

A large, light gray, stylized graphic of a hand holding a pen is positioned on the left side of the slide. The hand is shown from the side, with the index finger pointing towards the text. The pen is held between the thumb and index finger, with the nib pointing downwards. The graphic is composed of thick, rounded lines.

Product Performance Update Q1 of Business Year 2024 (6/25/23 - 9/30/23)

Oct 2023 Commission Meeting

Transfer Calculations by Product - FY23

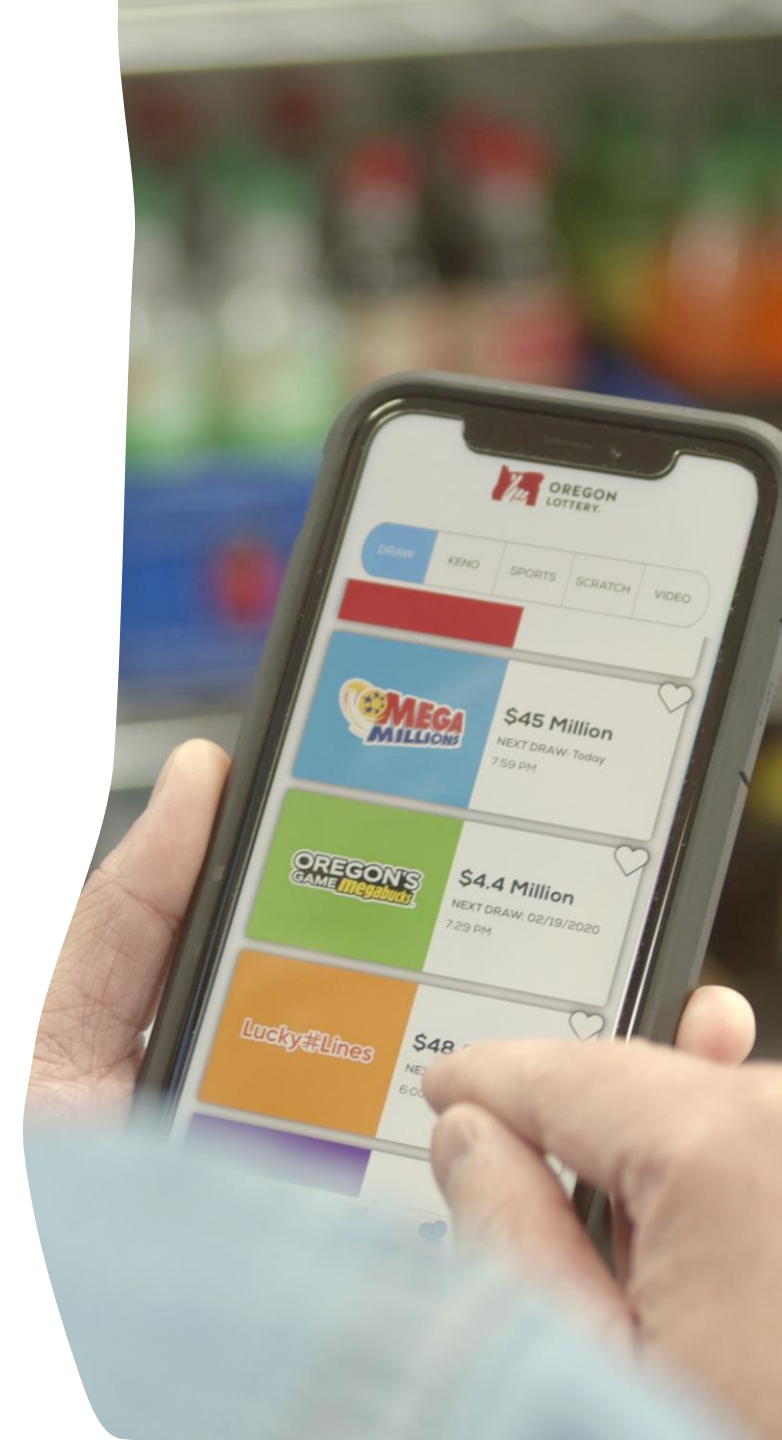


Video and Lottery Product transfers are set as a percent of sales that removes prize payout. The percent transferred can vary by game depending on the prize structure. Transfers include all unclaimed prizes.

