \$448.4 million); Lucky for Life sales were down approximately \$1 million; and, Jackpot Poker, the second monitor game that debuted in June 2013, saw a sales decline of \$1 million.

## Instant Game Monthly Sales September 11 thru August 14



# September Instant Ticket Sales Update



## \$10,000 Payout

Price Point: \$1

2 Week Sales: \$451,224



## \$100 Frenzy

Price Point: \$2

2 Week Sales: \$1,598,266



## \$1,000,000 Payday

Price Point: \$5

2 Week Sales: \$5,144,495



## \$10,000,000 Mega Fortune

Price Point: \$20

2 Week Sales: \$6,248,140



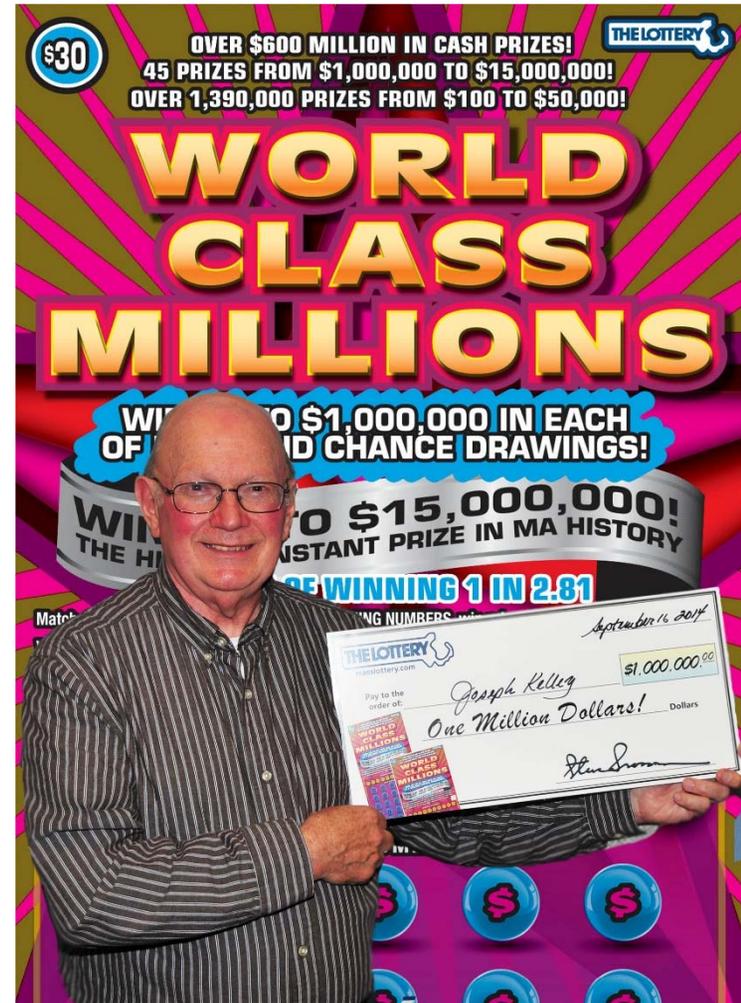
# World Class Millions Sales Update

## World Class Millions

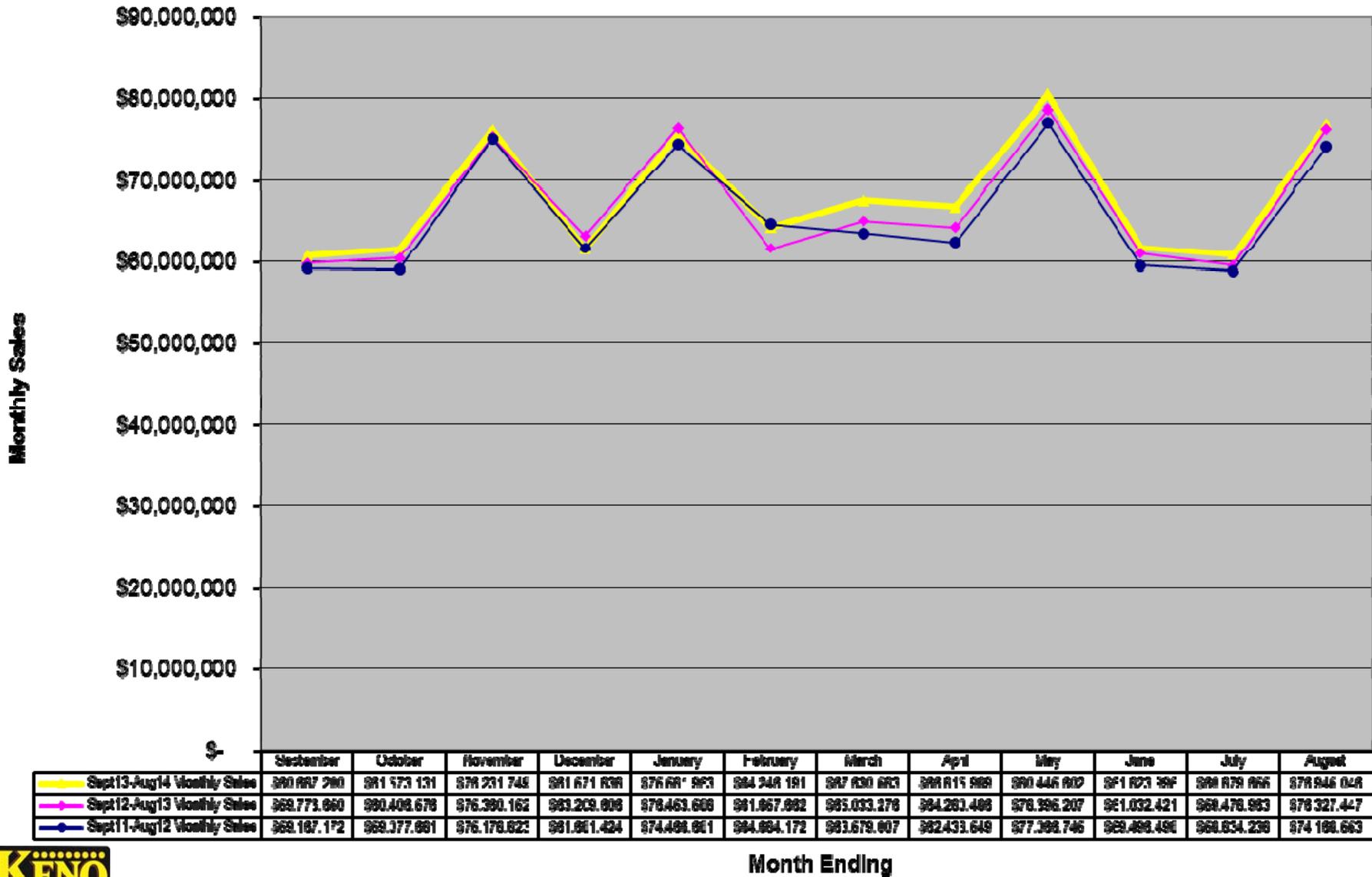
Price Point: \$30

