Scoreboard Measures
Our Strategy

FY18 GAME PLAN

Mission
Contributing to Virginians future one play at a time.

Vision
To become an innovative leader in delivering gaming products to the broadest possible consumer base.

Strategic Goal
To increase the number of adult Virginians who play at least monthly to 37% by June 2018, we will focus efforts on the digital needs of consumers and provide a superior consumer experience.

THE TEAMS

Top Employer
- Fun Culture
- Integrated HR
- Total Benefits

Trusted Gaming Source
- Secure Systems
- Responsible Gaming
- Profit for Education
- Zero Gaming Failures

Retail Experience
- Omnichannel
  - Customer Relationship Management
  - Digital Innovation
  - Environmental Scanning

With the Consumer
- Customer Adoption Rate
- Digital Engagement Score
- Retailer Satisfaction Survey

SCOREBOARD

Engagement Survey
Top Employer Rankings

Benchmark Study
Compliance Results

CORE VALUES:
- Integrity
- Innovation
- Collaboration
- Empowerment
- Customer Focus
As part of our Top Employer Strategy, we participated in 2 outside surveys to continue our efforts at becoming and remaining a Top Employer to work for.
Results

Virginia Lottery Scores

88% - Engagement

90% - “Greatness”

How scores are gauged

70% - Strong Level of Engagement

80% - Considered “Greatness”
Org Health measured how employees feel about:
1. Alignment
2. Connection
3. Effectiveness
4. Manager

Results:
• 8% Higher than all State Govt. Avg
• 8% Higher than in 2015

The Basics measured how employees feel about:
1. Expectations
2. Formal Training
3. Pay
4. Work/life flexibility
5. Benefits

Results:
• 7% Higher than all State Govt. Avg
• 12% Higher than in 2015

Engagement measured how employees feel about:
1. Referral
2. Loyalty
3. Motivation

Results:
• 14% higher than all State Govt. Avg
• 9% Higher than in 2015
Custom Statements measured how employees feel about:

1. Understanding and Connection of Strategy
2. Understanding and Connection of Brand
3. Technology
Benchmark Study Highlights

57% of adults believe the lottery is run honestly. This number increased by 5% over the previous year. It appears from verbatim comments that there is still a distrust of local and national government programs. A full list of comments can be found in the addendum.

57% of adults correctly identified that the lottery money goes toward education. This year's number decreased slightly when compared to last year.
Compliance Results

Compliance Results, Measure 1
1. Responsible Gaming Milestones

- Semi-Annual Measure:
  - Employees Acknowledge Responsible Gaming Guidelines - Complete
  - Attended NCPG conference - Complete
  - Responsible Gaming logo on in-store signage - Complete
  - Responsible Gaming logo in each Retailer Playbook - Complete
Compliance Results

2. Semi-Annual Measure
   - Tracking of Gaming Incidents
     - 5 Incidents since July 1, 2017.
     - None of the incidents have negatively affected the Integrity of our Games
     - 4 have been resolved.
     - 1 still being resolved.

3. Annual Measure
   - Gaming System Audits (IGT & NPI)
Customer Adoption Rate
Attitudes & Behaviors

Future Likelihood of Purchase
“How likely are you to purchase Virginia Lottery games in the future?”

<table>
<thead>
<tr>
<th></th>
<th>FY18Q1 (N=1300)</th>
<th>FY18Q2 (N=1300)</th>
<th>FY18Q3 (N=1300)</th>
<th>FY18Q4 (N=1300)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Definitely Purchase</td>
<td>28%</td>
<td>29%</td>
<td>29%</td>
<td>28%</td>
</tr>
<tr>
<td>Might/Might Not Purchase</td>
<td>30%</td>
<td>29%</td>
<td>29%</td>
<td>30%</td>
</tr>
<tr>
<td>Definitely Not Purchase</td>
<td>43%</td>
<td>42%</td>
<td>42%</td>
<td>43%</td>
</tr>
</tbody>
</table>

Recommendation of Virginia Lottery Games
“How likely is it that you would recommend Virginia Lottery games?”

<table>
<thead>
<tr>
<th></th>
<th>FY18Q1 (N=1300)</th>
<th>FY18Q2 (N=1300)</th>
<th>FY18Q3 (N=1300)</th>
<th>FY18Q4 (N=1300)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Likely (8-10)</td>
<td>34%</td>
<td>35%</td>
<td>32%</td>
<td>36%</td>
</tr>
<tr>
<td>Neutral (3-7)</td>
<td>50%</td>
<td>48%</td>
<td>50%</td>
<td>47%</td>
</tr>
<tr>
<td>Unlikely (0-2)</td>
<td>17%</td>
<td>17%</td>
<td>18%</td>
<td>17%</td>
</tr>
</tbody>
</table>

NPS*:
-34, -30, -35, -29

*NPS = 9/10 scores minus 0/6 scores
Customer Adoption Rate
Subscription Service

Subscription Awareness
"Are you aware of this subscription service?" (Among those who have played any game in the past 12 months)

<table>
<thead>
<tr>
<th></th>
<th>FY18Q1 (n=922)</th>
<th>FY18Q2 (n=976)</th>
<th>FY18Q3 (n=996)</th>
<th>FY18Q4 (n=956)</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Yes</td>
<td>36%</td>
<td>37%</td>
<td>38%</td>
<td>39%</td>
</tr>
</tbody>
</table>