- Video Transfers are $(\text{Total Sales} - \text{Prizes}) * 65.2\%$
- Lottery Product Transfers are $(\text{Total Sales} * 84\%) - \text{Prizes}$

Sports Transfers are not based on a set percentage, but equal to the final profits, ie: Total Sales minus Total Prizes and Expenses. This amount is paid out semi-annually.

Lottery Products Quarterly Update



Scratch-its Quarterly Performance

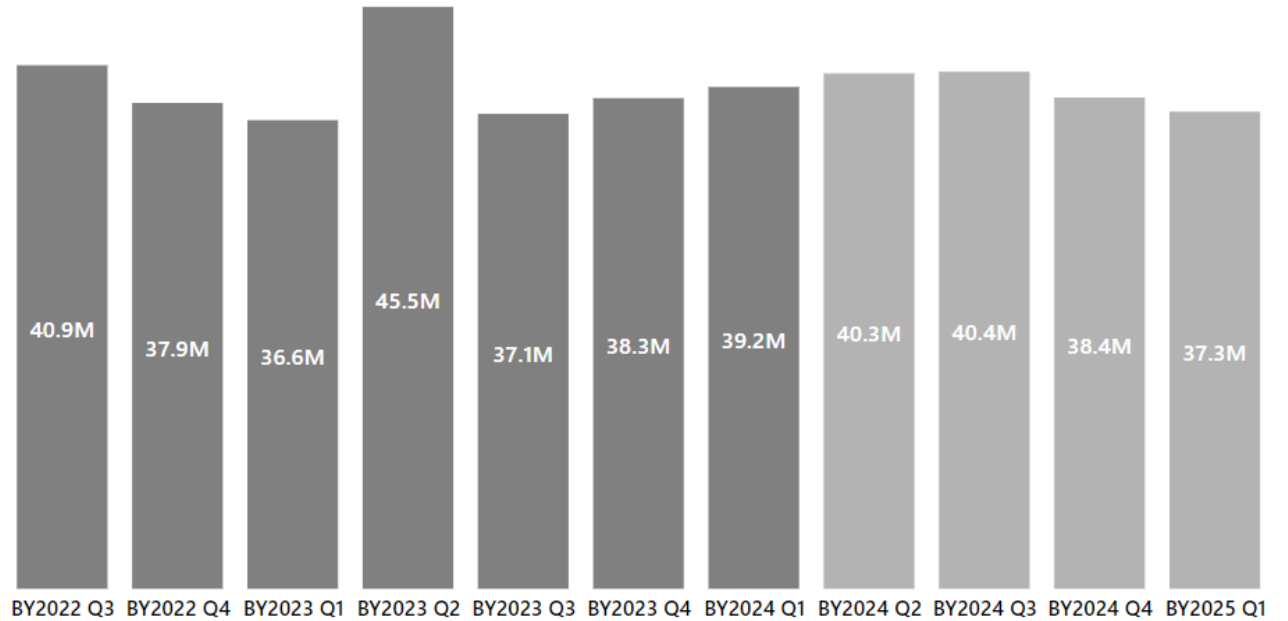
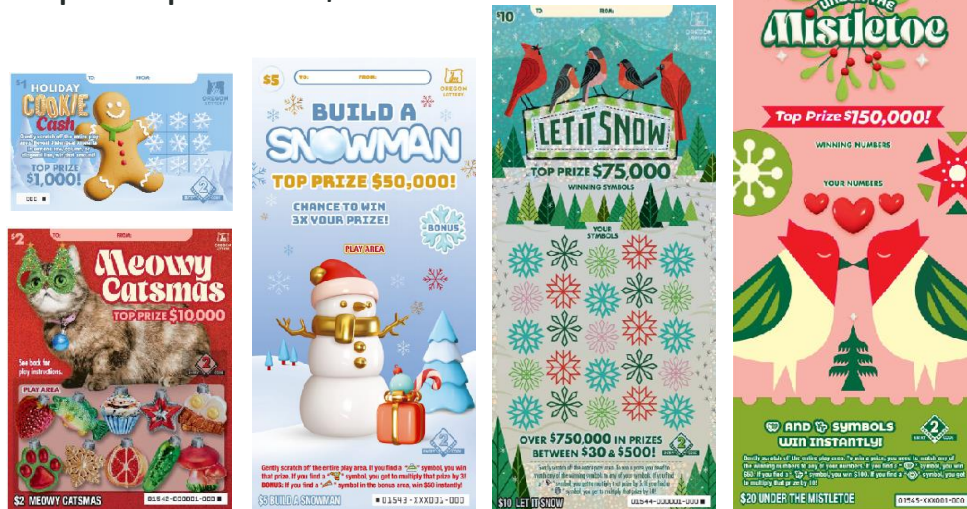
● Forecast ● Actuals