23 Week Sales: \$313,328,670

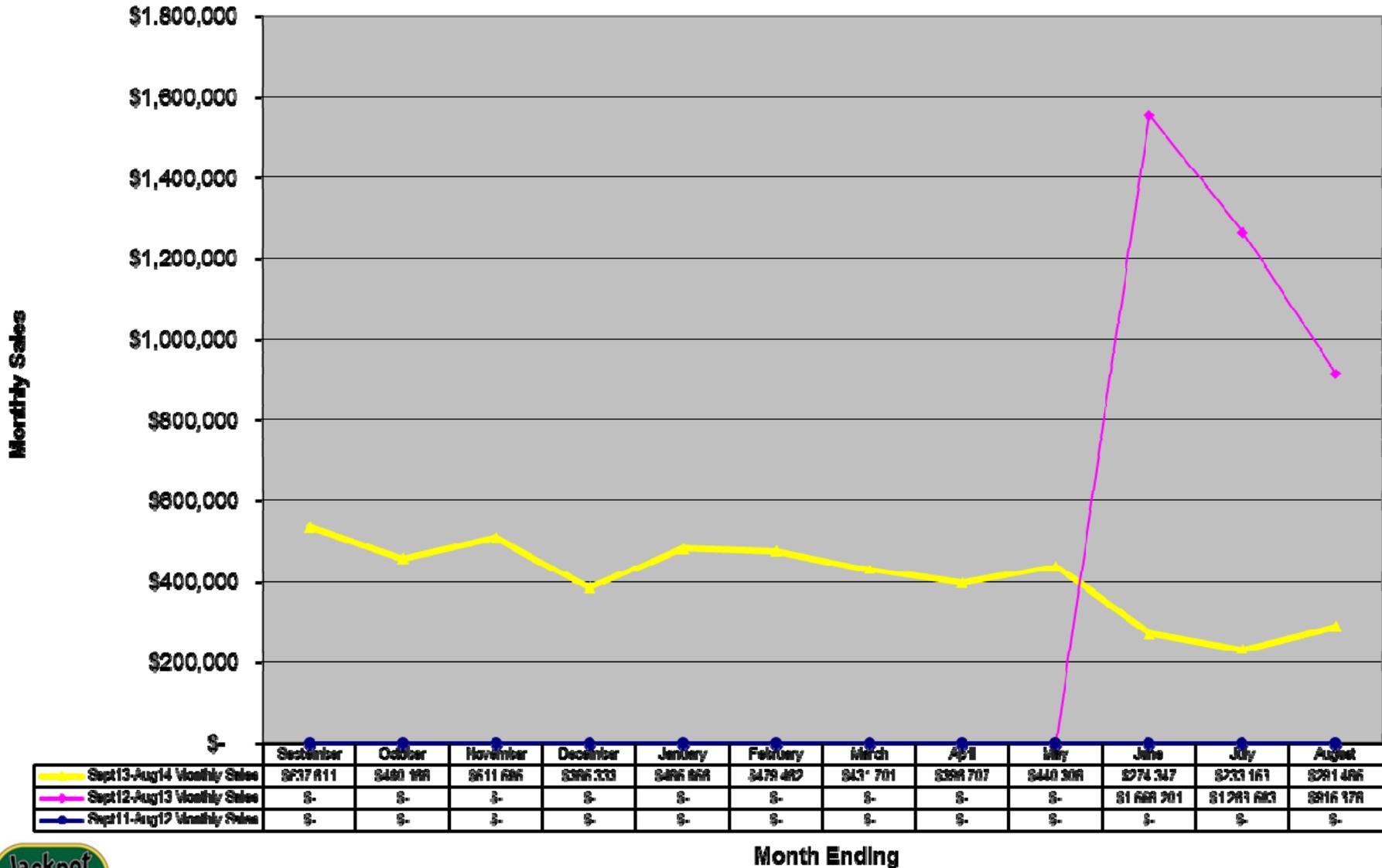
- Second Chance Drawing #2 took place on September 16, 2014, awarding:
  - 1 \$1 million prize
  - 10 \$10,000 prizes
  - 100 \$1,000 prizes
  - 1,000 \$100 prizes
- Joseph Kelley of Randolph, MA (pictured at the Lottery's Braintree HQ) won the \$1 million top prize.
- **Exciting News:** World Class Millions is a Finalist for the National Association of State & Provincial Lotteries' (NASPL) "Best New Instant Ticket Award." The winner will be announced on October 3<sup>rd</sup> at NASPL's 2014 Trade Show & Conference in Atlantic City, NJ.



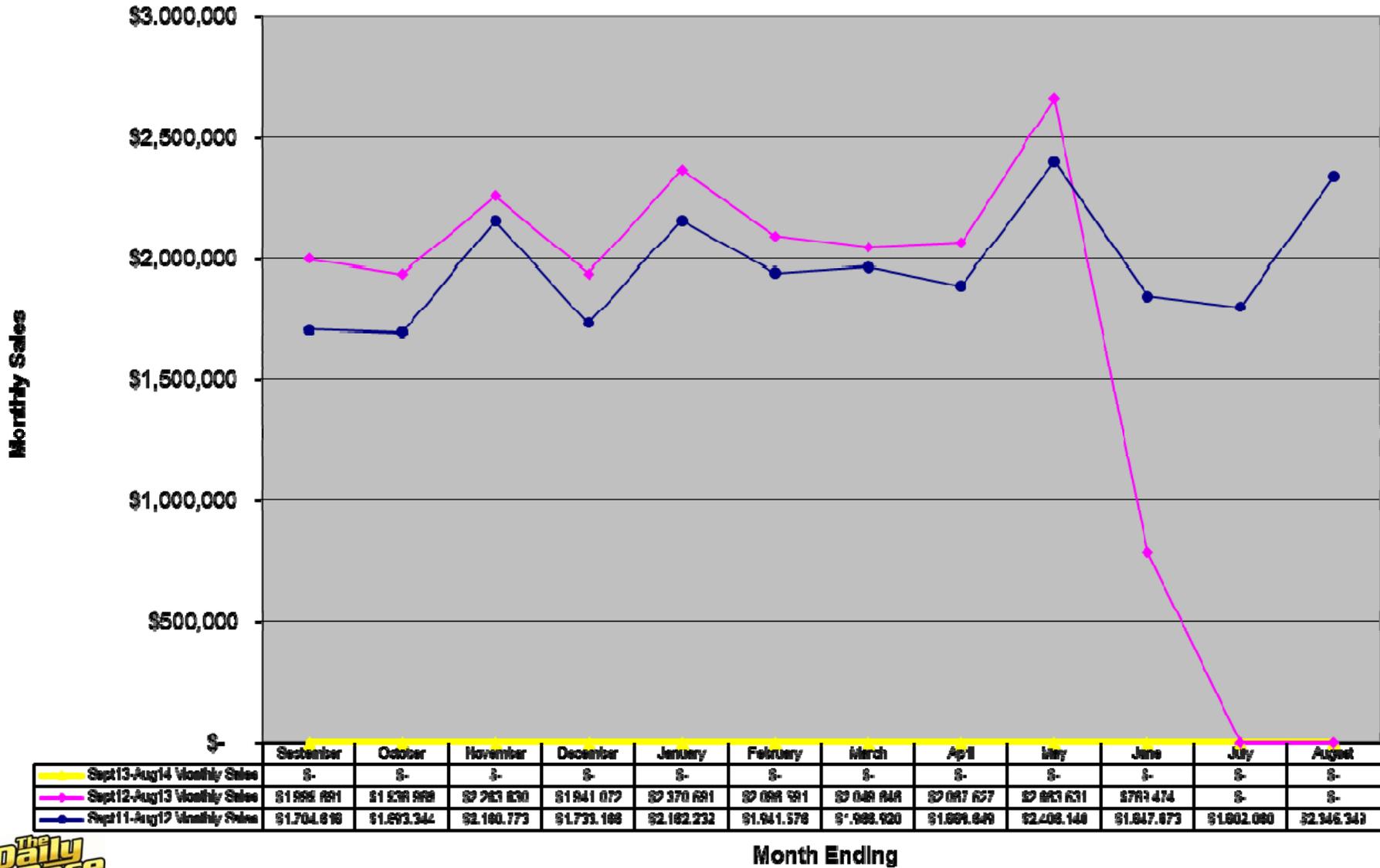
## KENO Game Monthly Sales September 11 thru August 14



