

# Mastering Momentum: Staying Proactive Amid Regulatory, Consumer, and Technological Shifts

## Frank Suarez

*President & Chief Executive Officer,  
Connecticut Lottery Corporation (CLC)*



**PGRI INTRODUCTION:** Frank was appointed to lead the Connecticut Lottery on August 1, 2024. He brought with him a wealth of experience and a strong track record of success in the lottery and gaming industry. With over ten years of progressive lottery leadership roles, including seven years with the North Carolina Education Lottery as Deputy Executive Director of Brand Management and Communications and then as Executive Director of the DC Lottery for three years.

Under Frank's leadership, the DC Lottery saw significant increases in revenue and profitability for iLottery and sports betting through innovative strategies and effective management. During his tenure at the DC Lottery, Mr. Suarez directed a remarkable turnaround in sports betting operations, transforming a loss into profitability in less than a year and establishing the DC Lottery sportsbook as the largest in the District. He also successfully negotiated and led the conversion to a new mobile and online sports betting platform, resulting in an astounding

887% growth in gross gaming revenue within the first 30 days of operation. Frank also helped to revitalize iLottery marketing strategies, launch a new mobile app and expand the DC Lottery's game portfolio. These efforts led to a 168% increase in gross gaming revenue, ensuring long-term growth and profitability for the iLottery segment. Frank also currently serves as Vice Chair of Multi-State Lottery Association's (MUSL) Marketing Committee.

In addition to his lottery experience, Frank also has extensive private sector experience in Brand Marketing and Management, which includes strategy, planning, product innovation, and promotion, for several national and global brands. He holds a Master of Business Administration (M.B.A) degree from Darden Graduate School of Business Administration, University of Virginia, as well as a Bachelor of Science in Business Administration (B.S.B.A) degree from the Kenan-Flagler Business School at the University of North Carolina at Chapel Hill.



**Paul Jason:** How is the Connecticut Lottery different from your previous two lotteries?

**Frank Suarez:** The CLC (Connecticut Lottery Corporation) is quite different than

any other lottery in the country in that we have a regulator and are treated just like any other gaming operator. Lotteries are typically self-regulated.

While all lotteries are ultimately accountable to political bodies like gaming commissions, state legislatures, the governor's office, etc., they typically don't fall under the same regulatory structure as commercial gambling entities. The CLC, however, holds a master wagering license, just like the two casinos and online sportsbooks in

the state. All of our employees are occupationally licensed, and if the regulator finds an issue, we can be warned, fined, or even have our license revoked — just like a private operator.

I don't know if that means we are held to a higher standard than other lotteries. It's just that the nature of oversight and the way corrective actions are taken is fundamentally different. For one thing, our operations are subject to greater transparency and public accountability.

I would think that since the Lottery is owned by the state, it should be regulated differently from commercial operators. On one hand, the state has every right to expect higher standards. On the other, it should also protect the long-term value of its own asset through the way oversight is conducted.

**F. Suarez:** It's my role to carry out the intent of the statutes, at the direction of the regulator, and the priorities of our political stakeholders — those who are charged with managing a state-owned asset. What I can do is remind people that the CLC is a public asset that delivers significant economic value to the state, and that we maintain the highest standards of integrity and responsible gaming.

That's when I am correctly reminded that my job is to optimize the Lottery's performance within the bounds of state laws, regulations, and the guidance of the regulator.

And that's why it is important that we continually reinforce the message that the Lottery is a business that exists to serve the public. We should actively inform the media, the public, our players, and legislators about our mission and our commitment to public service. We must invest in positive, long-term relationships with a broad range of stakeholders, helping them see the value in their own state lottery. This kind of communication doesn't deliver immediate results. At times, we may question whether our efforts are resonating. But beneficiary messaging is a long-term game — one we must stick with. Over time, people do get it. And when they do, they'll stand behind us because they appreciate and recognize the good we do in our communities

**Lobbyists representing other gaming interests sometimes urge legislators to impose stricter limitations on the lottery — restricting online sales, cutting advertising budgets, and more. Is there a process to push back or voice opposition?**

**F. Suarez:** It's not my role to argue or formally oppose legislative decisions. What I can do is provide information. I can highlight that responsible gaming studies consistently show that lotteries operate with greater safeguards than casinos or iGaming platforms. I can also explain the likely impact on state revenues if additional constraints are imposed. But those are only part of a much broader conversa-

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tion. Many factors influencing political decisions fall outside my purview and control. Ultimately, I serve at the direction of the legislature, and I'm honored to carry out their vision in leading the Connecticut Lottery Corporation.

