

Build the mutually beneficial relationship with your retailers that drives lottery ticket sales

Tonya Beenders

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PGRI Introduction: With over 30 years of lottery industry experience, Tonya now serves as the Chief Sales Officer for the Arizona Lottery.

Previously holding the same role at the Missouri Lottery, Tonya brings extensive expertise in sales, distribution, and retail engagement. Throughout her career, she has been instrumental in driving sales growth, strengthening retailer partnerships, and enhancing operational efficiencies. Tonya is passionate about empowering her sales team and leveraging innovative strategies to optimize the player and retailer experience. And since the vast majority of the “Player Journey” runs right through retail, there’s plenty of room to innovate and find new ways to drive sales performance.

Retail is evolving — adapting to shifts in consumer shopping behavior and an increasingly competitive landscape. Change and disruption aren’t just challenges but are also opportunities for those who anticipate trends, adapt strategically to stay ahead, and build mutually rewarding relationships with their retail partners.

And when it comes to seizing those opportunities, Tonya Beenders and the Arizona Lottery team are on it!

Paul Jason: Do you think of the Lottery Sales Representative (LSR) as more of a customer service role or a hard-driving sales person?

Tonya Beenders: Our culture best suits a solution-selling approach for our retailers. We see service and support as essential parts of an effective and strategic sales strategy. That said, we are absolutely sales-oriented.

For example, right now, we’re in discussions with a national chain about merchandising the \$50 ticket. Convincing retailers to take on new products isn’t

easy—especially when they’re unsure about consumer demand. Retailers are incredibly busy, so getting them to hear us out takes persistence. And let’s be honest—most retailers aren’t eager to change what’s already working for them.

I think your readers will relate to this challenge—the ongoing effort to persuade retailers to try something new, whether it’s a different Point of Sale (POS) strategy, product, or promotion. It all takes real selling to make that happen!

Relationships and customer service are the key to everything sales. But our Lottery

Sales Representatives are also highly focused on driving innovation, modernization, and selling new products and ideas for increasing lottery sales. And they know that even with engaged retailers there will be objections and that “no” does not mean forever. Sometimes, it means that you have to tell your story in a different way that will appeal to the retailer and in a way that they better understand the benefits of the proposal.

Are retailers more willing to innovate and modernize than they were a few years ago?

T. Beenders: Yes. A great example of this shift is retailers’ growing investment in their own loyalty apps and programs. They see these as key differentiators in a competitive market. Consumers who use loyalty programs from brands like Circle K, Walmart, and Target tend to become highly engaged and loyal customers. That represents a big opportunity for lotteries to cross-promote and add value for both retailers and players.

The Arizona Lottery has done an outstanding job of leading the way in retailer partnerships. Take Circle K, for example. They prioritize loyalty and want to drive more foot traffic. Vendors regularly approach them with partnership ideas, and they’re open to collaborative efforts that attract customers and add value. The lottery is a very low-cost way

to get shoppers' attention. So, these cross-promotional strategies strengthen the lottery's position within the retail space. For instance, a promotion might offer 10 cents off per gallon of fuel when a customer purchases a \$10 lottery ticket. These kinds of cross-promotions create additional incentives for players while reinforcing the lottery as part of a retailer's broader sales strategy.

Another exciting aspect of Arizona Lottery's work with Circle K is how they've expanded collaboration beyond just their own stores. Because of the strong relationship they've built, Circle K now helps facilitate discussions with other vendors, enabling co-branded promotions. So, for example, a promotion could offer a discount on a Coca-Cola product with the purchase of a lottery ticket. Instead of having to navigate corporate channels and reach out to Coke headquarters in Atlanta directly, Circle K acts as a bridge, helping to get these partnerships off the ground faster and more effectively.

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This kind of retailer-lottery synergy is a win-win. It enhances the perceived value of the lottery, drives sales, and strengthens partnerships that can lead to even more innovative collaborations in the future.

We still rely on traditional, boots-on-the-ground methods for on-site promotions, even though many vendors have moved away from them because they're labor-intensive. But we see it as a win on multiple fronts.