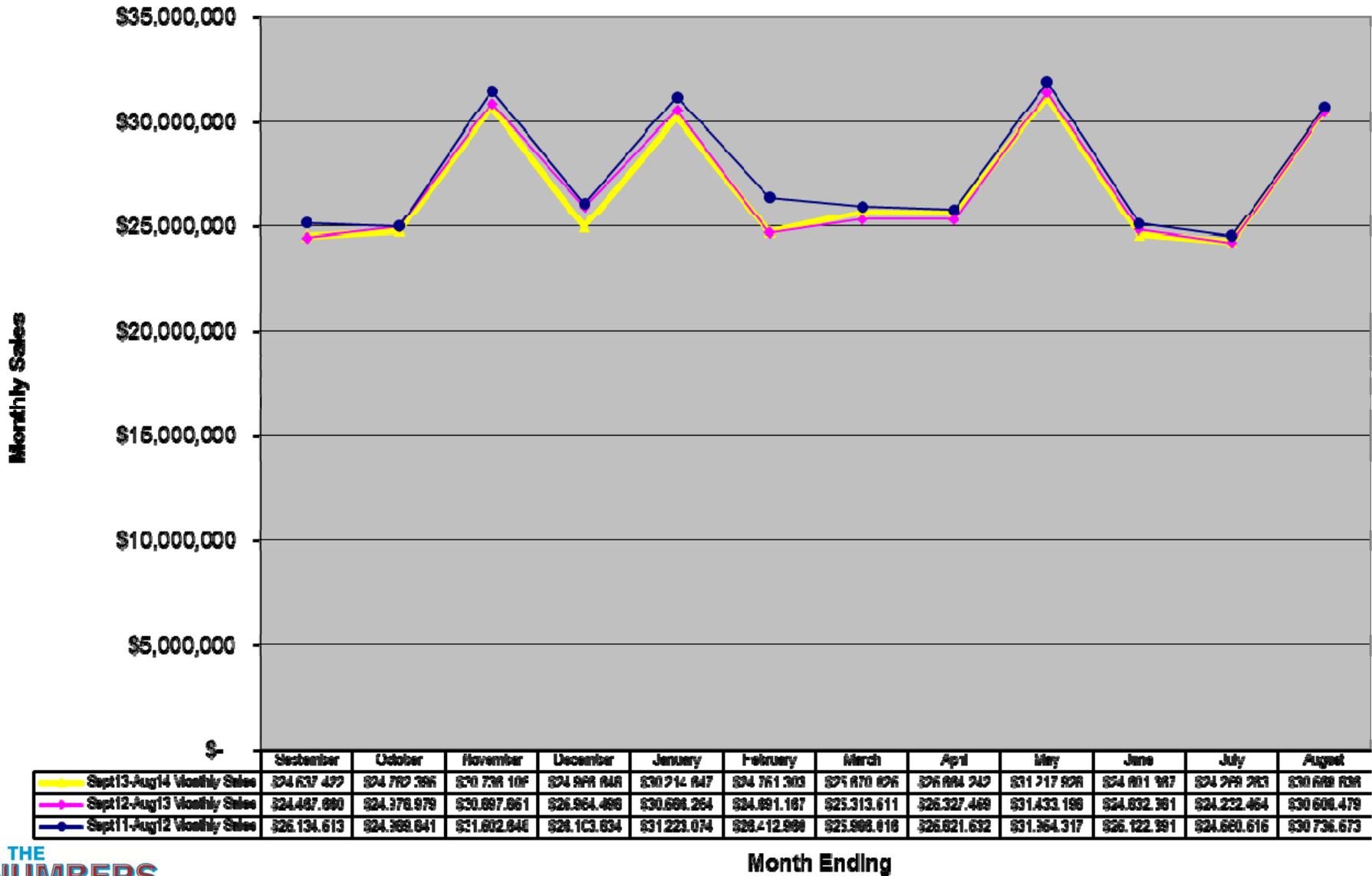
## Poker Game Monthly Sales September 11 thru August 14



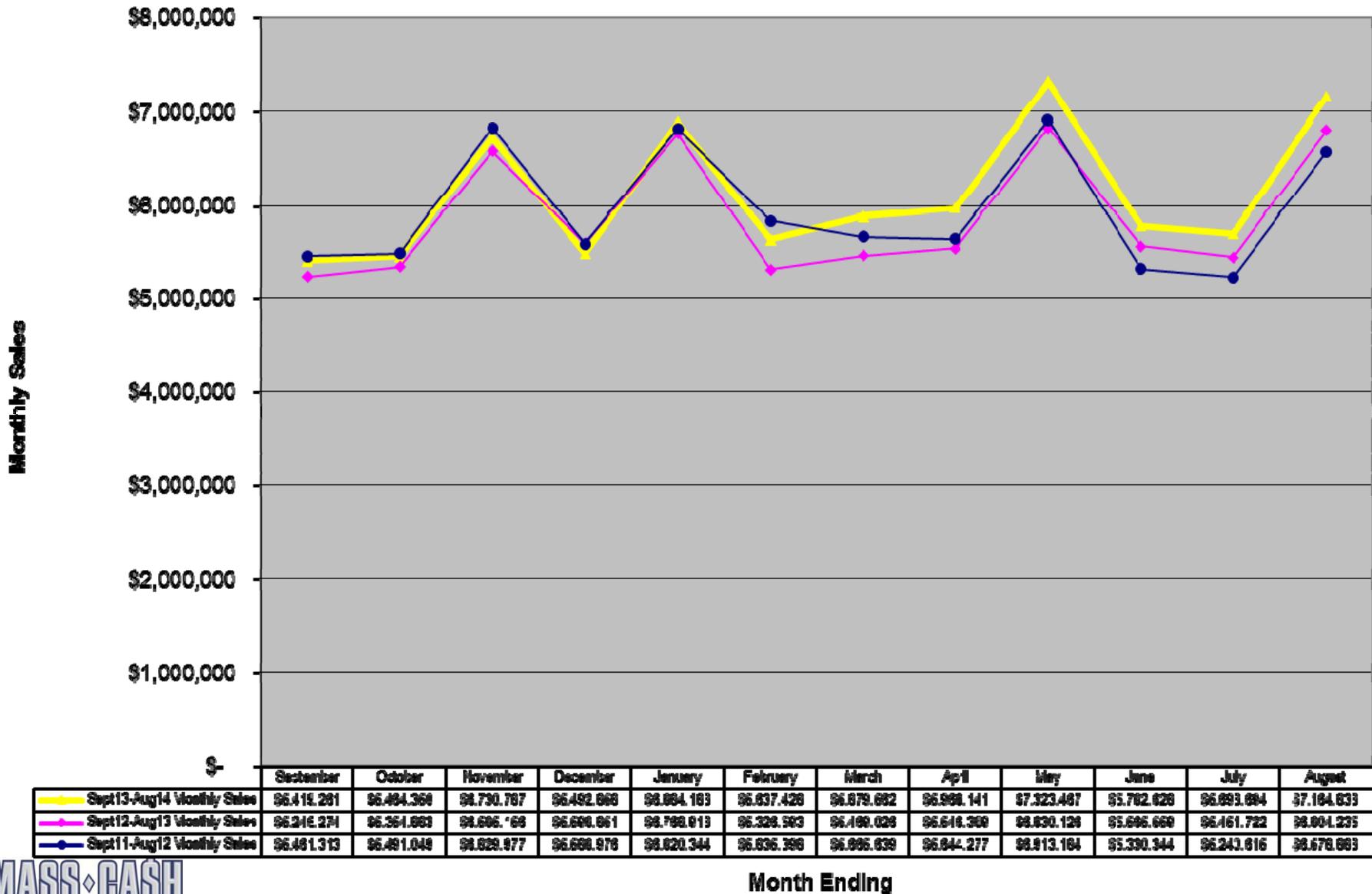
## Race Game Monthly Sales September 11 thru August 14