**Do you think of iLottery as a separate product category or just another channel of distribution?**

**F. Suarez:** I think if you ask different people in the industry, you'll get a wide range of answers. It takes me back to 2014 and the launch of iLottery in Michigan. At the time, I was Deputy Executive Director of Brand Management at the North Carolina Education Lottery (NCEL). Like many states then, NCEL started with subscription draw games.

What we learned from Michigan and from one another was that how we defined and classified a game could significantly influence whether it gained legislative approval. It was the same lottery game—just delivered electronically. And that's exactly what it was. Fundamentally, lottery games are the same whether played online or in retail.

But over time, we began to see iLottery not simply as a new delivery channel, but as an extension of the overall lottery experience. The experience of playing online is different from playing in-store. Same game, but a different overall player experience, and a different relationship with the player. That shift in perspective opened the door to innovation. The analog experience offers things that can't be replicated digitally—like the feel of a ticket, the anticipation of scratching, and the social interactions at retail. But the digital space offers its own unique advantages. Once we embraced those differences, we focused on leveraging the strengths of each channel to deliver the most enjoyable experience—wherever and however people choose to play.

We followed a similar learning curve in marketing and promotion. Our goal is to use every available tool to optimize the full player journey. Digital platforms offer new opportunities to understand players through data science and behavioral insights. This allows us to design more

engaging games, improve the user experience, and enhance player acquisition and retention. Digital also gives us better tools to support responsible play, helping users set limits and stay in control.

The most successful lotteries are those that focus on building omni-channel relationships. We want players to enjoy interacting with the lottery across all platforms. In fact, retail sales in iLottery states are growing faster than the national average, mainly because digital is being used to drive traffic back to retail, and vice versa.

Players don't think in terms of "channels" or "touchpoints"—they're just playing the lottery. So, the more we integrate those channels into a seamless, friction-free experience, the more we meet players on their terms and make it easy for them to enjoy the game however they want to play.

**Does the online player expect a different playing experience than retail players?**

**F. Suarez:** I've found that early adopters—the players who jump into iLottery as soon as it becomes available—tend to be younger, digitally fluent, and expect a seamless, engaging experience. They're already playing online and social video games, and they bring those higher expectations with them. They expect fast, intuitive registration, smooth navigation, sophisticated graphics, and the same overall quality they get from other digital platforms. So, yes ... their expectations differ significantly from the traditional retail lottery experience.

More importantly, the early-adopters of iLottery often represent an entirely new audience—one that maybe hasn't engaged with retail lottery much at all. Think of the Steve Jobs-era Apple UX mindset: it's not just about functionality—it's about delighting the user. If you want to succeed as an e-commerce operator, you have to adopt that mentality from day one. It's critical to meet those elevated expectations right out of the gate.

Of course, the landscape is shifting across all demographics. The expectations of older consumers and traditional lottery players have been shaped by their digital experiences—shopping on Amazon, streaming content, and managing their banking

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online. They all expect a fast, frictionless, intuitive experience too. They want us to anticipate their preferences, curate their experience, recommend games they're likely to enjoy based on past behavior, and deliver personalized promotions. Whether they realize it or not, the modern consumer expects us to know what they like, and make every interaction feel personal, efficient, and worth their attention.

**Online services collect customer data and turn it into insights to personalize the experience. Some may see that as a bit creepy, an invasion of privacy—like when ads start popping up after an online search.**

**F. Suarez:** Remember when we were kids and going outside was our way of escaping the house—and our parents' supervision? My kids have cell phones now, and I, as a parent, have the ability to know where they are when I need to. I don't think I would have liked that kind of oversight when I was their age. But for today's kids, it's normal. They've grown up with it and don't question it. Furthermore, these generations are growing up in a digital society where sharing on social media platforms is expected and common. They expect brands to know who they are, what they like, and to deliver messaging and promotions that feel relevant. When that doesn't happen, today's consumer is quick to tune out.

mimicking the lottery experience. That means competition from casino-style games is poised to become a much more significant factor than sports betting ever was. With DraftKings' acquisition of Jackpocket, they can now offer lottery tickets, iCasino, and sports betting—all under one roof. Players are likely to explore across categories, especially when competitors offer higher payout percentages.

