



MEMORANDUM

To: California State Lottery Commission **Date:** June 25, 2008

From: Joan M. Borucki
Director

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E-Communications and Public Relations

Subject: Item 9(h) – Public Website Redesign

ISSUE

Should the California State Lottery Commission (Commission) approve availability of up to \$750,000 in funding within the 2008-2009 budget year for the procurement of a vendor to implement and host the new Public Website (PWS)?

RECOMMENDATION

Staff recommends that the Commission approve up to \$750,000 in funding within the 2008-2009 budget year for the procurement of a vendor to implement and host the new Public Website for July 1, 2008 through June 30, 2009.

BACKGROUND

As the California State Lottery (Lottery) moves forward to present its new brand to the public – that it is forward-moving, fun, exciting and fresh – all facets of its operations need to convey that message. One of the best platforms today for expressing the vitality of an idea or organization is through the world-wide web and other connected new technologies. Through one platform, the Lottery has the ability to communicate its commitment to education, steadfastness in fighting problem gambling and determination in protecting its constituents from fraud. A robust web-based platform would allow for more technically up-to-date programs prompting better long-term planning which would lead to more efficient communication internally and to the public of the Lottery's overall brand, business and marketing

plans. A redesigned system could also allow the Lottery to communicate with its players and constituents in a more modern way through web features and email marketing, allowing for a change in the jackpot paradigm, an increase in playership, and a continued increase in contributions to education.

At the current time, the Lottery's PWS is drastically under-utilized and is in need of a refresh for content, interactivity and infrastructure. The redesign of the State Lottery Public Website is aimed to take advantage of progress previously made through Lottery programs such as Jackpot Captains and online "second chance draws" while forging ahead in creating new user experiences through interactive game demos, rewards programs, improved electronic communications and centralized access to the Lottery's public services and information.

In order to complete a redesign that would communicate and connect with PWS users in both an informational and experiential way, the Lottery has leveraged the expertise of Human Factors International (HFI) for the first two phases of the redesign process. HFI's focus has been to help us better recognize our current assets as well as to identify additional resources needed in order to achieve those significant benefits offered by robust and effective online services.

Phase 1 of the PWS redesign project consisted of in-depth usability studies of the Lottery's current website and processes from a user's perspective. Out of this process, combined with stakeholder interviews with Lottery personnel, a comprehensive redesigned information architecture was developed along with suggested design direction and opportunistic and experiential architectures. Phase 2, which is currently coming to completion, implements the direction from Phase 1 into a graphical site design that refreshes the PWS while creating new and unique user experiences. Contrary to many creative-based designs, the design provided by HFI will be based upon the user metrics gathered during Phase 1 and the beginning of Phase 2 and will convey those metrics in a graphical manner while conforming with the Lottery's new branding.

DISCUSSION

After careful analysis and consideration of the many new technologies available to the Lottery for use in electronic marketing and communications, staff believes that the strategies currently being applied to the redesign process will offer the most effective increase in contribution to our constituents and tie directly to the strategies put forth in the business plan. With an update in the way we use the PWS to communicate with the public and the technology supporting that communication, the Lottery will be able to better use the PWS in its fulfillment of the business plan through:

1. Focusing on long-term planning

With a secure and versatile system in place on which the PWS can continue to grow and expand, specific business and marketing initiatives can look to the PWS for both leadership in how to expand to new markets and for better support with current programs.

2. Improving the brand image

The PWS will allow a universally-accessible platform from which the Lottery can communicate its new overall brand. Through programs like Bonus Draws, a Players Club, and other interactive components, the PWS will enforce the new view of the Lottery by emphasizing:

- i. Fun, excitement, optimism, positive energy
- ii. People win the Lottery

This reinforcement of the new brand will allow the PWS programs to increase playership through online incentives and communicate with its many online members to more easily introduce new products.

3. Shifting the jackpot paradigm

The redesigned PWS can offer strong support in shifting the jackpot paradigm by educating the Lottery's players on the number of regular winners and the benefits of lower jackpots. Future PWS programs will also be available to offer incentives for more frequent play at lower jackpots, rather than less frequent play at higher levels.

4. Modernizing operations

The redesigned PWS will offer great leaps in the modernization of operations by coalescing data beneficial to multiple departments and offering a platform from which more modern tools can be launched for the public. An online help desk and an online prize claim system for example, would benefit players and Lottery employees alike.