## Numbers Game Monthly Sales September 11 thru August 14

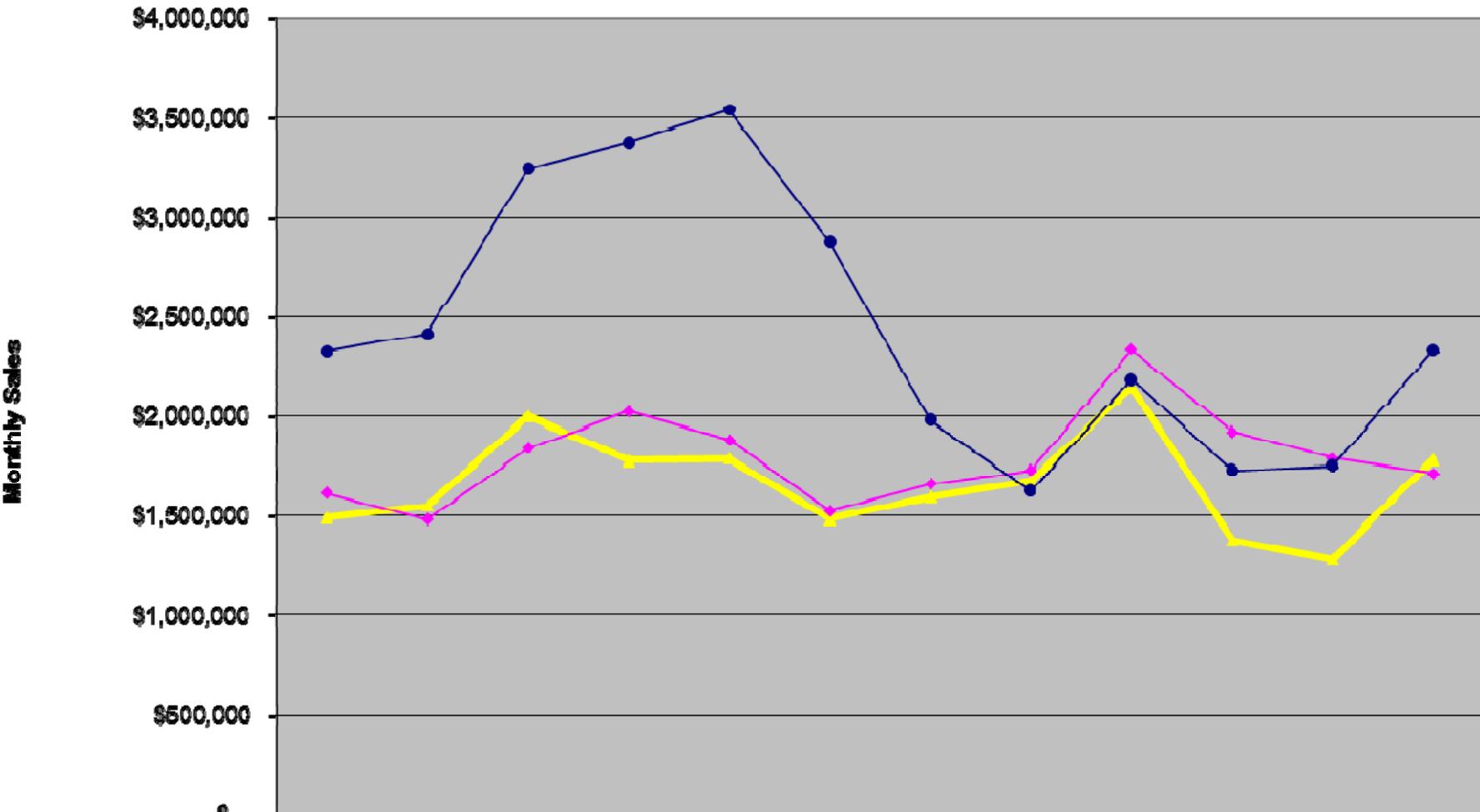


## Mass Cash Game Monthly Sales September 11 thru August 14



**MASS CASH**

### Megabucks Game Monthly Sales September 11 thru August 14

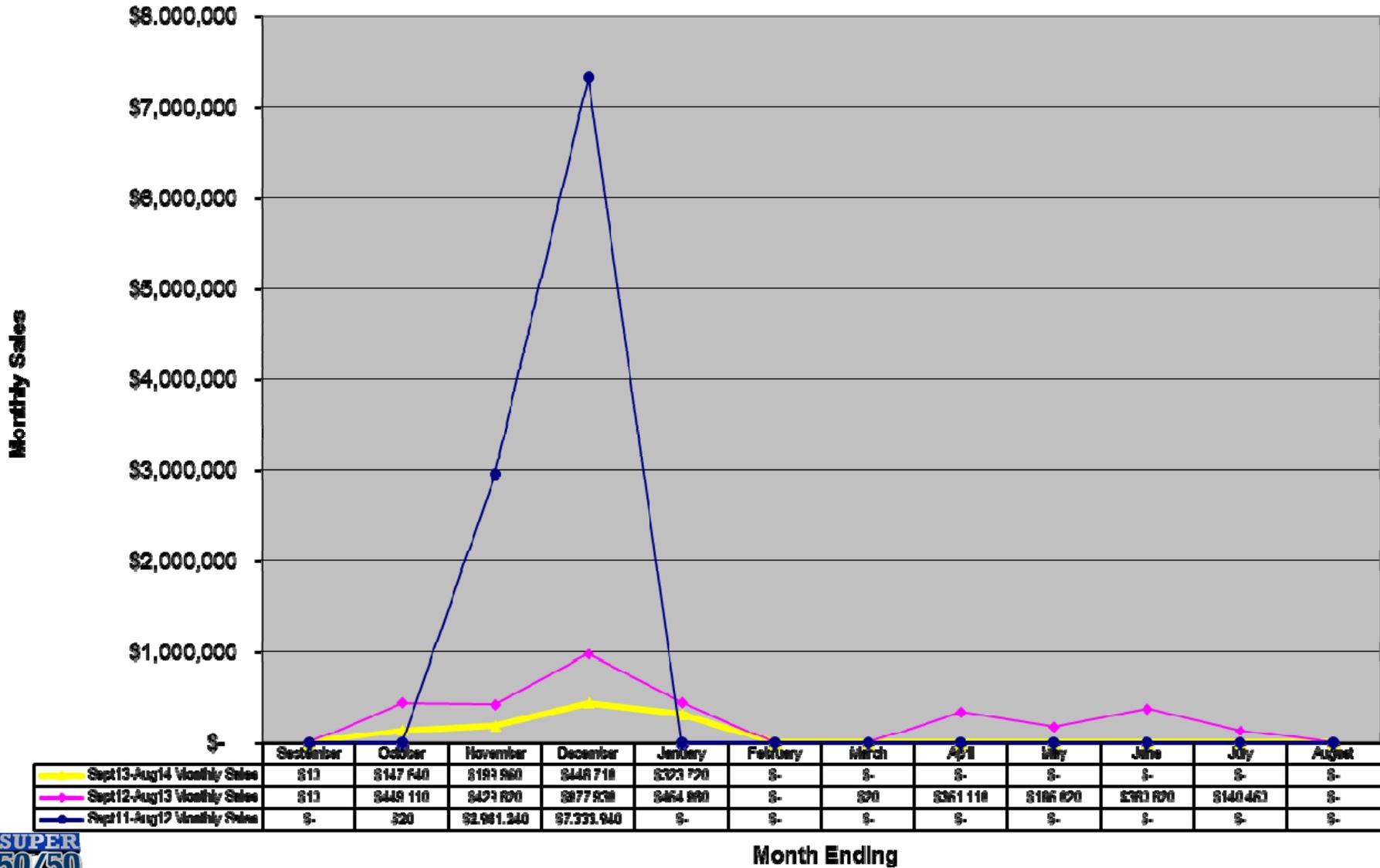


	September	October	November	December	January	February	March	April	May	June	July	August
Sept13-Aug14 Monthly Sales	\$1,481,130	\$1,661,798	\$2,081,814	\$1,782,087	\$1,790,671	\$1,484,981	\$1,628,306	\$1,676,878	\$2,146,948	\$1,384,803	\$1,291,463	\$1,787,763
Sept12-Aug13 Monthly Sales	\$1,818,040	\$1,482,273	\$1,843,899	\$2,023,686	\$1,884,472	\$1,628,784	\$1,681,201	\$1,738,056	\$2,333,804	\$1,928,889	\$1,791,849	\$1,718,724
Sept11-Aug12 Monthly Sales	\$2,327,303	\$2,418,913	\$3,248,861	\$3,381,284	\$3,640,273	\$2,879,330	\$1,980,670	\$1,628,881	\$2,188,478	\$1,730,306	\$1,764,484	\$2,330,743

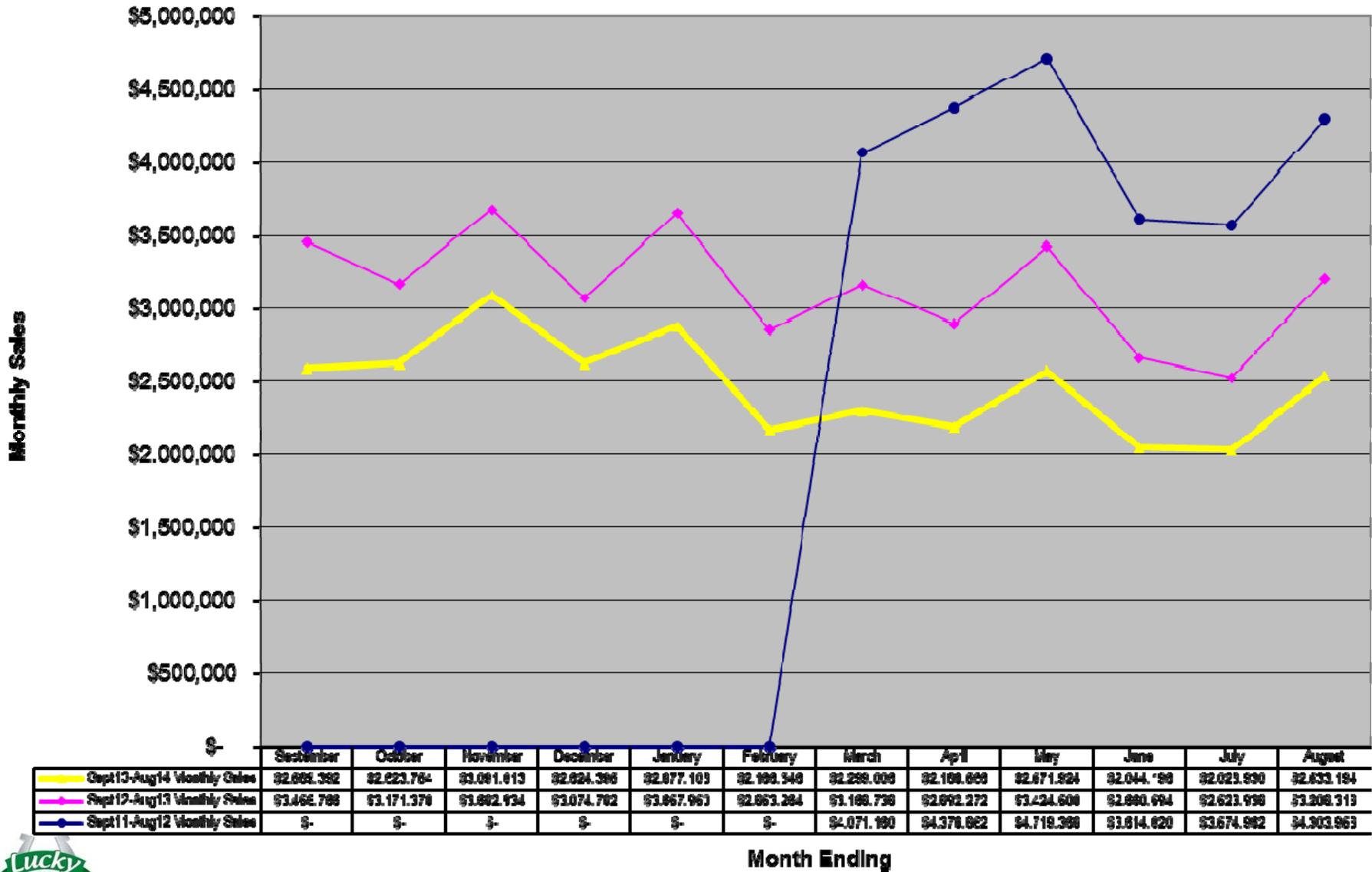
Month Ending



## Online Raffle Game Monthly Sales September 11 thru August 14



### Lucky For Life Game Monthly Sales September 11 thru August 14



# Lucky for Life “Lucky Ticket” Promotion (Sept. 21 – Oct. 4)



The Lottery is offering a promotion to Lucky for Life players that will provide bonus chances to win an additional \$2,014.

Any player who purchases \$8 or more of Lucky for Life wagers on a single ticket from September 21 through October 4 will receive a promotional “lucky ticket” at the point of purchase.

On October 6, 20 Lucky for Life promotional ticket serial numbers will be randomly selected to win \$2,014 prizes. All winning serial numbers will be posted on masslottery.com.

In-store POS materials supporting the promotion include 13x9 posters, 8.5x11 posters and 5” round decals, and “lucky wheel” spin events are being held at select Lottery retailers during which Lucky for Life playing customers have the chance to win Lottery-branded merchandise. The Lottery’s official social media accounts, including Facebook, Twitter, YouTube and Flickr have each been branded with the imagery from the POS materials.

Additionally, we have activated a paid media campaign to support the promotion and Lucky for Life game awareness.



