

## Multi-State Lottery Association Request for Proposals for National Promotions and Sponsorship Services Issued January 13, 2025

Agency questions received: January 31, 2025 Responses due: February 14, 2025

Proposals to the RFP are due on March 14, 2025, via email to Procurement@MUSL.com, subject line "Agency Response"

The Multi-State Lottery Association (MUSL) received the following questions regarding the requirements of the RFP for National Promotions and Sponsorship Services. Some questions were combined and/or rephrased for clarity; others were removed because the questions were not relevant to the project, or would require exchange of information confidential to the project.

1. Is there an annual budget, retainer, or per project budget range or preferred pricing approach you can share for the assignment? Does the budget include the fees for any winning bidders? If so, what is the budget amount? Would the budget include all promotional expenses including sponsorship fees, licensing fees, promotional prize purchases, etc.?

**Response**: Budgets or retainers dedicated to agency work will be shared with the selected agency. Budgets for actual promotions/events will be dependent upon the complexity of the promotion, whether it includes a live event(s), what type of prizing elements will be offered, etc. Budgets for a partnership will depend on the advantages to MUSL, how the partnership will be showcased, and other key considerations. MUSL is also interested in exploring and solidifying partnerships from which it can earn fees for use of, and references to Powerball or additional lottery product it facilitates.

We have a strong market of support from players and their communities, and we are interested in highlighting contributions to good causes to potential partners to further evaluate and expand the Powerball brand.

 Would a joint proposal for multiple vendors that work exclusively together be considered to provide extended network, lottery and non-lottery experience, comprehensive services and network?
 Response: Yes; however, clear lines of authority and points-of-contact will need to be designated for ease of communications and directions on development and execution of any partnerships/promotions/events that are established.

3. Do you have target audience research and background information you can share to inform the partnership strategy and ideas to be developed as a part of the submission?

**Response:** Research performed may be shared with the selected agency. MUSL believes that industries that would create vertical partnerships include major league sports, travel, and food and beverage. Proposals should provide and explain how opportunities your agency can deliver will attract current and new players yet align with responsible gaming principles.

4. Can you share any current or future programs, promotions, or marketing initiatives that would be in scope of support under this RFP?

**Response:** Current promotions are not included in this project. Future promotions with established partners may form a part of the project as will be discussed in greater detail with the selected agency.

5. Can you elaborate on your product strategy?

**Response:** MUSL is focused on extending brand awareness by linking with companies that have an audience, or consumers that will be interested in lottery games, particularly Powerball. Industry segments such as major league sports, travel and hotels, other gaming offers, etc. may be good areas for partnerships.

6. Do you have specific KPIs on marketing reach, awareness and revenue goals? What does success look like in the first 12 months of the partnership?

**Response:** A signed partnership/promotional agreement with a major industry leader in the first 12 months will define success for this engagement. Included in the agreement should be a well thought-out, manageable partnership, promotion, or event plans that can be delivered by all, or most lotteries during the following months. MUSL is keyed in on plans that can be achieved with definitive steps and assignments mapped out for execution. Specific KPIs may include (depending on the engagement) lottery participation and advocacy; brand awareness across all types of channels and demographics; and, return on investment (ROI) measurement. Additionally, winning experiences and the value of the brand are very important key performance indicators for MUSL.

7. Can you please clarify previous agency support of the current programs with NASCAR and New Years' Rocking Eve?

**Response:** No agency support is being/was used for the NASCAR and New Years' Rockin' Eve promotions. The partners for each of these two promotions have provided significant support to MUSL staff for the promotions, including on-site coordination (hotels, travel arrangements, ticketing for various events associated with the main promotion, etc.).

8. Is there a vision for how the support team looks and/or supports these efforts?

**Response:** MUSL is focused on agency-wide abilities to: create partnerships with national brands; develop promotional ideas and concepts; and, provide the expertise in pitching, procuring, and negotiating with partners that value a relationship with lottery products, particularly the Powerball brand. Team talent skilled in developing, planning, and executing events, with a recognition of, and the ability to successfully coalesce lottery teams involved in driving promotions, is highly desirable.

9. Project kick off is noted for end of April – is your vision this engagement would run through the end of the year? A full calendar year?

**Response:** MUSL and the successful agency will negotiate a multi-year term for the agreement that will begin in 2025. We understand developing sales and marketing materials may take some time and expect new partnerships to begin in 2026, and beyond. We are not focused on a new partnership and promotion for the remainder of the calendar year 2025; the RFP is requesting proposals for agencies that can provide, establish, plan, and execute partnerships with other companies that have services or products that align with lottery games, and our players' interests.

