

Leveraging the power of Brand Lottery

L to R: Bret Toyne, Jay Finks, Norm Lingle, Stephen Durrell, David Barden



Lottery and other major consumer brand managers have long understood the value of collaboration to reinforce the value of the brands and connect with new consumer groups. In recent years, though, Team Lottery has come to appreciate, and learn how to leverage, the relative value of Brand Lottery to increase the ROI and effectiveness of these collaborations.

Moderated by **David Barden**, CEO of the New Mexico Lottery and President of MUSL, the panel discussed a broad range of new gaming, branding, and promotional initiatives. They focused on how state lotteries working together nationally has enabled collaborations with brands like Dick Clark’s New Year’s Rockin’ Eve, NASCAR, and others.

The panel also shared details of an exciting partnership that’s coming soon with another world-leading brand—the NFL—and highlighted a potential new national game.

In addition to David, the panel consisted of:

Stephen Durrell, Executive Director, Kansas Lottery

Jay Finks, Executive Director, Oklahoma Lottery

Norm Lingle, Executive Director, South Dakota Lottery

Bret Toyne, Executive Director, MUSL
Introducing the panel, David thanked each member for their contributions to MUSL and for helping to develop the Lottery’s collaborations with big brands nationally.

mega-brands should be assessed. “When the Lottery collaborates with a mega-brand is return on investment the sole, or even the primary, priority? Or is it just as much about brand development and connecting with new consumer groups as part of a long-term growth strategy?” Illustrating how nation-wide promotional collaborations can build the lottery

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Responding, **Stephen Durrell** praised MUSL’s work and David specifically. “Leading MUSL is a very important position,” he said, “and David has done a really great job. He’s relentlessly focused on expanding the brand and exploring new opportunities. And the successes we’ve enjoyed building the brand are a credit to David and his leadership.”

David opened the discussion by asking how the impact of partnerships with

brand, David mentioned the research showing how they had contributed to the strength of Powerball.

Bret Toyne explained how New Year’s Rockin’ Eve’s “First Millionaire of the Year,” which started five years ago, was one of the earliest examples of a national Powerball promotion. MUSL’s multi-state marketing budget enables that promotion, and David made clear that it

is beneficial for both parties. “Every time the draw takes place, the show’s ratings spike. So, Powerball brings value to our brand collaborators like Dick Clark Productions and ABC; and featuring on literally the highest-rated nationally syndicated show also delivers tremendous promotional value for Powerball.”

Bret observed that the promotion’s power is that viewers see the winner’s live reaction. “We have Powerball winners all the time, but they’re at home, so we don’t see the reaction. But on the New Year’s Eve show you get a reaction from a real person who has just won millions, and that’s a really priceless example for all of our players.”

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Agreeing with that, **Jay Finks** emphasized that more pooling of resources would enable the Lottery to fulfill its potential as a powerful brand. “We are a big national brand, but do we always act like one? Partnering with Dick Clark Productions is great, but that’s just the start of a process. We now need to keep pushing to make it even bigger and better. Let’s work with other leading brands to really leverage our power to connect with other consumer groups and bring in new players.”

Stephen reflected on another partnership with a major national brand. “When the NASCAR promotion came up on a national level for Powerball, some states were concerned about how it might affect the strong relationships we had with NASCAR locally. But it’s actually been very beneficial. It’s lifted us all up and put the icing on the NASCAR cake. Our players can still enjoy playing a Kansas NASCAR game, but they can also participate nationally, go to events in Arizona, and have the chance to win even bigger prizes.”

Highlighting the learning from that, Stephen explained, “We all have to apply that open-minded thinking to other partnership opportunities. Obviously, all states have different regulatory require-

ments, philosophies, agendas, priorities, marketing plans, brand relationships, etc. But NASCAR shows how a national promotion can work even for states that have existing strong relationships with a big brand at a local level. And the folks who made that deal very diligently ensured that it’s beneficial for everyone.”