# Lucky for Life “Lucky Ticket” Promotion Paid Advertising

## “SHORT DURATION” RADIO:

- High-frequency, multi-market short duration copy buy from Sunday 9/21 – Saturday 10/4.
- Build quick frequency with :10/:15 spots across statewide radio markets (Boston, Cape Cod, Greenfield/Pittsfield, New Bedford, Springfield, Worcester).
- Sample Copy: (Exciting Music) VO: *Play the Lucky For Life draw game at a Massachusetts Lottery retailer today for your chance to win a thousand dollars a day for life! Spend eight dollars or more on a single Lucky For Life ticket and get a Lucky Ticket for a chance to win two-thousand-fourteen dollars!*

## ENDORSEMENT RADIO:

- :10/:15/:30/:60 station reads across statewide radio markets (Boston, Cape Cod, Greenfield/Pittsfield, New Bedford, Springfield, Worcester).
- Sample Copy:
  - *Lucky for Life from the Massachusetts State Lottery!*
  - *Lucky for Life offers two top lifetime prizes: A thousand dollars a day for life AND twenty-five thousand dollars a year for life!*
  - *Get your Lucky Bonus ticket today for a chance to win two thousand fourteen dollars!*
  - *Now through October 4<sup>th</sup> spend eight dollars or more on a single Lucky for Life ticket and receive a Lucky Ticket for the chance to win a cash prize of two thousand fourteen dollars!*
  - *Play the game at a Massachusetts Lottery retailer today!*

## DIGITAL ADS:

- Array of digital advertising units on high-impact, highly visited news and sports-focused webpages, as well as social gaming, social media platforms, and targeted mobile ads, including: CBSBoston.com, BostonHerald.com, Comcast Sports NE, Undertone, AdRoll, PCH Games, AdTheorant , Facebook and YouTube Truviews