10. Is there a preferred management approach of in person, virtual, and frequency?

**Response:** MUSL anticipates the management approach will be a mix of virtual (during planning and implementation stages) and in-person (during the execution stages of live events/promotions). Frequency of the same will be largely dependent upon the promotion that is offered.

- 11. Is the Appendix/Agreement on slides 10-17 for our review and redline at this stage? **Response:** Yes, the sample agreement is included on pages 10-17 of the RFP. Please be advised that significant edits may factor into evaluation of your proposal.
- 12. Will your responses to all questions be shared with all prospective vendors?

  Response: As noted in the RFP, all questions received have been anonymized and posted to MUSL.com.

13. The RFP references "Fee Based Services" and Section 2 of the draft contract states the fee as \$XXXX. How does MUSL envision the agency fee structure? What does MUSL see as appropriate compensation models? For example, is MUSL agreeable to a monthly retainer structure?

**Response:** The contract included in the RFP was a sample; specific fees and project details will be negotiated. MUSL will consider all types of fee structures based on opportunities presented, level of services offered, experience in delivering successful and attractive opportunities for partnerships, skill sets of team members, etc.

14. Section 8 of the draft contract references the Term of the Agreement. What is MUSL anticipating for a term?

**Response:** MUSL will work with the successful agency to establish a Term for the Agreement. Agencies should submit information on the length of the Term that is advantageous to both parties for opportunities and level of services provided.

15. In terms of driving revenues and generating awareness and interest in Powerball, what are some key audiences that MUSL envisions as opportunities for growth? Does MUSL have any research or data that you can share?

**Response:** MUSL will share recent research results with the agency selected for this project.

16. What does MUSL estimate Powerball's brand value to be nationally, specifically in terms of total regular player base, estimated reach of the population and total combined estimated media/marketing value annually?

**Response:** MUSL estimates that the brand value of Powerball revolves around its price point, level of grand prizes it offers (especially those exceeding \$750M), its reputation for trustworthiness and integrity, its worldwide recognition, and its almost 35-year history of providing entertaining and winning experiences for players.

17. Can you please elaborate on the evaluation criteria listed as Creativity and Innovation in Part 3 of the RFP. Specifically, what criteria will be used to assess and score the specific ideas submitted by respondents?

**Response:** MUSL expects that the evaluation team will evaluate proposals based on your understanding of the requirements of the RFP; agency experience shown through case studies and prior examples of partnerships your agency has successfully constructed and implemented; specific ideas that are presented to showcase the Powerball brand with industries that align with the brand's name and audience; staff expertise and whether you are presenting a dedicated team to integrate with MUSL's team; and, the <u>actionable</u> ideas and plans you can bring to the table to help MUSL achieve national partnerships with companies that will attract new players and expand our reach with existing players. Fees associated with your services will also be evaluated.

18. How many specific ideas does MUSL expect from each response?

**Response:** Agencies should determine how best to showcase their services in their proposals. We are not necessarily interested in the number of ideas presented, but rather, the specific plans that can, and will be developed, implemented, and successfully achieved by your team and agency.

19. Is there a set calendar or cadence of Powerball promotions over a calendar year? How many promotions are you expecting per year?

**Response:** No, there is no set calendar or cadence of Powerball promotions over a calendar year; however, the NASCAR partnership, due to the schedule of NASCAR races aligned with the Powerball promotion, runs from February through November during a calendar year.

20. For creative idea deliverables, are you looking for a range of concepts to understand our agency's way of thinking or are we supposed to map out a specific calendar you have in mind?

**Response:** MUSL is anticipating a range of concepts that are executable and align with the brand elements of Powerball, attractive to the existing and future players it serves, provide allegiance to, and acknowledgement of good causes supported by lotteries, and those that underscore responsible gaming concepts.

- 21. Are there certain states, cities, or regions that should be prioritized? **Response:** No.
  - 22. Are there online lottery retailers that we should consider partnering with for co-branded partnerships/promotions?

**Response:** No. MUSL is interpreting this question to associate online lottery retailers with courier services. Not all lotteries allow courier services, and we are requesting agency assistance in promoting Powerball, sold by authorized retailers serving 48 jurisdictions.

23. Outside of New Years Rockin' Eve and NASCAR-Powerball Playoffs, are there any other past brand partnerships, licensing agreements, etc. that were executed and have been considered successful? Any that were executed and considered unsuccessful?

**Response:** MUSL offers that all partnerships and licensing agreements have been successful in some measurable ways. MUSL will be able to discuss specifics with the selected agency.