Adding to that, Norm Lingle commented. “We couldn’t do these big promotions with NASCAR on our own in a small state like South Dakota. Our advertising budget just wouldn’t allow it. So, it’s great for us to be able to participate in these promotions, which have been lots of fun for our players and provided a huge promotional boost for the South Dakota Lottery.”

Jay explained further how MUSL’s marketing fund has enabled these big-brand promotions to happen. “By pooling some of our resources, we can amplify the impact we each have in our own markets. This benefits all states, especially some of the smaller ones with limited budgets or those constrained by legislative restrictions. The fund enables us all to ask, ‘How can we get creative and unlock new promotional pathways?’”

Building on that, Jay argued for an “aggressive” further push on national partnerships with big brands. “We have already seen how productive these collaborations can be on a return-on-investment basis, a brand messaging basis, a short-term promotional basis, and a long-term brand development basis. So, let’s increase the scale and push these collaborations much further.”

Jay outlined his vision for doing that. “I think we should be pooling ten times the amount of dollars that we’re spending right now and looking at not only national promotions but also national media and advertising. It would still be a very small portion of our revenues, and the record shows that every increase in investment delivers a huge return. So, let’s grow our brand to be big enough to be talking to

the ESPNs and the NFLs, and let’s show them the value that collaborating with lottery brands will bring.”

Echoing that, Stephen said, “We must be more aggressive with the Powerball brand and stress its value. Traditionally, the lottery business has presumed that we should pay for the privilege of licensing other brands’ intellectual property. But we now have a much better grasp of how to leverage or monetize our own brands’ value. Consumer brands like NASCAR, Dick Clark Productions, and even the NFL now appreciate the value that a partnership with Powerball confers.”

“These are not one-sided relationships,” Stephen added, “with us just paying to access their audience. We are increasing their viewing figures and giving their brands greater visibility in tens of thousands of retailers nationwide. So, let’s continue being more assertive and pushing the power of our brand. Let’s build that value into our partnership agreements. And instead of just licensing a brand for a fee, let’s share the value of Powerball to offset that cost. And if Powerball’s value exceeds our partner’s value, they can absorb some of the costs of promotion or deliver compensatory value to us in another way.”

Next, the panel discussed MUSL’s forthcoming collaboration with one of the world’s biggest brands: the NFL. Jay explained that MUSL and the NFL are “building a national game for all states, which will complement our current national games and tie our two brands together. We’re still in the early research stage, but the goal is to launch the game in September 2025. And this is a true partnership, we’re not paying any fee because they want to work with us. This is a massive and very exciting opportunity. So, watch this space because there’ll be a lot more news soon.”

Reflecting again on how national partnerships impact states, Stephen praised the team working on the NFL agreement. “We already have a good relationship with our local NFL team, and we wanted to ensure that wouldn’t be affected by the national agreement. But it’s vital that everyone working on it understands and respects the existing local agreements. The new partnership is clearly going to be a benefit to those states that don’t have a local team and an additional benefit to those states that do.”

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Norm also praised the work of Jay, Bret, and Pat Lance on negotiating the NFL partnership. David similarly complimented the NFL as a partner and highlighted the quality of the experiential prizes that they can offer, from going to the draft to attending the Superbowl. He also mentioned the forthcoming research showing that the Lottery's brand recognition level is as high as lots of the top brands in the country, including Pepsi and Coca-Cola, meaning that in the future "we might be the brand that others want to come to and pay for a partnership."

Moving on to recent game changes, Bret provided an update about Powerball's Double Play add-on feature, which was launched in 2022 and is currently being offered by 22 states. Evidence shows that Double Play provides a lift for Powerball sales of just under 10%.

In terms of new games, Bret discussed the possibility of creating a national 4Life game based on the Cash4Life and Lucky for Life games. A recent meeting had considered how such a game, potentially offering \$1 million per year for life, could fit into the national portfolio with Powerball and Mega Millions. According to Bret, that game is "very likely" to happen, but lots of work must still be done to develop it. Another new game launching this year is Jackpot USA, a fast play \$20 game with a \$1 million prize that will be managed by MUSL and initially offered in four states.