Scratch-it Highlights:

- Q1 sales were \$39.19M

Holiday Games

- Sales began October 3
- Top sales performing price point is \$5



Type	BY24 Q1		
	Actual	Forecast	Difference
Sales	\$39,197,272	\$39,683,649	-1.2%
Transfer	\$5,581,579	\$6,349,384	-12.1%

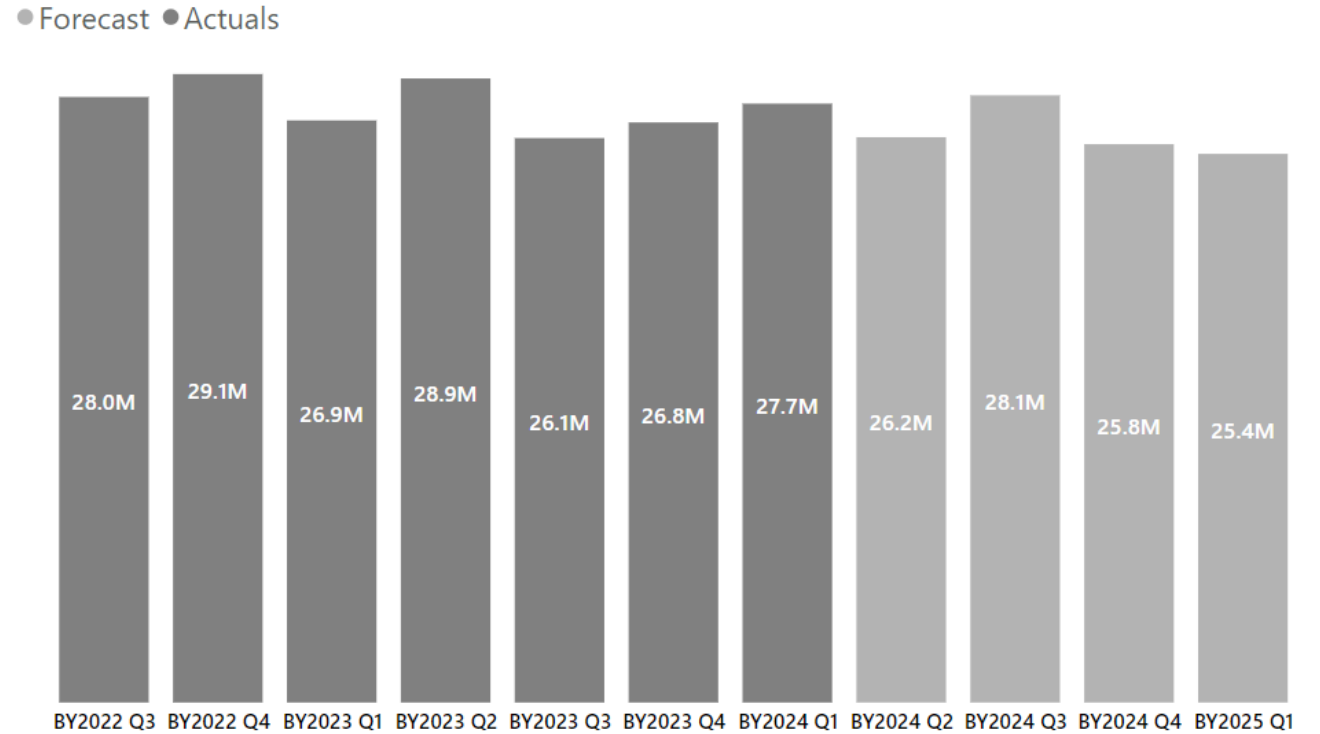
Transfer is estimate based on prize payout