To stay competitive, we need smart strategies for player acquisition and retention. Putting lottery games online is just the beginning. The real challenge is crafting a compelling player journey and a seamless, rewarding experience that keeps them coming back.

**Some recently launched iLotteries achieved explosive growth right away. Is there such a thing as growth that is too fast?**

**F. Suarez:** I don't think so. The goal is to make the iLottery launch as successful as possible and to support its continued growth. That means delivering an experience that exceeds expectations for those first-time iLottery players so they're motivated to return.

There's no real concern about growing too quickly. What matters is ensuring that retail grows in parallel with iLottery. We know how to design games and promotions that drive players between channels—encouraging online players to visit retail

**F. Suarez:** Not necessarily. Every jurisdiction is working to determine the optimal pricing and prize payouts. But one thing most agree on: the player's first impression and experience on your iLottery platform needs to feel positive. If it doesn't, there's a good chance they won't return. You only get one shot at a first impression—so it has to count.

If you're in a market that does not have a lot of competitive options, then launching with a lower payout and increasing it over time might be a sound strategy. Start too high, and you leave profit on the table and you can't roll it back. Players do notice if you take value away. Start too low, you risk losing players. And it's hard to get them to come back. That's the conundrum we're all wrestling with.

Of course, prize payout is just one aspect of the overall lottery experience—and it will never match the levels seen in other game categories. Fortunately, the digital platform is rich with potential to innovate and create a compelling, entertaining lottery experience that keeps players engaged. It's much more about the player journey than the prize payout percentage.

**What are some of the ways to unlock a wider range of opportunity to innovate and add value in the player journey?**

**F. Suarez:** Let's start with the notion of curating or personalizing the player experience. Thanks to evolving technology, we're getting closer to delivering the right message, at the right time, to the right person. Eventually, we're headed toward a "target market of one"—a player journey tailored just for you, like your own personal Netflix queue... but with lottery games. Every part of that journey will be shaped by real insight into what each player actually enjoys—their preferences, habits, and playstyle. Take Loyalty Programs, for example. They've been around for a while and are effective. You might think, "If it ain't broke, don't fix it," but there is huge headroom for fine-tuning these various component parts so that they speak even more powerfully to each individual player. Loyalty programs can be turned into a driver of fun, anticipation, engagement, and healthy play rhythms.

And let's not forget second-chance promotions. These bring new life to the game without changing the prize payout—adding layers of excitement that make the overall

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**To what extent are lottery players crossing over to play other game categories like sports betting or casinos?**

**F. Suarez:** Crossover play is on the rise, and that trend is likely to accelerate. We're also working to attract players from other gaming categories by designing games that resemble popular social and casual games—think Candy Crush and similar online experiences.

The overlap between lottery and sports betting is still unclear. Online casino games are much more capable of

stores, and vice versa. Creating a strong omni-channel experience while supporting our retail partners is a key part of the strategy.

Retailers benefit from this approach. When online players visit their stores, they typically purchase additional products. When done strategically, iLottery strengthens the overall lottery ecosystem—and retailers recognize the value in that.

**Do you start with a lower prize payout percentage to give yourself room to increase it over time as expectations increase?**



experience richer. We're just...scratching the surface...of the potential for layering additional elements to the traditional lottery game. As we get better at applying these tools, we'll unlock the real secret to long-term sustainability: increasing the lifetime value of a player by making the experience more rewarding. When we introduce new mechanics or features and take the time to educate players on how they work, something clicks. They start to enjoy the nuances, feel like they're "getting good" at the games, and that sense of mastery deepens their connection to the experience. What better way to build engagement than to make players feel like insiders?

The beauty of the player journey paradigm is that it does not depend on changing the games. What changes is everything around the games from when the player first connects with lottery to when they are thinking about the next time they'll play. We just get creative at adding value to the player experience by enhancing all the elements that inhabit the player journey.

Now, let's talk about Responsible Gaming. It doesn't exactly scream fun; but it's actually a key ingredient in creating a positive, sustainable experience. Helping players see lottery as a form of recreational entertainment—and not a pathway to solving financial problems—is what makes the journey enjoyable. If players are focused solely on winning money, and the reality doesn't deliver, they end up disappointed. But if we shift the focus to enjoyment, discovery, and engagement, the experience holds up, even without a win. Reframing RG as a part of the fun—not the killjoy—is a massive opportunity.

