

The Challenge of Effectively Acquiring & Leveraging Player Data

Building and Reinforcing Player Lifetime Value

Business growth is built on the ability to attract new customers. The same applies to iLottery programs. New players generate about 50% of the annual incremental growth for typical U.S. iLottery programs.

Inviting new players to explore iLottery products requires Lottery to be present and visible across the digital media universe. For this purpose, Lotteries annually spend millions on player acquisition through social media and other advertising platforms.

The Demand for Metrics

The inherent challenge with player acquisition marketing is that each media platform provides its own metrics for campaign effectiveness. Marketers are challenged to consolidate data across platforms and make informed decisions about how marketing investment should be allocated.

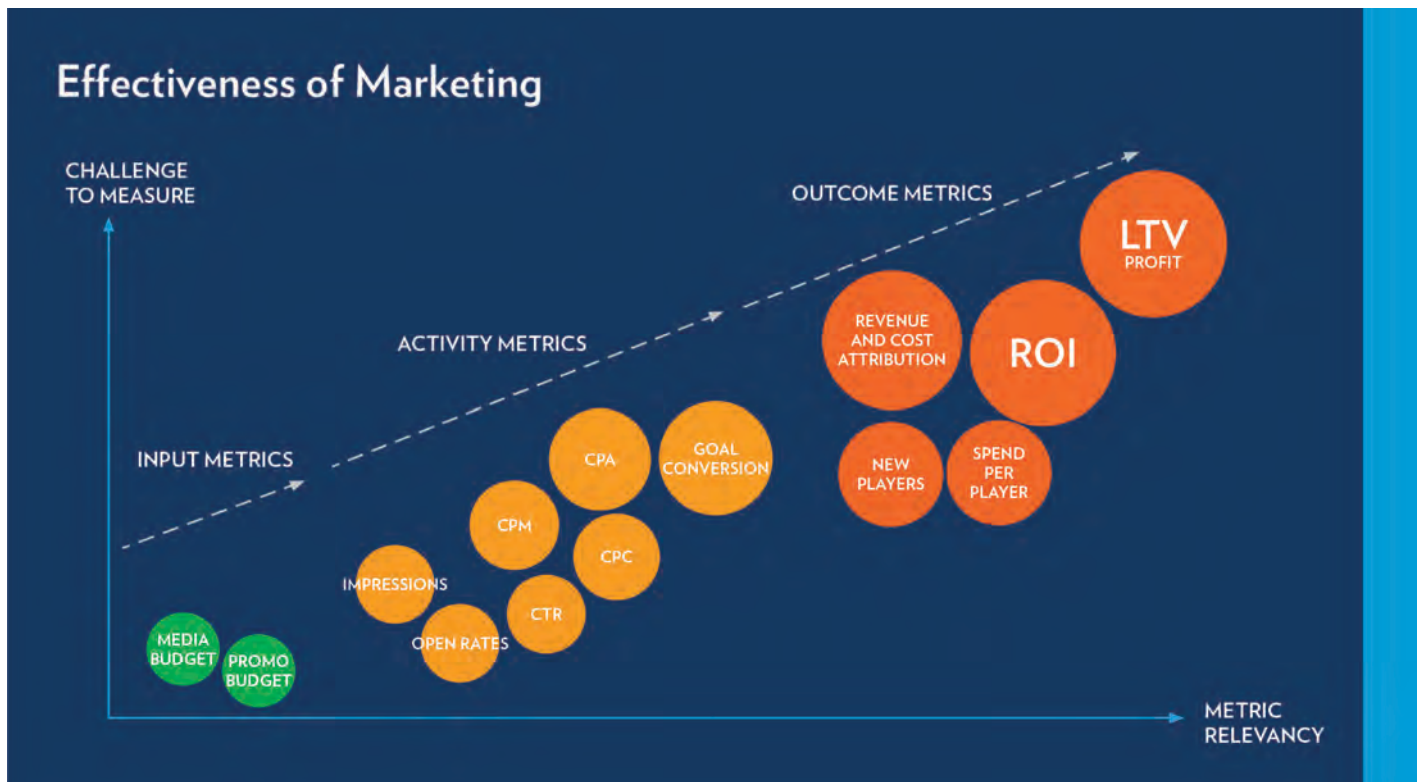
Google Analytics is often selected as the metrics integration point to combine traffic from multiple sources and deliver a campaign performance dashboard for the user. While this platform offers many notable features, there are limitations on the data it can process. As a result, metrics are limited to basic conversions and attributable sales. This makes it challenging to quantify the true effectiveness and profitability of a marketing investment.