May 2023 OEA Forecast

Keno Quarterly Performance

Keno Highlights:

- Q1 sales were \$27.7M



Type	BY24 Q1		
	Actual	Forecast	Difference
Sales	\$27,719,547	\$27,597,157	0.4%
Transfer	\$4,435,128	\$4,415,545	0.4%

Transfer is estimate based on prize payout

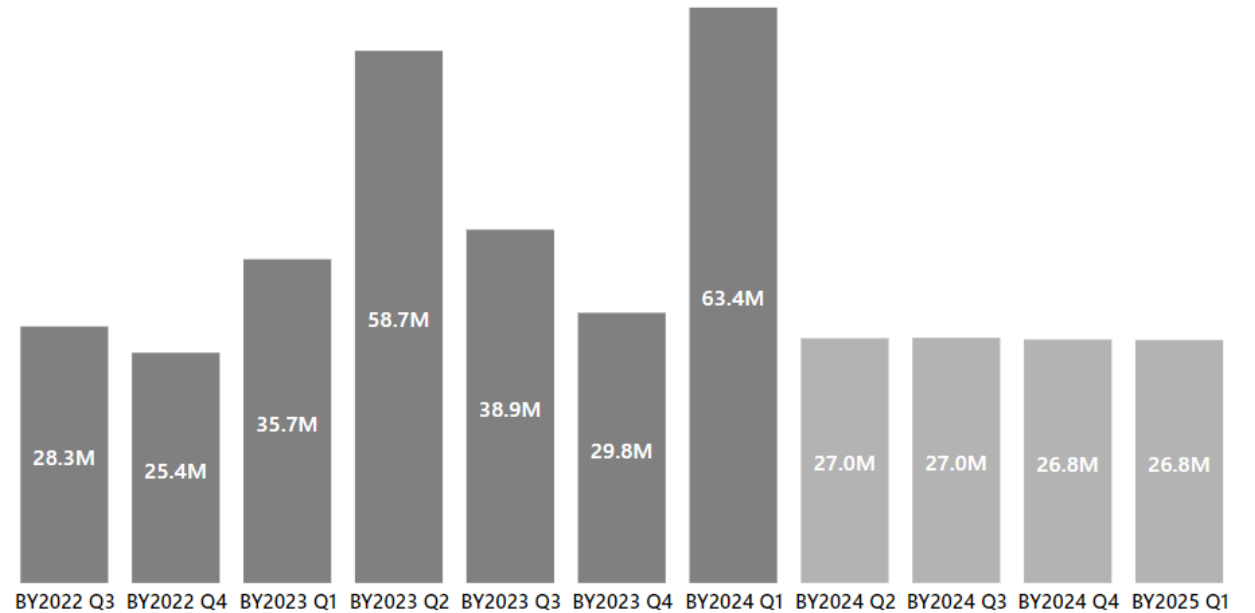
May 2023 OEA Forecast

Jackpot Games Quarterly Performance

● Forecast ● Actuals

Jackpot Games Highlights:

- Sales for Q1 were \$63.4M
- High jackpots for Powerball and Mega Millions
 - Powerball = \$1 Billion
 - Mega Millions = \$1.58 Billion



Type	BY24 Q1		
	Actual	Forecast	Difference
Sales	\$63,423,592	\$28,771,585	120.4%
Transfer	\$20,101,470	\$8,131,707	147.2%