Curating the experience so that messaging speaks directly to each player's mindset and sensibilities? That's how we create not just loyal players, but happy ones.

#### **Omni-channel: Does it matter where or how they play as long as they play?**

**F. Suarez:** Yes, it absolutely matters. We need to align with the behavior of today's consumer—someone who expects to engage with brands across multiple touchpoints, both physical and digital.

Amazon built its brand on e-commerce, but is now expanding into physical retail and partnering with brick-and-mortar stores globally. Even Target pushes customers into omni-channel engagement. When I walk

into a Target store, I pull out the app to scan products—not just to check prices, but because certain discounts are only unlocked that way. Target is training customers to expect and embrace a cross-channel experience because they know it results in deeper engagement and greater satisfaction. Likewise, we create online coupons that can be redeemed at retail.

The same logic applies to lottery. We need to encourage omni-channel relationships, even if it requires a bit of a learning curve for the player. That means designing incentives that make it worth their effort—and it is worth it, for both the player and the lottery operator. I hope to one day integrate retail lottery with your digital wallet, allowing you to play lottery at retail with digital funds.

The player journey today is fundamentally omni-channel. Our job is to think intentionally about how to guide players across digital and retail touchpoints—and to optimize every step along the way. Ultimately, we want the entire experience to feel seamless, intuitive, and rewarding—no matter where or how they choose to play.

#### **Do you have a position on bulk purchase syndicate buying?**

**F. Suarez:** Syndicate buying is a topic that's come up throughout my career, including during my time in D.C., and I certainly understand the appeal from a sales standpoint. Some lotteries are comfortable working directly with syndicates, and that's a choice every jurisdiction has to make based on its own priorities and policies.

At the Connecticut Lottery, our approach has been guided by a commitment to fairness and consistency. We want to ensure that no group—whether it's an individual or a syndicate—receives preferential treatment when it comes to access. If someone wants to purchase in bulk, they're absolutely welcome to do so, but it needs to happen through our retail network, just like it would for any other player.

We manage our inventory carefully to reflect what retailers typically sell on a daily basis, and we don't stock beyond that to accommodate large-scale purchases. That's partly about managing operational risk, since tickets are consigned, but also about maintaining public trust in the integrity of our system.

In the end, it's about striking the right balance—supporting sales while upholding

fairness, and making sure every player has the same opportunity to participate.

#### **Are there any inflection points we should be paying closer attention to?**

**F. Suarez:** Yes—several. One critical area is our strategy around sports betting. Right now, we lack a cohesive approach to either mitigate the risks or capitalize on the opportunities that come with the rise of sports wagering. While we're all aware of its growing influence and regularly discuss its pros and cons—like whether it draws players away from lottery or not—we haven't yet defined a clear, actionable path forward.

The reality is that sports betting operators are exceptionally well-funded, and the political environment is largely in their favor. That means we need to shift our thinking—not toward resisting, but toward finding smart, strategic ways to work with them.

Another key issue is retail modernization. As presenters from Kroger and Sheetz emphasized at your conference, modernization presents a major opportunity for brands to elevate their presence in the retail ecosystem. We need to clarify our strategy here as well and continue evolving our approach to better align with the needs of today's retailers.

Perhaps most urgently, we need to fully align with the realities of a cashless economy. If we don't adapt, we risk losing players to iGaming platforms that offer the seamless, friction-free transactions modern consumers expect.

Like roughly half of U.S. lotteries, Connecticut still does not allow credit card purchases for retail lottery tickets. That puts us at a disadvantage in a marketplace where convenience often drives choice, ultimately resulting in lost revenue for the state.

Integrating lottery into digital wallets is the next step, and it will be essential for us to make that happen. A digital wallet solution doesn't just meet player expectations—it strengthens the entire ecosystem. It offers a streamlined experience for players, reduces credit card fees for retailers, and positions the lottery for sustainable growth in a fast-evolving digital landscape. It's a clear win for players, retailers, and the future of the lottery. Lottery purchases should be easy and intuitive. Security protocols and age restrictions are absolutely necessary, but they're also entirely manageable with today's technology. ■