24. Beyond brand awareness and creating revenue for good causes – are there any other objectives, whether short-term or long-term?

**Response:** Through engaging and interesting partnerships, MUSL is keenly interested in how to update, and better portray the Powerball brand; offer a winning experience for its players; and expand the player-base by engaging with existing, and new players.

25. Are there specific periods during the calendar year where MUSL has performed historically well? Periods where sales have traditionally lacked?

Response: No.

26. With regard to the MUSL structure, does any sponsorship or activation have to drive equitable impact across all 39 member lotteries and/or a majority of markets represented?

**Response:** Yes. The goal of any promotion or sponsorship is to provide a calculable, positive result for every MUSL member, and other lotteries that sell the Powerball game.

- 27. Are there specific geographic markets that are more priority than others? **Response:** No.
  - 28. What are some of the core primary, secondary and tertiary audience targets?

**Response:** MUSL will provide more information to the selected agency about audience demographics.

29. Are there any existing governance structures or processes currently in existence as it relates to sponsorship or partnership selection?

**Response:** National promotions are offered to any lottery that wishes to participate, and flourish because of lottery participation and player engagement. MUSL central office supports the promotions in conjunction with skilled professionals at the lottery level. Principles of responsible gaming must also be factored into national promotions and partnerships to ensure adherence to lottery requirements. We expect agency team members to be dedicated, go-to people, who can and will assist in displaying the benefits to participating in any promotion or event. The better the agency can plan the events, promotions, and/or partnerships, and alleviate significant additional work by lottery and MUSL personnel, the more likely the outcomes will be beneficial to all stakeholders.

- 30. Are sponsorships and partnerships currently negotiated in-house, or through an agency relationship? **Response:** MUSL personnel are involved in the negotiations, either in a lead position, or as support.
  - 31. As it relates to each portion of the proposal, are you looking for the fully formed output, or, more broadly, an approach to get there?

**Response:** Interested agencies should include information they believe will be helpful to MUSL to fully understand the panoply of services provide. The evaluation team will look for specific plans, with proposed deliverables and achievable timelines, grounded by examples of previous successful endeavors to score your proposal. Fully formed output is desired.

32. What sponsorships or campaigns have been most effective for the brand?

**Response:** MUSL is looking for new and different opportunities, including partnering with brands whereby both parties are offering players a unique and desired result. Also, promotions that drive player engagement by highlighting and offering cash, other prizing, and travel to live events, along with drawings held at national, televised events have been the most successful, although MUSL offers that all of the sponsorships/campaigns we have spearheaded throughout the years have been successful, the degree of which is determined by level of exposure, player feedback, and input from the membership.

33. When it comes to local activation, does each state have their own particular set of rules & approvals needed?

**Response:** Yes, but typically, the rules and approvals are similar and manageable.

- 34. Do you conduct any brand tracking currently, and if so would it be possible to get access? **Response:** Brand tracking obtained by MUSL will be shared with the selected agency.
  - 35. "Lottery Game Developments" mention the need to meet certain requirements, are you able to share these?

**Response:** In general, there may be requirements as formulated by MUSL based on lottery needs. More information can be discussed with the selected agency.

36. Under retail incentives it mentions the option to combine products, are there any regulatory restrictions we need to be mindful of?

**Response:** Yes. There will likely be some prohibitions on the types of products used in conjunction with lottery tickets (e.g., products used by minors). More information will be provided to the selected agency.

37. Can you share more information about the mechanics with the land-based slot machines - if / how they connect to the lottery game in any way beyond branding?

**Response:** MUSL has a partnership with a company that manufactures, and places land-based slot machines for use in various casinos located throughout the United States, and in some additional countries. The company has licensed use of the Powerball marks for new machines, to be placed for use in Q1 or Q2. The machines will use red/white graphics in addition to the Powerball and Power Play trademarks, but the machines do not and are not intended to portray the slot machine game as playing the Powerball lottery game.

38. Do you have an existing scorecard / framework you use for selection when it comes to licensing any of your brands

**Response:** No. MUSL is interested in establishing a scorecard and framework for identifying and pursuing licensing arrangements and partnerships with the help of the selected agency.

## Schedule of Events (all dates 2025)

January 13 - Request for Proposal issued

January 31 - Questions from interested agencies due

February 14 – Responses to questions posted to MUSL.com

March 14 – Proposals due to <u>Procurement@MUSL.com</u>, subject line "Agency Response"

April 14 – April 21 - Evaluation, interviews with select agencies

April 21 – Selection and contract negotiation

April 28 - Project kick-off meeting