When we have someone in a store, or even out in the parking lot, selling lottery tickets, we're not just promoting lottery; we're also boosting visibility for the store and the retailer's products. We're adding value to the shopper's experience, making

their visit more engaging. And retailers appreciate it because they can see the impact firsthand.

The Arizona Lottery has embraced this strategy for years—whether standing outside a Safeway or being part of a Fry's grand opening for hours, engaging with customers and driving excitement. The best part? The effect can go viral. A successful promotion often spreads through social media and word-of-mouth, drawing even more attention to the Lottery brand.

Yes, it requires an investment of time—but when done right, it becomes the gift that keeps on giving.

It sounds like you foster a culture of openness to new ideas.

T. Beenders: For sure. It's always easy to be the one who points out why something won't work—maybe it's been tried before, or maybe it's hard to measure ROI on something completely new. But we intentionally create a big comfort zone for new ideas so that creativity isn't stifled.

Would the idea be that helping retailers succeed leads to more lottery sales?

T. Beenders: It's not just an idea — it's a reality. We understand that a grand opening is a big deal for a retailer. They want to stand out from the competition, and when we show up to help them do that, it strengthens our partnership.

So when the time comes to introduce new ideas, launch a pilot program, or place new vending machines that require additional floor space, those retailers are far more receptive. They remember that we were there to support them, whether it was helping with a launch, improving efficiency, or driving in-store engagement. That doesn't mean they'll say yes to everything we propose — we still have to demonstrate the value — but they'll listen, and that's a big part of the equation.

We always look for ways to add value, sometimes in ways that only the lottery can. Retailers are constantly seeking ways to increase foot traffic and boost basket size. Our advertising not only promotes the lottery, it drives foot traffic to the store. And if we can help drive higher purchases — especially through creative promotions that encourage sales of food products or other high-margin items — then it's not just a win for the lottery, but a more profitable partnership for everyone.

Tell us more about creative approaches to merchandising.

T. Beenders: Merchandising at retail is still king. It remains the gold standard because relevance at the point of purchase (POP) is critical. We recently conducted a player study focused on our holiday-themed games, asking players: What prompted you to buy lottery tickets? Was it a billboard, radio ad, or social media? What made you think about playing?

The #1 answer? Point of purchase.

Drawing attention and standing out at POP is still the most powerful touchpoint for lottery sales. Lottery is an impulse purchase, and effective merchandising is what triggers that impulse. That's where a player suddenly thinks, “Oh! I should grab a lottery ticket for so-and-so as a Christmas gift.”

That said, a diversified media mix is still essential—not just to reach a broader audience but also to pre-sell the idea of playing before they even get to the store. The more a consumer is exposed to the lottery ahead of time, the more likely they are to

You'll sometimes hear people ask, “How will this help us sell more lottery tickets?” And while, of course, selling more tickets is the ultimate goal, framing brainstorming sessions that way can smother creativity and thereby limit innovation. If every idea has to immediately justify itself in terms of sales, you're less likely to come up with fresh new concepts.

That's not to say that ROI and measurable results aren't important—they absolutely are. But if you focus too much on those questions too early, you risk shutting down creative thinking before it even has a chance to take shape. The key is giving new ideas the space to breathe first, and then refining them with a practical lens.

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respond when they see it at the POS.

A great example is what the Arizona Lottery has done on Instagram. They resurrected an iconic character, Willie, who looks like an old-school coal miner and was once considered the Arizona Lottery mascot. Bringing back vintage Willie sweatshirts and T-shirts has generated tons of buzz, attracting a different demographic and making the Lottery stand out in the cluttered space of traditional advertising.

So, while POS remains the top down-funnel driver, a well-rounded mix of paid media, creative promotions, social media, earned media, and merchandising helps reinforce brand awareness and maximize engagement across all platforms.

Are we competing with other consumer brands for prime POS placement and visibility?

T. Beenders: Absolutely. It all comes down to how we package the value proposition for our retailers. The message needs to be clear, concise, and focused on the WIFM—What's in it for me? And Why should I care? Every conversation—whether it's with a clerk, store owner, or category manager—should be framed around that question. If that's your guidepost, your message will be focused, effective, and actionable.

