



# MEMORANDUM

**To:** California State Lottery Commission      **Date:** May 20, 2008

**From:** Joan M. Borucki  
Director

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**Subject:** Item 9(d) – Marketing Plan Strategies

## **ISSUE**

Should the California State Lottery Commission (Commission) approve the marketing strategies as proposed in the attached document for further development and allocation of funding?

## **RECOMMENDATION**

Staff recommends that the Commission approve the marketing strategies as proposed in the attached document so that staff may begin allocating funding for specific initiatives.

## **BACKGROUND**

The development of these strategies is the result of a process that began in May 2006. This effort directly supports the Business Plan that was developed by holding strategic planning sessions with staff, consulting industry leaders, other lotteries, marketing and advertising firms, vendors and consultants, gathering and analyzing data, conducting research studies, reviewing the history of the organization, and assessing industry trends and best practices.

## **DISCUSSION**

After careful analysis and consideration of the many options available to us, staff believes the proposed strategies represent the most effective way to increase contributions to our beneficiary. The essential elements of the strategy tie directly to the strategies put forth in the business plan, which are:

1. Focus on long term planning
  - a. Allows for better synchronization of message and product development
  - b. Permits time for system programming
  - c. Better coordination for cross promotions with other products
2. Improve brand image
  - a. Improve overall brand
    - i. Fun, excitement, optimism, positive energy
    - ii. People win the Lottery
  - b. Increase current playership
  - c. Leverage strong brand to more easily introduce new products
3. Shift the jackpot paradigm
  - a. By emphasizing that "any jackpot is worth playing for"
4. Modernize operations
  - a. Reduce barriers to play
  - b. Reduce barriers to recruiting new retailers

Approval of these strategies and concepts presented today allows staff to begin the process of tying specific initiatives to the 2008/2009 fiscal budget year and to begin planning for programming for products and promotions in the 2009/2010 fiscal budget year. The final 2008-2010 long range marketing plan will be presented for approval at the June 2008 Commission Meeting.