# Lucky for Life September "Lucky Ticket" Promotion Paid Advertising Examples

Pencil/Pushdown Ad



160x600 unit



160x600 unit



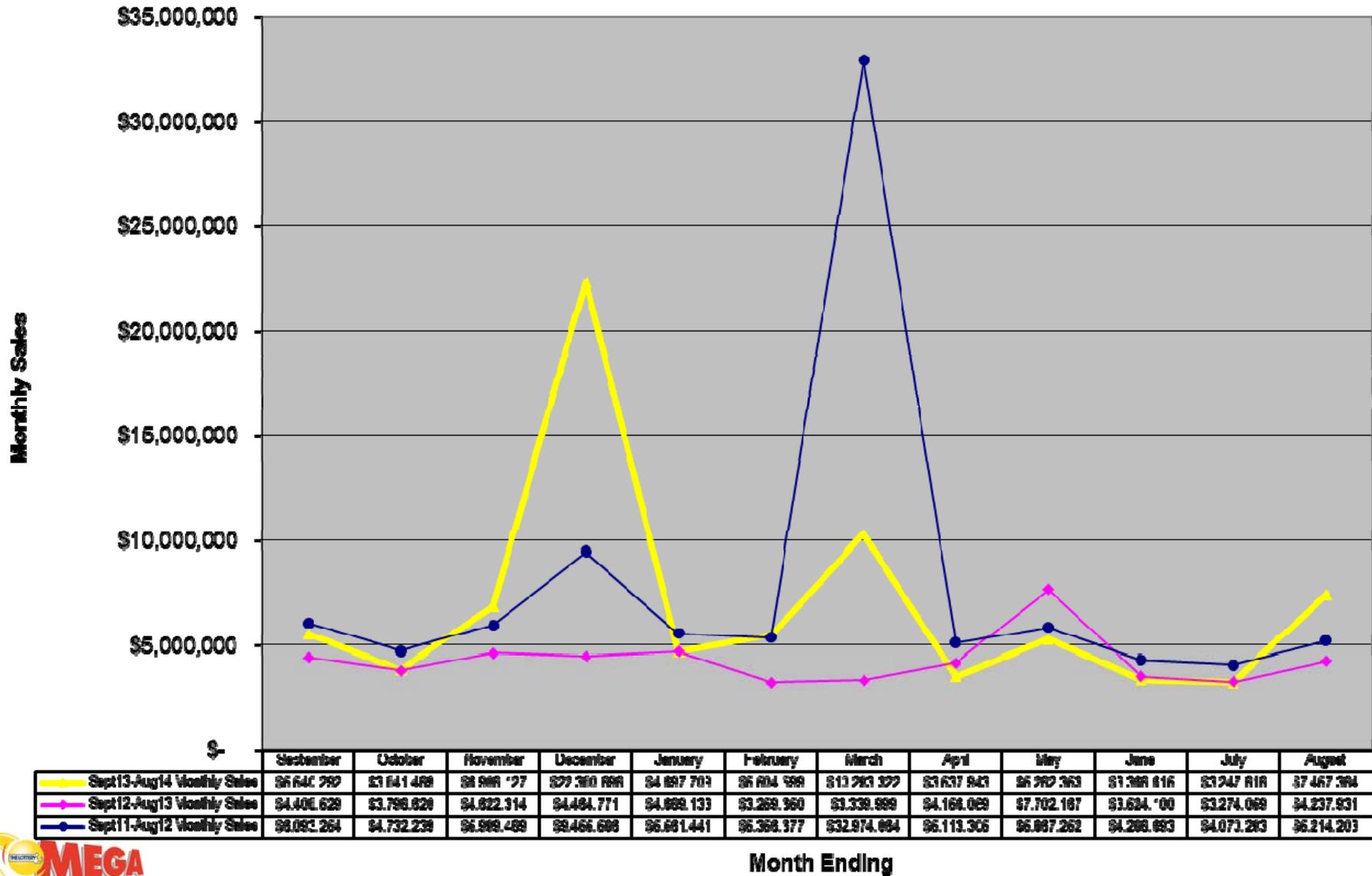
1768x1050 unit



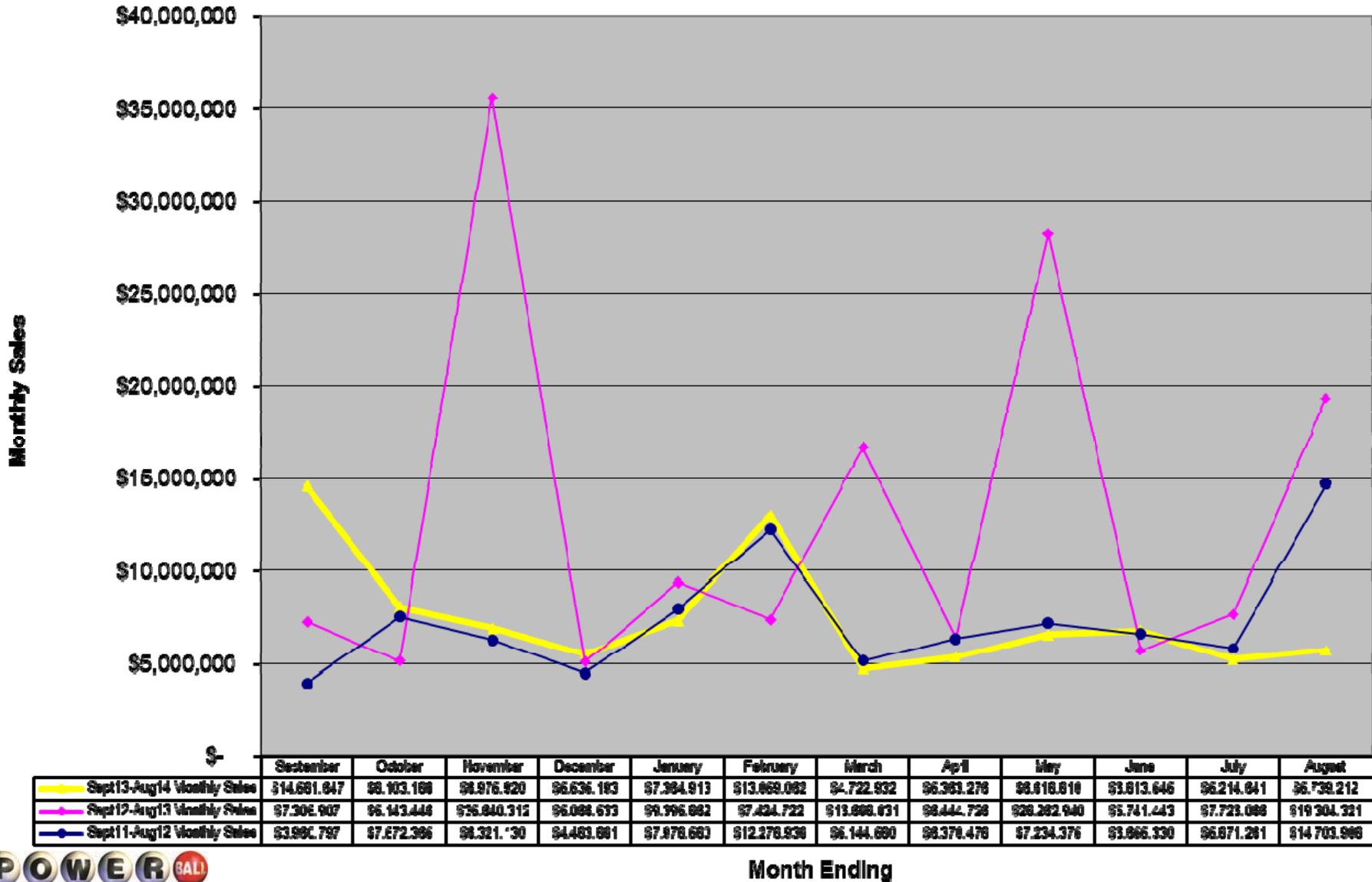
700x500 unit



## Mega Millions Game Monthly Sales September 11 thru August 14



## Powerball Game Monthly Sales September 11 thru August 14



# Jackpot Awareness Advertising (Radio, TV & Social)

## “SUDDEN IMPACT” RADIO:

- High-frequency, multi-market short duration copy buy
- Build quick frequency with :10/:15 spots across statewide radio markets (Boston, Cape Cod, Greenfield/Pittsfield, New Bedford, Springfield, Worcester:
  - 1 spot per hour, across multiple stations, for 12-15 hour period leading up to ticket sale closing
  - Approximately \$35-40k net media commitment for each jackpot, depending on weekday
- Sample Copy:
  - :05 - Tonight’s Powerball jackpot is an estimated 171 million dollars. Time is running out, so get your tickets soon!
  - :10 - Time is running out to get your tickets for tonight’s Powerball drawing with an estimated 171 million dollar jackpot! Watch the drawing and check your winning numbers at [masslottery.com](http://masslottery.com).
  - :15 - Time is running out to get your tickets for tonight’s Powerball drawing with an estimated 171 million dollar jackpot. You can purchase tickets up to nine forty-five p.m. Watch the drawing and check your winning numbers at [masslottery.com](http://masslottery.com). Good luck!

## SOCIAL MEDIA ADS:

- Recently added social media to Jackpot Awareness-generating program that converts Facebook newsfeed announcement to a cost-efficient, paid ad.
  - Target A18-64, Mass only, NOT current fans/followers of Mass. State Lottery’s Facebook page.
  - 24-48 hour period leading up to close of ticket sales
  - \$300-\$500 commitment, depending on number of days of support
- Examples:



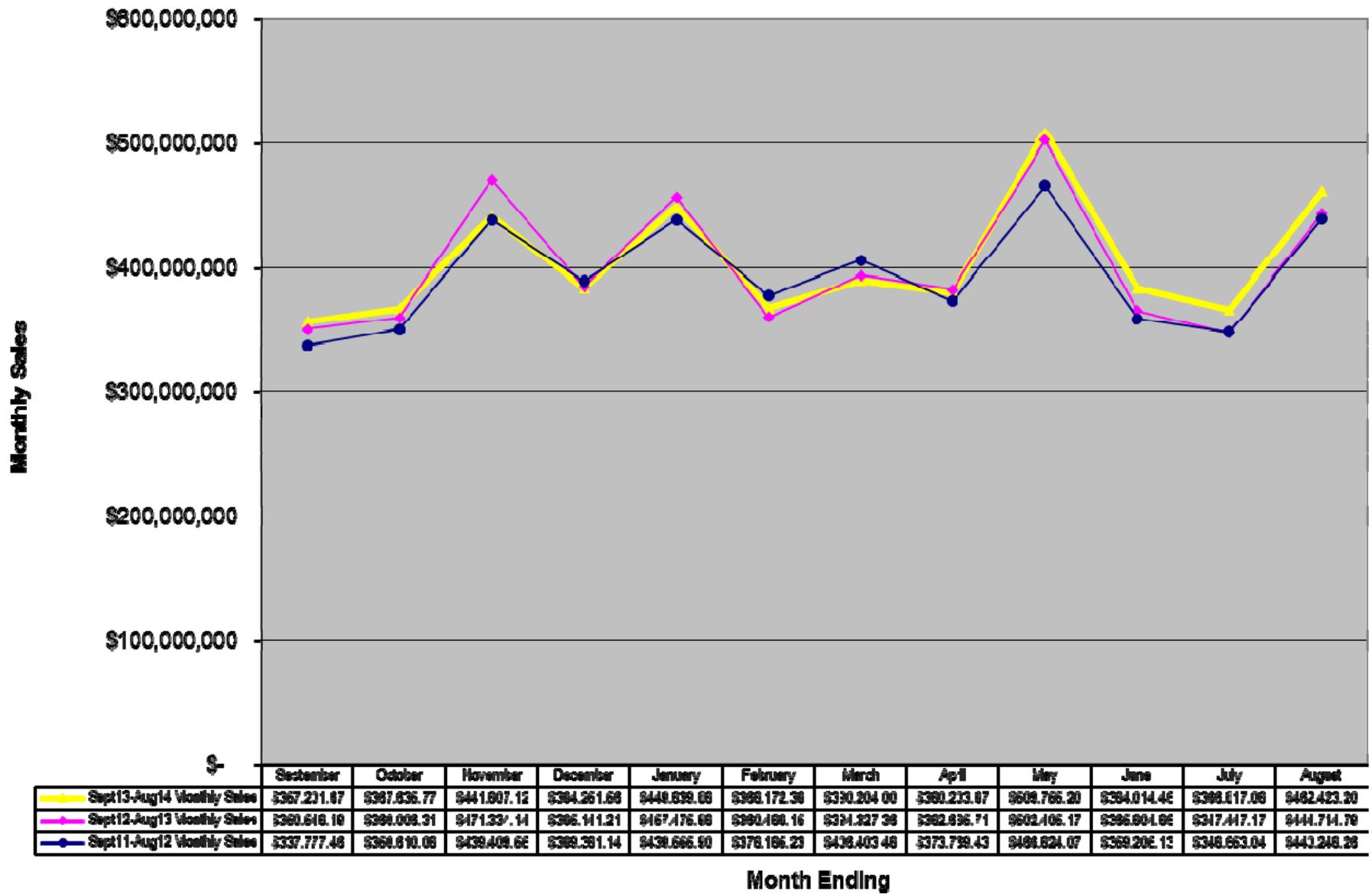
# Jackpot Awareness Advertising (Radio, TV & Social)