Transfer is estimate based on prize payout

May 2023 OEA Forecast



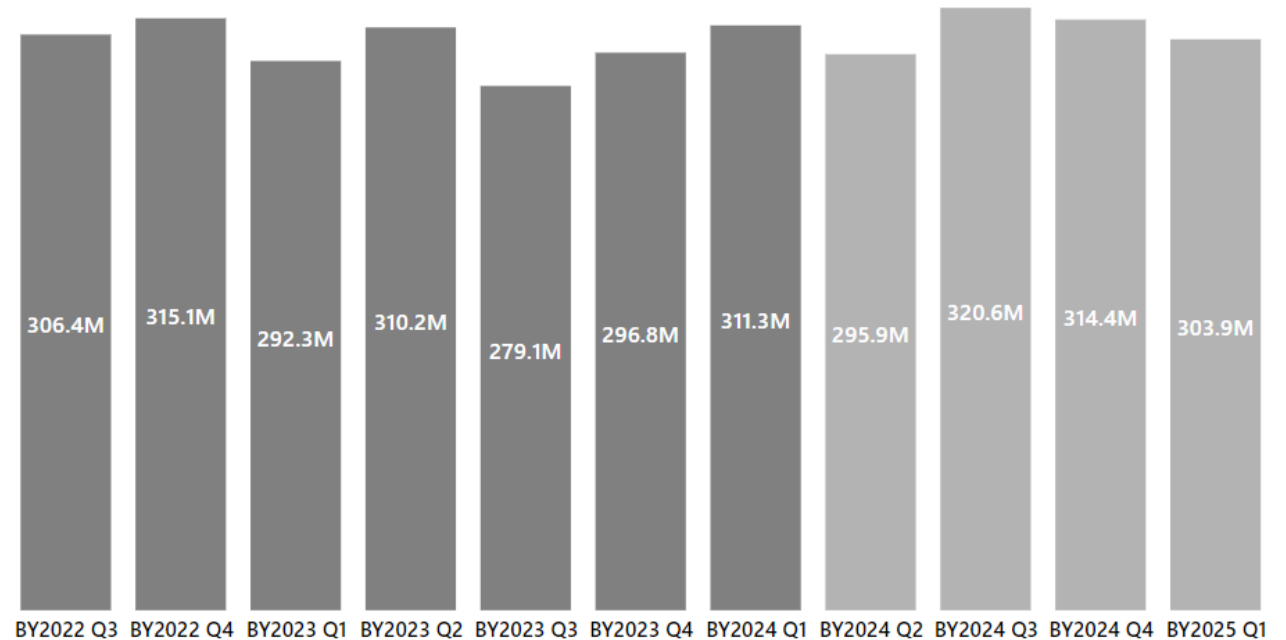
Video Products Quarterly Update

Video Lottery Quarterly Performance

● Forecast ● Actuals

Video Lottery Highlights:

- On a per week basis, Video Net Sales were down 1.1% relative to Q1 FY2023.
- Thunder Stampede (Oxygen) and Big City 5 Diamonds (Crystal Dual 27) launched as new games later in quarter



Type	BY24 Q1		
	Actual	Forecast	Difference
Sales	\$311,287,506	\$316,398,552	-1.6%
Transfer	\$202,959,454	\$206,291,856	-1.6%

