



Big data... What's in it for us?

PROVING THE REAL BUSINESS VALUE OF BIG DATA, AND THE 7 ESSENTIALS TO ACHIEVE BIG DATA DRIVEN EXCELLENCE.

Everyone talks about big data, but different lotteries have different opinions on what it actually means, as well as how or whether big data can be applied to benefit their organization. Who has succeeded at applying big data to real-world challenges and derived real-world business value? What are the costs and time-lines to implement a big data strategy? Is it possible or practical for our company to attempt to implement a big-data-driven program?

The board at Svenska Spel asked me the same questions around big data, analytics and CRM. I used the PZAC model to break down the value, the capabilities needed, our status now and our projected status two in years from now.

The business value. Imagine that you can figure out how to most efficiently understand, interact, target and develop your customers by personalized, real-time communication in all channels? We estimate (so does Gartner) the incremental GGR to be between 3-20%. Even if you are on the low side, the ROI is obvious.

The PZAC model elaborates around seven essentials, key questions and capabilities to achieve big data driven excellence.

1. Do you have the basic (raw) data to work with?

Every lottery captures data for Online customers. What, when, where, and how often they play, how much they spend, etc. BUT, since 2014, at Svenska Spel we also capture all customer data in retail and in VLT's (through mandatory registration of all gambling). This gives us the ability to identify all customers in all channels in a 360 view, which is crucial for us to understand the full actual behaviour of our customers.

2. Do you have a good Analytics platform to sort out the data? And is it working?

A very common problem is that most companies store data in different systems which makes digging for data time consuming. Another problem is different terminology and definitions which generate multiple versions of the truth. At Svenska Spel we invested a couple of years ago in a new modern platform (Hadoop). It will still take us two more years to complete the upload and sorting of data to get the full use of the platform.

3. Do you have the people (analysts) and the environment and tools for them to work in?

You won't get any descent analysts if you can't deliver a vision, a strategy and an environment for them to work efficiently in.

4. Do you have BI- and self-service reports/tools for the organisation?

If you do, the organisation can quickly and correctly withdraw basic reports and analyses themselves which will improve data driven understanding and business decisions. If you

Following is an article based on a presentation made by Peter Zäll on April 24 in Chengdu, China, the site of the Asia-Pacific Lottery Association (APLA) conference Lottery Today: To Transform or be Disrupted.

Visit asiapacific-lotteries.com for information about APLA, its member services, and future conferences and trade shows.

Peter Zäll

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WOMEN'S INITIATIVE IN LOTTERY LEADERSHIP

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WILL Group Structure

The group structure will include a Board of Directors, comprised primarily of all the female CEOs of lotteries worldwide and top-ranking women from the vendor partner community, as well as male CEOs with a strong track record of mentoring and supporting women in leadership positions.

Lynne Roiter, CEO, Loto-Quebec and Secretary General, World Lottery Association, offered the following insight into WILL: The creation of WILL is proof that the lottery industry has come a long way in the past 10 years. Creating the environment that celebrates diversity and mentors talented professional women in Lottery will not only enable them to reach their full leadership potential but also benefits the industry and all its stakeholders.

Stephane Pallez, President & CEO, La Française des Jeux, believes that expanding networking and mentorship opportunities for young professional women is a good

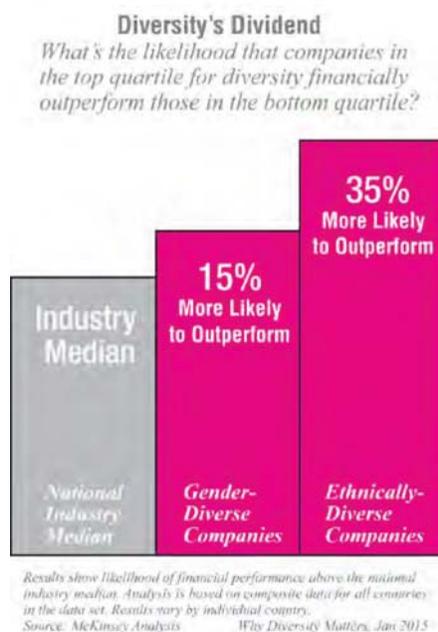
way to increase opportunities for emerging female leaders.

women acquire the skills and insights to forge their own unique journey towards career development and fulfillment.

May Scheve Reardon, Executive Director of the Missouri Lottery stated, diversity should be seen as a core value of any business, and vital tool for a multi-billion dollar industry that provides millions to beneficiaries around the world.

Debbie Alford, President & CEO, Georgia Lottery Corporation, envisions WILL as providing an opportunity for women to gain insight into different aspects of the lottery business in order to broaden their perspective and provide greater understanding of what it takes to run a lottery.

PGRI has agreed to administrate this exciting initiative, using its global media platform to promote WILL, and harness the industry-wide resources to support the professional development of women. The Women's Initiative in Lottery is about all of us working together to do something wonderful by helping our colleagues to succeed and making sure the door is wide open for women to move into positions of responsibility and influence. ■



Sue van der Merwe, COO of Tatts Group Lotteries, sees WILL as a vehicle to help

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don't ... they will slow down everything and ask analysts for information that should be automated.

5. Do you work with predictive analytics?

Imagine you could predict which customers that are most likely to act on whatever you think is important. At Svenska Spel we are just starting to work on this now in 2017. We estimate that we have developed our predictive analytics skill to 60% of our target by the end of 2018.

6. Are you a Customer-centric governed organisation?

Everyone says they are customer focused, but the truth is that most organisations are still product and/or channel focused. Does top management discuss sales and movements from a customer view? Or do they still only discuss it from a product and channel perspective? Does your organisation set objectives, strategies and development plans from a customer segment point of view? Do you have KPI's on customer segment level?

7. Are you working with advanced CRM?

If you want to be relevant with your customers, always, in real-time, in all channels ... First, you need to work with all steps mentioned above. Second, you need a modern CRM platform. We (the lottery industry) do have an advantage over several other industries (telecom, travel, fashion etc.). The advantage is that our customers visit us more frequently online. Many customers visit us every week, to play or to check their results. This means that our own online channel is super important as a CRM channel. Imagine recognising every customer when they visit with a relevant message just for them, in combination with other CRM channels; email, postal, SMS, notifications, social media etc., this turns into a huge opportunity, to always be relevant depending on how you want to develop your customers.

So, what's in it for us? There is clearly business value in the end, but you need to know where you are right now. You need a credible vision and strategy to get there. It will take time and it will take top management commitment to succeed and it is my firm belief that if you don't invest here, you will be left behind. Good luck with your data!

Ps. In regards of the PZAC MODEL... don't google it. To keep my boards, and your, attention... PZAC stands for: Peter Zall's (own Analytics and CRM model ... ;) ■