For example: "We've got this new \$50 ticket, and you're going to earn \$3.25 for every ticket sold. Plus, 80% of those tickets are winners, which means you'll be putting money back in your customers' hands—money they'll likely reinvest in more lottery tickets, snacks, sodas, and other in-store products." Period. That's the kind of concise, high-impact pitch that retailers can quickly understand, process, and act on.

How relevant or impactful is signage?

T. Beenders: The Arizona Lottery invested in 250 digital ticket menu boards about 10 months ago, and they've been a game-changer. These boards can be updated instantly, either manually or automatically, through a remote server we control.

This brings tremendous value to retailers because we're handling their merchandising while also enhancing the look and feel of their store environment. It's a win for us, too, since we're negotiating prime placement at the counter, ensuring high visibility for the lottery.

Circle K loves these boards—they want them in as many stores as possible. And it's

easy to see why. Not only do they look great and deliver timely, engaging promotional messaging, but they also save retailers time and effort. With traditional ticket menu boards, every time a new game launches, someone—either the clerk or a lottery sales rep—has to manually update display cards and rearrange the merchandising setup. That process takes time, and it's prone to human error.

Digital menu boards help relieve some of the retailer's labor. The store clerk doesn't have to figure out which games go where or worry about keeping things updated because we handle it all remotely.

And with labor costs rising and clerk turnover at an all-time high, automation like this is more valuable than ever. Just yesterday, a high-volume convenience store chain shared their employee turnover rate is over 1,014%, which makes training new employees an ongoing challenge.

As staffing issues continue, automating merchandising functions will only become more critical — helping stores run smoothly while keeping the lottery front and center.

You talked about how retailers are focused on their own apps and loyalty programs. Lottery apps are among the most visited. Why can't we do more to collaborate with retailers in the online world?

T. Beenders: I think lotteries can do more. Advertising winners on social media is a no-brainer. For example, let's say a 7-Eleven sells a million-dollar winning ticket. Lotteries can tag 7-Eleven, repost it, and say "Another lucky 7-Eleven Customer Wins \$1,000" and tag us. This kind of post catches the attention of other retailers, who recognize the value in these posts—they draw attention to the lucky store and generate buzz.

This kind of engagement does more than just celebrate a winner. Other retailers see these posts, recognize the value, and understand how highlighting big wins brings attention to their stores. And because social media thrives on sharing, these posts spread organically, reaching new audiences—many of whom might not even be engaged with the lottery yet.

It's truly a win-win for both the retailer and the lottery. Social media is built for this kind of cascading, co-branding effect: we tag them, they tag us, and others join in. It all snowballs and increases visibility for both parties.

Retailers could also incorporate lottery into their loyalty apps. We already have coupons and promotional messaging that highlight the value of the lottery while also driving foot traffic to the store. For example, a retailer could offer a reward, like spending \$10 in-store and getting a credit toward your next lottery ticket purchase.

There are endless ways to integrate lottery into retail loyalty programs, creating mutual value while engaging more players. We just need to connect the dots.

In closing — any more examples of how supporting retailers leads to them supporting lottery?

T. Beenders: A great example is the category manager of one of our valued corporate partners, reached out and asked if we could provide lottery winner testimonials that could be shared with other managers and with corporate. The goal? Sharing real customer stories/experiences could be a way to drive home the relevance and importance of the lottery category to the business. The more valuable the category, the more justification there is to allocate more hours to the lottery category.

Another great example: We recently launched a pilot for a 40-bin vending machine. Thanks to our strong relationship with Fry's/Kroger, they agreed to test these machines right before Thanksgiving, one of the busiest times of the year. Even with the holiday rush, they committed to the pilot. We are working through the challenges together, and in the near future, we plan to roll these out statewide.

Fry's reached out and asked if they could incorporate lottery into their in-house ads heard by shoppers in-store. When jackpots are high, they promote and remind shoppers not to forget to play or reminders that lottery is a great idea for last minute gift giving during the holidays, and other special occasions.

Think about that—free in-store advertising, reaching customers while they shop. That kind of collaboration happens when a retailer sees the value lottery brings and lotteries see the value of a strong relationship with retailers.

The key takeaway? Building a true partnership—one where both sides see the value and are excited about the opportunities—opens the door to new ideas, deeper collaboration, and shared success. ■