Transfer is estimate based on prize payout

May 2023 OEA Forecast

Sports Betting Product Quarterly Update

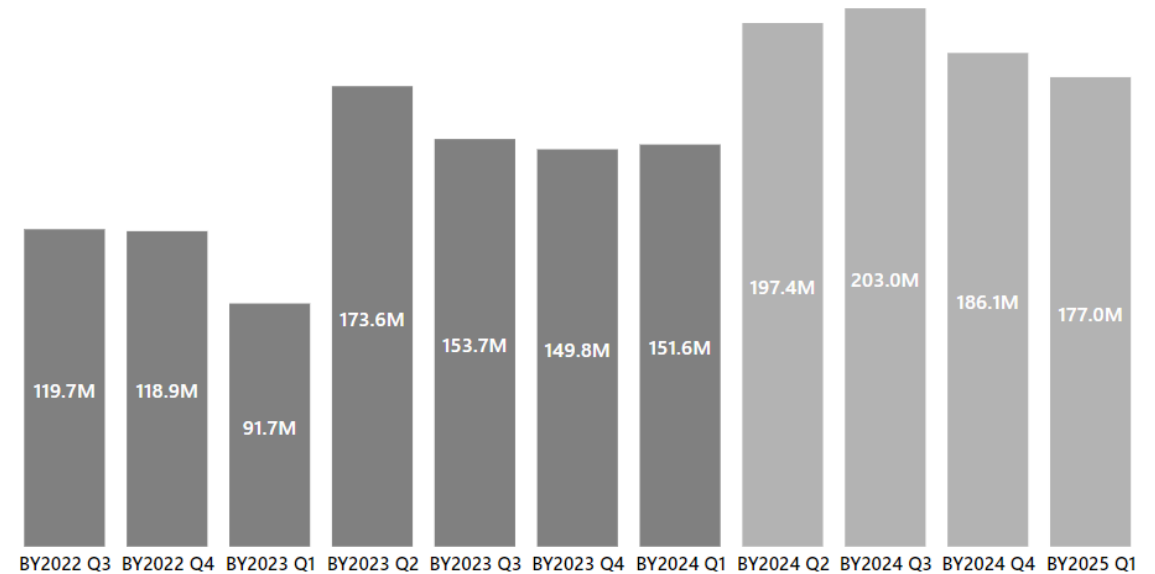


Sports Betting Quarterly Performance

Sports Betting Highlights:

- Now 7 quarters active with the DK Sportsbook
- Last 3 quarters have shown platform's ability to continue growth relative to its own performance.
 - BY23Q3 had 39% growth YoY in daily Turnover vs BY22Q3
 - BY23Q4 had 26% growth YoY in daily Turnover vs BY22Q4
 - BY24Q1 (reporting quarter) had 53% growth YoY in daily Turnover vs BY23Q1
- Q1 YoY Growth:
 - # of Bets: +75%
 - Turnover: +67%
 - Unique Active Players: +47%
 - Gross Gaming Revenue: +58%
- Registrations: # of new customers remained consistent YoY for Q1
- Turnover\$ increased moving from Aug to Sept due to start of NFL season.
 - Sept saw large increases in Unique Active Players, decreases in Average Bet \$
 - First 6 weeks of NFL trending 30-40% ahead of last season
 - Competition from NFL led to a decline in MLB handle (all on pre-match wagers as Live wagers increased slightly month to month (players enjoy micro-betting with MLB)
 - Dollars played in Tennis and Table Tennis grew month to month

● Forecast Turnover ● Actuals Turnover



Type	BY2024 Q1		
	Actual	Forecast	Difference
GGR	\$15,663,763	\$13,418,780	16.7%
Turnover/Handle	\$151,609,098	\$130,522,721	16.2%

OSL Internal forecast June 2023



\$1,000 PER Week



win FOR Life

LOTTERY GAMES SHOULD NOT BE PLAYED FOR INVESTMENT PURPOSES

visit OregonLottery.org to see if you won.

win FOR Life	
\$1,000 A WEEK FOR LIFE	49 58 61 65
\$50,000 PRIZE	17 24 63 67
\$20,000 PRIZE	07 28 42 57
\$10,000 PRIZE	02 09 47 75
	04 15 53 74
	10 11 26 48
	02 03 47 67
	13 24 48 62
	07 43 61 77
	08 25

About Win For Life

True to its name, for just \$2, Win For Life offers a chance to win \$1000 per week *for life*. It's a simple play style and the Oregon Lottery mobile app offers a very easy way to see if a ticket is a winner.

- Nearly a decade of consistent (\$70K-\$80K weekly) sales
- Any increases were due to increased jackpots for other games
- Low customer awareness
- A mature product offering





A Marketing Test

It started with a few simple questions

- Will short duration, low-investment campaigns improve awareness and affinity for an existing game?
- How effective is our modern marketing mix at attracting new players to an existing game?
- Are there new player insights when they try a new game?

