

VIRTUAL PLANNING LEADS TO BIG ACTION

The Multi-State Lottery Association (MUSL) is laying the groundwork for its next top initiatives after completing a major feat – the launch of a third weekly Powerball® drawing and Double Play®, a new add-on feature on sale in 13 jurisdictions. This past spring, the Board of Directors met for a series of sessions to reassess MUSL's Strategic Plan. The Board first established the Strategic Plan in 2017 and later reaffirmed it in 2019, but the start of the pandemic in 2020, coupled with sluggish sales in the national draw games category, made it timely for MUSL stakeholders to recalibrate the Association's direction.

"The strategic planning sessions came nearly a year after MUSL reduced the starting jackpot for its lead product, so there was a lot at stake in terms of the health of our games and contributions to good causes," said Sarah M. Taylor, MUSL Board President and Hoosier Lottery Executive Director. "As a group, we needed to identify our top priorities and relay our expectations to MUSL staff."

Taylor oversaw the sessions with assistance from MUSL staff. While the first two strategic planning sessions were done in-person in 2017 and 2019, this year's sessions were entirely virtual through video conferencing. Moving the sessions online posed challenges to organizers

including how to engage Board members in constructive dialogue, ensuring that every Board member had the opportunity to voice their opinion, and reaching a consensus among MUSL's 38 Board members.

MUSL staff were able to gather key insights from nearly all Board members through anonymous pre-meeting surveys and questionnaires. The information was particularly useful in shaping discussions and making best use of meeting time. In total, five sessions were held between February and March to collectively assess the Association and opportunities for advancement. Within two of the main sessions, breakout groups were formed to allow more candid discussion amongst smaller groups of Board members.

The breakout sessions revealed that year-over-year sustained growth was more beneficial to member lotteries versus a five-year gross gaming revenue target. Based on this input, the Board agreed to adopt a new strategic intent that aims for 10% annual revenue growth.

"To achieve 10% annual revenue growth, the Association will need to focus on three components: increasing sales of existing products, increasing members and licensee lotteries, and increasing the number of products offered by MUSL,"

noted J. Bret Toyne, MUSL Executive Director.

The Board also identified the development of new products as a top priority for the Association. In response, MUSL has started to assemble a new product development plan. The Association has taken several different approaches to product development in the past, which have included subcommittees, lottery staff working groups, vendor pitches, etc. The process this time will be led by the MUSL Development Committee, chaired by Puerto Rico Lottery Director Armando Perez Cruz.

"The Development Committee has a history of putting forth strong product concepts and offerings, however, there's been a hurdle in getting those products to implementation," Perez Cruz said. "We are going to work on bridging that disconnect by developing a product that could work for a smaller group of lotteries, but at the same time, be scalable for larger participation."

In the meantime, MUSL staff have surveyed member lotteries to identify specific game categories for potential growth. At the top of the list – iLottery. Several member lotteries have already launched successful iLottery programs, and collectively, the Board has flagged the sector as an emerging arena worth exploring.

The Board also highlighted possible internal governance changes to strengthen the Association such as extending

term lengths from one to two years for Board Officers and Product Group Chairs. The longer terms would provide some continuity for the Association and grant Board Officers and Product Group Chairs additional time to oversee projects and lead initiatives to fruition. The Board has already re-elected Board President Taylor and Powerball Product Group Chair May Scheve Reardon, Missouri Lottery Executive Director, for second one-year terms while it formalizes term lengths.

Finally, MUSL would like to build further engagement with its Board members.

To boost participation at the Board, Committee and Product Group levels, MUSL will enhance its onboarding process for new directors of member lotteries.

The Association recognizes that starting as a new director of a lottery and inheriting the responsibilities of a MUSL Board member all at once can be a bit daunting.

"The role and function of MUSL can be complex upon first glance. We want our members, especially new ones, to dive in and know their voice matters," Taylor commented. "MUSL is ultimately owned and operated by its member lotteries, and as a group, we have a great responsibility to lay the best path forward for our brands and beneficiaries." ■