## TV ADVERTISING:

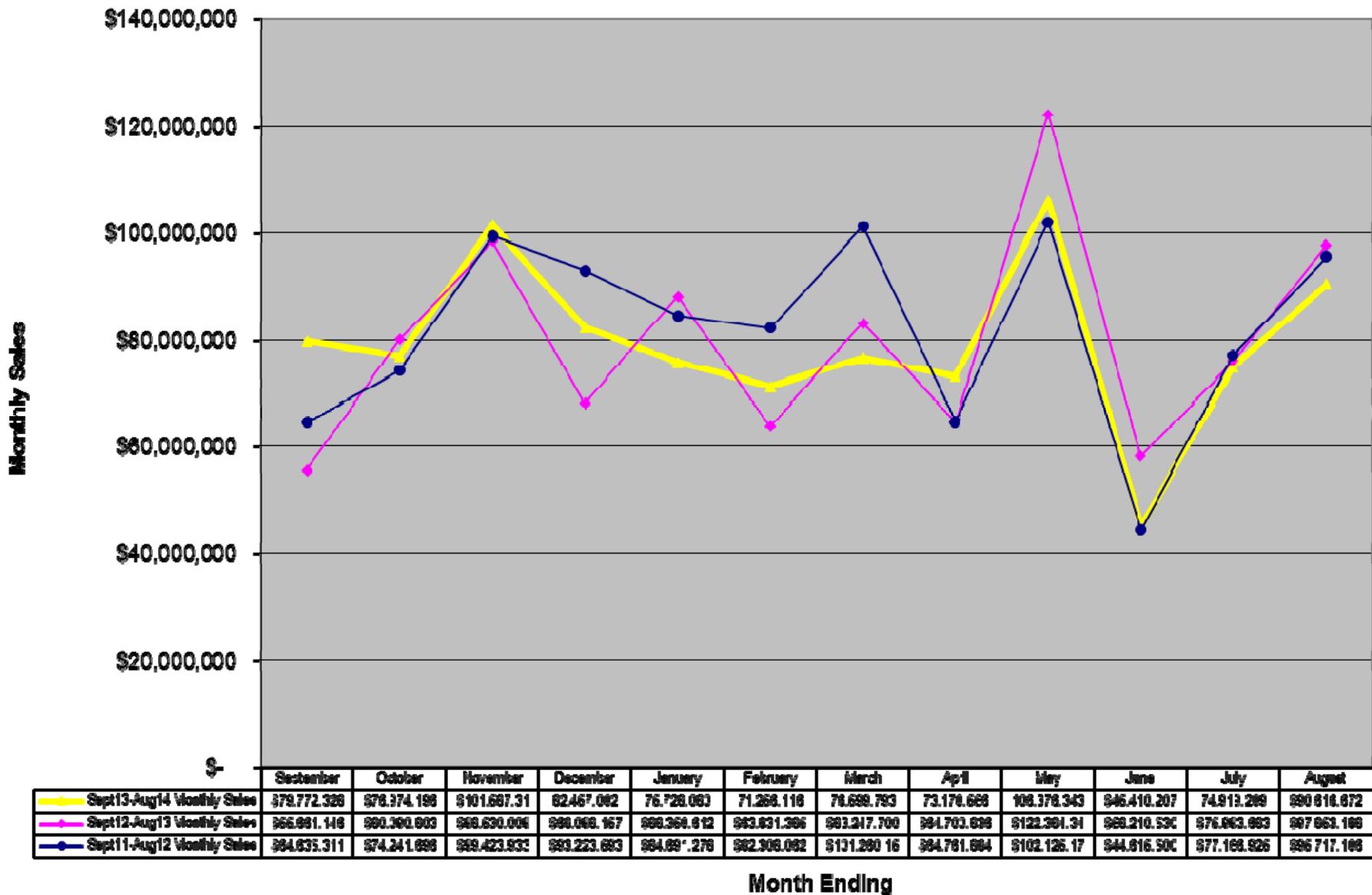
- Currently focusing TV support dollars exclusively in Boston TV Market with WFXT25
- Constructed a “spot bank” in order to get on-air quickly
  - :15 unit with standby graphics and a copy change each time, similar to the changes in radio copy
  - Example of :15 unit: <http://youtu.be/9E4coVcUCVY>
  - Created a set schedule to turn on quickly when jackpots cross \$100M threshold
  - Night prior to drawing, spot will run 1X during 10pm news and 1X during 11pm news; day of drawing spot will run 1X during each hour of the 6am – 10am morning news, and 1X during 10a -11am TMZ/Dish Nation broadcast.
  - Spot will run 7X per jackpot (weekday only) at \$5,537.75 per flight. Total FY15 commitment is \$175K/approximately 31 jackpots.
- Within the :15 schedule, negotiated in-broadcast placement to run while schedule is on air, extending value and generating greater impact with rising jackpot amounts.
- Example:



## All Game Monthly Sales September 11 thru August 14



## Net Profit Monthly Sales September 11 thru August 14



## MSLC Revenue Results

### August FY15 vs. FY14

(\$ millions)

Through August 30, 2014

	FY15	% of Total	FY14	% of Total	\$ Change	% Change
Instant Tickets	\$330	71.3%	\$302	67.8%	\$28	9.4%
MegaMillions	7	1.6%	4	1.0%	3	76.0%
Powerball	6	1.2%	19	4.3%	-14	-70.3%
Keno	77	16.6%	76	17.2%	1	0.8%
Mass Cash	7	1.5%	7	1.5%	0	5.3%
Race Game	0	0.0%	0	0.0%	0	0.0%
Lucky For Life	3	0.5%	3	0.7%	-1	-21.0%
Numbers Game	31	6.6%	31	6.9%	0	0.2%
Super 50-50 Raffle	0	0.0%	0	0.0%	0	0.0%
Megabucks	2	0.4%	2	0.4%	0	4.1%
Jackpot Poker	0	0.1%	1	0.2%	-1	-68.2%
<b>Total</b>	<b>\$462</b>	<b>100.0%</b>	<b>\$445</b>	<b>100.0%</b>	<b>\$18</b>	<b>4.0%</b>
Instant Tickets	\$330	71.3%	\$302	67.8%	\$28	9.4%
Online Games	132	28.7%	143	32.2%	-11	-7.4%
<b>Total</b>	<b>\$462</b>	<b>100.0%</b>	<b>\$445</b>	<b>100.0%</b>	<b>\$18</b>	<b>4.0%</b>

## MSLC Revenue Results

### Year-to-Date FY15 vs. FY14

(\$ millions)

Through August 30, 2014

	<b>FY15</b>	<b>% of Total</b>	<b>FY14</b>	<b>% of Total</b>	<b>\$ Change</b>	<b>% Change</b>
<b>Instant Tickets</b>	\$594	71.6%	\$543	68.6%	\$51	9.3%
<b>MegaMillions</b>	11	1.3%	8	0.9%	3	42.5%
<b>Powerball</b>	11	1.3%	27	3.4%	-16	-59.5%
<b>Keno</b>	138	16.6%	136	17.1%	2	1.5%
<b>Mass Cash</b>	13	1.6%	12	1.5%	1	5.0%
<b>Race Game</b>	0	0.0%	0	0.0%	0	0.0%
<b>Lucky For Life</b>	5	0.6%	6	0.7%	-1	-20.4%
<b>Numbers Game</b>	55	6.6%	55	6.9%	0	0.2%
<b>Super 50-50 Raffle</b>	0	0.0%	0	0.0%	0	-100.0%
<b>Megabucks</b>	3	0.4%	4	0.4%	0	-12.2%
<b>Jackpot Poker</b>	1	0.1%	2	0.3%	-2	-76.0%
<b>Total</b>	<b>\$829</b>	<b>100.0%</b>	<b>\$792</b>	<b>100.0%</b>	<b>\$37</b>	<b>4.7%</b>
<b>Instant Tickets</b>	\$594	71.6%	\$543	68.6%	\$51	9.3%
<b>Online Games</b>	235	28.4%	249	31.4%	-14	-5.5%
<b>Total</b>	<b>\$829</b>	<b>100.0%</b>	<b>\$792</b>	<b>100.0%</b>	<b>\$37</b>	<b>4.7%</b>

Thank you for the opportunity to share this information. We look forward to your feedback and to further discussion on these figures, as well as other Lottery initiatives.