Engagement and customer experience are important

- Customers “shop” for information (reviews, comparison, cost, how to purchase) digitally.
- It’s better to communicate **with** customers than communicate **to** customers.
- A connected relationship with players via mobile app and email list are a goal of every Lottery marketing campaign.

Advertising and Communications

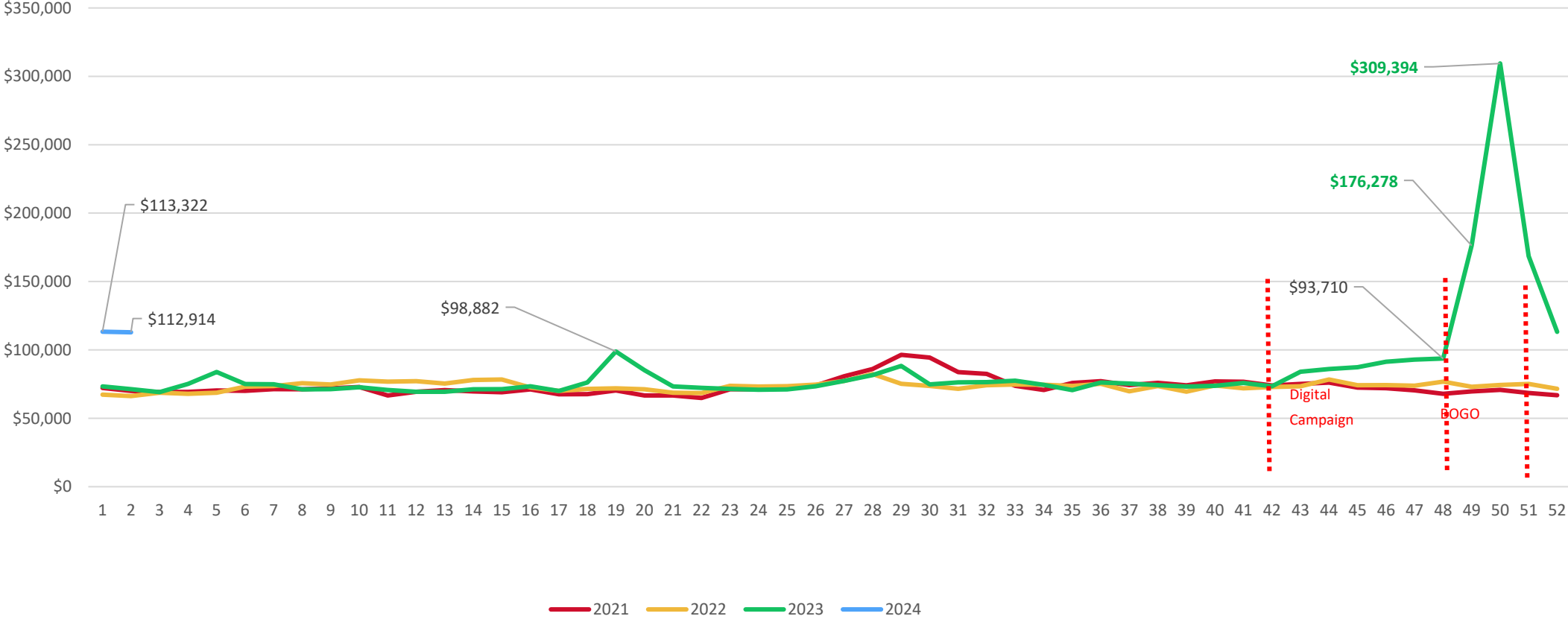
Our team sought to isolate certain paid & unpaid channels and tactics to help inform continuous improvement in areas of efficiency, cost and customer engagement.

