

# **A Pooling Option provides a LONG TERM SOLUTION to declining interest in online games.**

## **OVERVIEW & OBJECTIVE**

**PoolingPLUS™ is an incentive based online game overlay that combines automated pooling with traditional 100% owned plays, and also includes a re-incentive 'reward' called RollOver Pools™ that will drive additional previously unharvested incremental sales and reinforce the player's belief that they can win.**

Game changes alone will not reverse the declining trend in online games we have seen over the past decade. A pooling option, which is a permanent new mode of playing, offers the lottery many new short and long-term benefits that are substantially more profitable than any short-term benefits derived from game changes.

PoolingPLUS rebuilds the perceived value of and player loyalty in the base online game by using access to automated pooling as an incentive that can only be earned after players make a minimum qualifying purchase of base game plays.

The minimum qualifying purchase, the earned incentive, and the re-incentive reward should be deployed as interlocking tactics to derive the maximum revenue benefit, provide a long-term and durable marketing platform, and to provide continuing enhancement in the value of the base game. Additionally, to incentivize repeat purchases and avoid any migration of player spending from other lottery products, the number of pools players can purchase should be limited to less than the required purchase. For instance, if the required purchase was 2 regular tickets, no more than one pool should be allowed. This also keeps the additional amount a player would be asked to spend well within discretionary and impulse buying limits. Exceptions to these guidelines include: purchases of \$5 or more, offers based on jackpot levels, and games with multipliers.

Lotteries can also incentivize incrementally higher transactions by offering concurrent offers. For example: “Whenever you buy 2 or more plays you can get into a pool of 10 more plays for only \$1 more,” or “Whenever you buy 5 or more plays, you can request up to five pools of 10 plays each, for only \$1 per pool.”

Each lottery would have the ability to control the number of required plays in the qualifying purchase, as well as the number of pools and the pool sizes - generating dozens of exciting promotional opportunities with all of the benefits listed below.

## **PoolingPLUS™ Benefits Not Delivered by Game Changes**

1. Players will now have 2 modes of playing online games.
2. Players get 10x as many chances of winning – reinforcing the belief that they can win and are getting more for their dollar.
3. Players will have 10 chances to become a multi-millionaire for only an extra \$1.
4. PoolingPLUS is not a fractional ticket. Each lottery play is backed up by a full dollar of revenue.

5. Each winning pool play generates 10x as many winners and 10x the goodwill.
6. Players won't have any of the hassles associated with traditional pooling (finding players, collecting money, etc.) It's pooling in a ticket. The software does all the work.
7. Each printed ticket, filled with rows and rows of plays, delivers a powerful visual impact.
8. It's Socially Responsible - pooling gives players significantly more chances of winning for a very affordable price.
9. Increases sales and player interest without any game changes - The pooling option is an overlay add-on that changes automatically with any base game changes.
10. For the first time, lotteries will be able to incentivize additional purchases without discounting - the pooling option is an incentive itself. It sells for full price.
11. Incentivizes incrementally larger base purchases through concurrent offers.
12. Will target different price-point player segments.
13. 50% More Profitable than Instant Tickets.
14. Small Winners are turned into Rewards and previously unharvested Sales through Rollover Pools™.
15. Retailers will benefit from increased traffic.
16. Retention will increase by providing potential dropouts with an interesting new mode of playing that offers an affordable way of getting a lot more chances of winning.
17. Provides unlimited promotional offers by varying the qualifying purchase, number of pools, the size of the pools and the jackpot levels.
18. State by State Flexibility - In a multi-state game each state can offer their own promotions without affecting the other states.

## Sample Ticket With PoolPLAYS™

### YOUR STATE LOTTERY

START: 03/15/2008 END: 03/15/2008  
Ticket Valid for 1 Draw(s)

00041 90208 33554 498648 25606 06997 13556

**\$2 100% Owned Plays**

						POWER	
A.	16	22	31	52	54	QP - 18	QP
B.	25	29	30	31	47		07

**\$1 Pooling Plays** **Total: \$3.00**

**POOLPLAYS™** **1 Pool of 10 Plays**  
10% Prize Share

A1.	06	21	23	27	35	QP - 35	QP
A2.	11	36	38	40	55	QP - 03	QP
A3.	04	24	37	40	45	QP - 12	QP
A4.	25	28	31	35	47	QP - 42	QP
A5.	01	09	18	51	55	QP - 26	QP
A6.	08	28	40	41	42	QP - 08	QP
A7.	04	09	17	22	54	QP - 37	QP
A8.	15	25	28	29	34	QP - 19	QP
A9.	01	02	07	28	38	QP - 36	QP
A10.	03	16	21	46	49	QP - 18	QP

SIGN THIS TICKET PRIOR TO PRESENTING FOR PAYMENT

00041 90208 33554 49648 25606 06997 13556

Independent focus group testing recently completed for the North Dakota Lottery overwhelmingly supports the position that NOT implementing this pooling option is costing

each state at least 25% per year in lost opportunity revenues. Players will pay more and play more - boosting the sales of any base game to which it is applied. Players understand pooling, and it is an extremely attractive incentive that will keep players in the game and playing more.

It's a simple concept that adds a permanent and profitable new way of playing any online game. PoolingPLUS™ not only works with state games, it also works with Multi-State games since it doesn't change the game in any way, and allows each state to offer the pooling option as it sees fit.

We highly recommend a PC-to-PC presentation to answer any and all questions. [Click on "Request a Virtual Presentation" in the Main Menu Bar]

Considering the potential for a significant positive impact on profits accruing to your beneficiaries and state budgets, we urge you to conduct your own survey or focus groups and you will see for yourself the player's enthusiastic support for a pooling option. We do ask, however, that you involve RMS in the planning of the survey or focus group testing. Feel free to contact us at any time.