Powerball or Mega Millions Subscription
"Do you currently have a subscription for Mega Millions or Powerball?" (Among those who are aware of a subscription)

<table>
<thead>
<tr>
<th></th>
<th>FY18Q1 (n=317)</th>
<th>FY18Q2 (n=329)</th>
<th>FY18Q3 (n=336)</th>
<th>FY18Q4 (n=344)</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Yes</td>
<td>16%</td>
<td>19%</td>
<td>21%</td>
<td>21%</td>
</tr>
</tbody>
</table>

% Subscription Only (Among those aware)

<table>
<thead>
<tr>
<th></th>
<th>FY18Q1</th>
<th>FY18Q2</th>
<th>FY18Q3</th>
<th>FY18Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mega Millions</td>
<td>5%</td>
<td>4%</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>Powerball</td>
<td>4%</td>
<td>3%</td>
<td>4%</td>
<td>2%</td>
</tr>
</tbody>
</table>
Customer Adoption Rate
Website Engagement

Virginia Lottery Website Visitation Frequency
“How frequently do you visit the Virginia Lottery’s website?”

- Ever visited %: 66%
  - FY10Q1 (n=1130): 34%
    - Every day: 11%
    - Once per week: 4%
    - Once per month: 7%
    - Once per year: 9%
    - More than once per year: 6%
  - FY10Q2 (n=1130): 34%
    - Every day: 13%
    - Once per week: 6%
    - Once per month: 9%
    - Once per year: 9%
    - More than once per year: 7%
  - FY10Q3 (n=1130): 34%
    - Every day: 11%
    - Once per week: 5%
    - Once per month: 8%
    - Once per year: 6%
    - More than once per year: 7%
  - FY10Q4 (n=1130): 34%
    - Every day: 12%
    - Once per week: 4%
    - Once per month: 7%
    - Once per year: 7%
    - More than once per year: 7%

- Monthly %: 34%
- 31%
- 34%
- 33%
**Customer Adoption Rate**

**Game Machine**

**The Game Machines Awareness and Use**

"The Virginia Lottery has self-service lottery vending machines where lottery players can purchase their own lottery games. Are you aware of these self-service lottery vending machines?"

<table>
<thead>
<tr>
<th></th>
<th>FY18Q1 (n=1300)</th>
<th>FY18Q2 (n=1300)</th>
<th>FY18Q3 (n=1300)</th>
<th>FY18Q4 (n=1300)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, I use it</td>
<td>24%</td>
<td>24%</td>
<td>22%</td>
<td>20%</td>
</tr>
<tr>
<td>Yes, but I do not use it</td>
<td>41%</td>
<td>38%</td>
<td>40%</td>
<td>41%</td>
</tr>
<tr>
<td>No, I am not aware</td>
<td>35%</td>
<td>38%</td>
<td>38%</td>
<td>39%</td>
</tr>
</tbody>
</table>

**Reasons for NOT using the Game Machines**

"Why do you choose not to play lottery by using the vending machine?" [Among those who are aware but do not use, respondents could select all that apply]

<table>
<thead>
<tr>
<th>Reason</th>
<th>FY18Q1 (n=524)</th>
<th>FY18Q2 (n=501)</th>
<th>FY18Q3 (n=525)</th>
<th>FY18Q4 (n=532)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unfamiliar with machine</td>
<td>47%</td>
<td>44%</td>
<td>42%</td>
<td>44%</td>
</tr>
<tr>
<td>Machine not available in store where I usually purchase lottery</td>
<td>21%</td>
<td>20%</td>
<td>18%</td>
<td>17%</td>
</tr>
<tr>
<td>Machine does not give change back</td>
<td>9%</td>
<td>8%</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>Does not take credit card</td>
<td>10%</td>
<td>7%</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>Does not take debit card</td>
<td>10%</td>
<td>7%</td>
<td>8%</td>
<td>6%</td>
</tr>
</tbody>
</table>
Digital Engagement Score

*Web

Desktop Visits

Mobile Visits

Tablet Visits

Around 32,000 Website visits per day!

*New Website re-design coming later in 2018
We’ve added over 128,000 New Game Room Registrants since July 1 2017.

Over 9.6 Million Entries have been made since July 1, 2017.
**Digital Engagement Score**

Subscriptions

Added over **25,000 new subscribers** since July 1, 2017.

Over **$8.4 Million in Purchases** made since July 1, 2017.

*Big spike in August was result of $700 Million Powerball jackpot*
Social Media Update

Total impressions to date: **4,462,000**

Sustained, ongoing follower growth across platforms.

**Facebook**
- Total followers: 116,668

**Twitter**
- Total followers: 8,819

**LinkedIn**
- Total followers: 926

**Instagram**
- Total followers: 1,968
The vast majority (91%) of retailers are satisfied with the Virginia Lottery. Corporate retailers are more likely to be very satisfied than Independents.

Most areas were (directionally) Very/Somewhat satisfied (90%+ T2B), with the exception of Area 3 (78%).

Managers are significantly more likely to feel Very Satisfied (78% Managers vs. 65% Owners).

However, Owners are significantly more likely to feel Somewhat Satisfied (25% Owners vs. 15% Managers).
In FY18, past year, playership of any Virginia Lottery game was at more than two-thirds of residents (69%), with past month play at 43%.