In this time of challenging economic conditions, where marketing budgets are becoming more constrained, marketers must prove returns on their investments more than ever. **IGT Marketing Services** — IGT's in-house growth-marketing agency — is supporting lottery marketers to optimize the new player gain from their digital media investment and show true marketing effectiveness.

Not All New Players Are Equal

Having accurate player models can make all the difference. When marketers can attribute revenue and costs to their initiatives, they can better predict and optimize player lifetime value. But what might seem like a linear relationship between acquisition investment and new players is in fact more complex. When **IGT Marketing Services** experts investigated customer acquisition campaigns for post-conversion player activity, it became clear that what appeared to be a high performing acquisition campaign was not conveying sustained player value.

In as little as three days after player conversion, an indication of player lifetime value can be seen when the correct modelling is applied. Seven days after coming on board, IGT's models predict player lifetime value to 90%



Marketers are continually challenged to make informed decisions about how marketing investments should be allocated, and to advantageously apply diverse metrics to quantify effectiveness and profitability.



Capturing, processing, and leveraging data are essential as iLotteries continue to evolve best practices to deliver the most beneficial data strategy outcomes and optimize player value.

accuracy, allowing much more nuanced acquisition investment decisions.

Data: The Key Fuel for the Growth Engine

Data is of course at the heart of this modelling. Most iLottery operators working with different systems within an organization are aware of challenges around data. Marketers look for solutions – often external – that enable them to execute their marketing activities; for instance, they would like to have an ad network, CRM platform, and/or Artificial Intelligence (AI) system to automatically send player communications. Customers install various internal and external solutions with multiple vendors and face the challenge of leveraging the data these platforms contain.

Data aggregation consolidation is one of the hardest tasks for iLotteries, in e-commerce, and most industries. IGT’s data scientists have been working on a tailor-made solution to these problems, specifically for the lottery industry. The proprietary **Player Data Platform (PDP)** is the enterprise-wide, cloud-based analytics platform built by IGT’s lottery experts for the lottery industry that leverages information from hundreds of thousands of lottery player events and transactions. Its 360-degree player view and AI modelling empowers lotteries to use data-driven decision-making to yield superior results while saving time and staffing costs, improving processes, and maximizing marketing budgets to responsibly increase acquisition, retention, and sales.

IGT’s industry experts understand the importance of marketers receiving what they need from marketing campaign systems. The **Player Account Management (PAM)** core solution records each player source, logging whether the player has come from online media or retail point of sale. Tracking hooks are enabled in campaigns and the PAM, providing an end-to-end accurate player source identity. Player source identity, not personal identity, is key for operators to understand player activities: deposits, wagers, winnings, selected games, play frequency, and engagement duration.

Valuable, continuous streamlined sources of tracking, CRM, player account management, and game account data are ingested into IGT’s **Player Data Platform**, capturing data as desired: real time, near real time, and/or end of day. When campaign responses and player touchpoints from all channels — point of sale, website, mobile app — have been captured, the task gets easier!

It’s All About the Model

IGT’s data engineers and data scientists enable required data processing. Once data is in one location, potential player value can be defined, and predictions can be made. IGT models the potential player lifetime value optimization opportunities, helping to inform the best player marketing investment. For example, the churn model will predict if a player is going to leave the iLottery program. How do you retain that player? Rather than offering money to return, modelling reveals the effectiveness of content

such as innovative games, or Netflix-style purchasing recommendations based on prior behavior.

Leveraging Data

iLottery marketers can utilize sophisticated models and dashboards for marketing automation. Player acquisition marketers have access to dashboards showing real-time campaign-level profitability to optimize their marketing spend on the go. Retention marketers gain advantage from models to personalize and amplify communication with existing players. AI-based modeling creates microsegments optimizing send time, communication channel, offer, and associated product to maximize goal conversion.

The Optimum Solution

iLotteries continue to evolve the best ways to obtain and use data within data privacy regulations, and to overcome the challenges of players’ reluctance to share data, especially at point of sale. Preparing, capturing, recording, and processing are all important steps in the process. IGT directs maximum effort toward developing best practices for utilizing data. **IGT Player Marketing Services** professionals can deliver the benefits of the **Player Data Platform** and help determine each lottery’s optimal data strategy. ■