- 8-week campaign (April 17 to June 11)
- First six weeks messaging only via digital channels
- Messaging shifted to BOGO (Buy One Get One) for the final 10 days of the campaign – Offer was available for 7 days
- \$30K spend on digital advertising and limited out of home (four billboards)



Win 4 Life Weekly Sales

adjusted for BOGO





More Players, More Discussion, More Winners

The campaign delivered significant increases in Win For Life awareness, social media discussion, positive sentiment, site traffic, mobile app engagement and product sales.

- 1.6 million impressions with more than 30,000 visits to oregonlottery.org
- 85% of campaign traffic were new customers/visitors.
- 87% of users arrived via mobile device
- Two Oregonians won the “for life” grand prize during the campaign, one was on the first ticket they ever purchased
- 320,000+ Win for Life tickets scanned on the mobile app during campaign

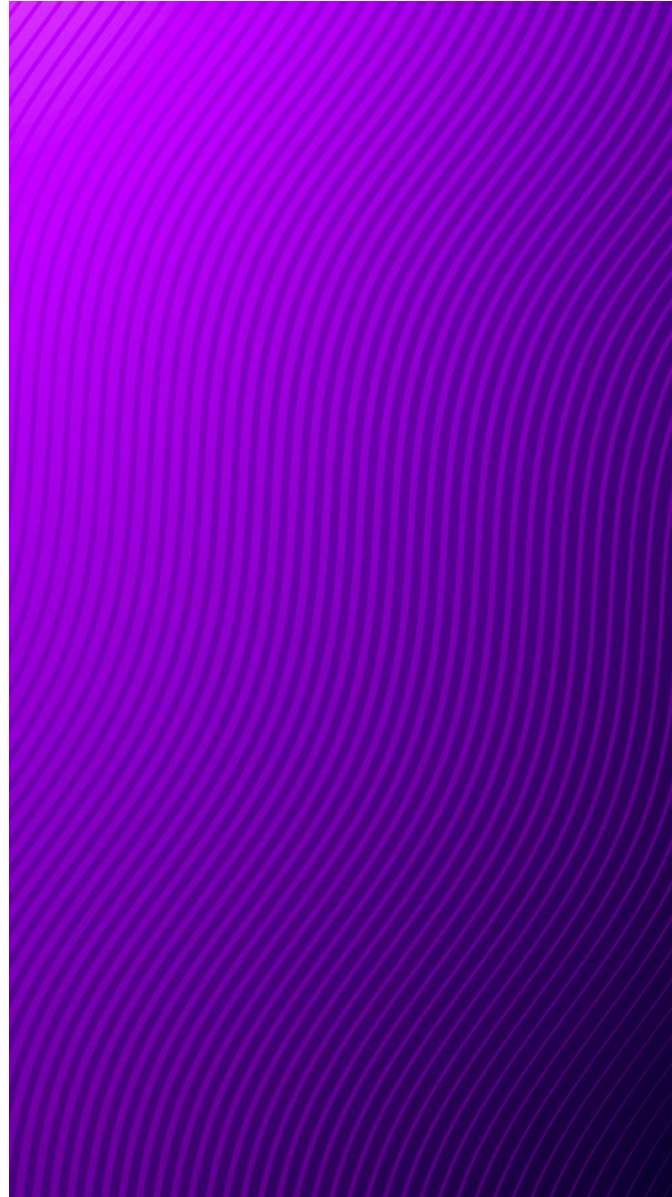
Campaign Visuals



Win for Life — the game that makes good on the promise of “happily ever after”!



Layer on a little happiness — for the rest of your life!



A Residual Effect

While game engagement did not maintain at the heights driven by the campaign, aggregate Win for Life metrics (sales, app scans, digital engagement, etc) continue to maintain over \$100K average weekly sales and 60% greater app usage increases over pre-campaign activity.

What We Learned

- Communications methodologies are sound and cost effective
- \$30K advertising spend generated \$1.068 million in sales during campaign window
- Promotional opportunities like a BOGO have high perceived value and drive positive sentiment
- Win for Life in-app usage increased over 168% year over year
- Lottery analytics and insights drive value for internal programs and customers



Thank You



**OREGON
LOTTERY®**

Together, we do good things.