Considering new games, Jay discussed the importance of the national portfolio in the context of sports betting's rise. "Sports betting is coming, and it's growing, and it's a threat. So, it's crucial that we have a strong national Lottery portfolio to fight back against that. We need to design a better Mega Millions game, a better Powerball game, add the NFL into the mix, and create a new Million Dollars for Life game to make sure we stay relevant and compete." In that context, David outlined how the following two years are likely to be full of new games, with the next MUSL board meeting hopefully voting on a new product to be launched.

Also in the context of sports betting, the panel considered responsible gaming. Stephen highlighted "the evidence that sports wagering offers a completely

different level of risk even compared to casino gaming, especially for younger people who are increasingly likely to bet on sports regularly regardless of whether it's legal in their state or not. We need to be conscious of that demographic and the risk factors and aggressively target problem gaming through advertising and programs. And we need to make sure that these Responsible Gaming resources are prominently available as part of our genuine commitment to helping people."

On that theme, David mentioned NASPL's forthcoming responsible gaming seminar in Atlanta and the increasing number of states getting World Lottery Association certification for responsible gaming initiatives. Norm also emphasized the importance of generating "high-quality research data so that we can debunk some of the myths around problem gambling and make sure that our efforts to address the issue are as powerful as possible."

Jay approached the same issue from another angle, pointing out "the responsible gaming opportunities that come with iLottery" and arguing that Lottery's proven dedication to responsible gaming "is a really good selling point when you're talking to state legislators about introducing iLottery." Similarly, Bret added, "Promoting responsible gaming gives lotteries a chance to differentiate ourselves from the sports betting companies, so it's a big opportunity for us."

Closing the discussion, David reemphasized MUSL's focus on building brand recognition and value and paid tribute to how the research led by Simon Jaworski had built an understanding of the Lottery brand's worth. He also praised the vision of state directors who are helping to lead the brand in new directions.

Similarly, Stephen reiterated how David's leadership of MUSL had helped change the mindsets of state lottery directors. "Previously, most directors may have thought, 'We're a state agency, and we do what we're told within a very narrow set of parameters.' Whereas now, directors recognize that the Lottery is both a state agency and a market-driven business. And it's our job to create revenue for the state, and one way to do that is by working together on national branding initiatives."

Norm emphasized the importance of MUSL's membership collectively agreeing on the path forward while still giving states the opportunity to opt out. "We'll be pushing really, really hard to get the NFL product offered in every state because that will guarantee success," he said, "but this isn't a franchisee-franchisor relationship; it never has been, and it never will be. There's no way for MUSL to force a lottery to do something. But hopefully, the more successful we are, the more everyone will want to join in."

Bret explained how MUSL's marketing and promotions committee is always keen to hear anyone's great ideas and is actively seeking partners for promotional opportunities, especially those that tie in with the timeline for introducing or changing games.

Similarly, Jay reemphasized the benefits of coordinating promotional efforts nationally. "If we bought a TV spot in every one of our states or bought one spot nationally, the national spot is more cost-effective, and it comes with greater promotional reach."

"So, let's make our dollars go further," he added, "by exploring more opportunities to pool funding and collaborative initiatives. Of course, there are challenges because different states have different advertising and budgeting rules. But I believe there's a path through that complexity toward a simpler solution, where it's built-in as part of your membership to sell Powerball, so a little bit of money goes over to national marketing, and the group votes on how to use those funds."

Reflecting on MUSL's recent journey, Stephen concluded, "The topic of discussion has changed from 'Should we be doing national advertising and branding?' to 'How can we do it best?'"

Finally, David shared that he is "very happy about where MUSL is and all that we've done over the past five years, but we will keep trying to move it forward so that everyone can advance together. We're doing a lot, we're very excited about what we'll be doing in the future, and we're having a lot of fun. Let's keep the pedal to the metal." ■