



EXHIBIT F

Camelot Lottery Solutions (Camelot Global Services NA)

**Prepared for: The Legislative Council's
Lottery Oversight Committee**

Date: February 20th 2020



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1.

Contract Overview

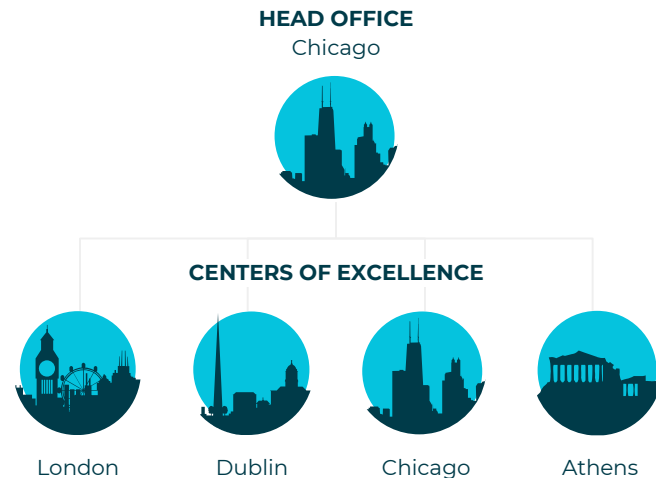


Camelot Group of Companies.



Leading provider of the modern lottery experience

- Lottery operator for the UK National Lottery (\$9bn per annum) and Illinois Lottery (\$3bn per annum)
- Business planning and consulting services contract with the Arkansas Scholarship Lottery (\$500m sales per annum)
- Deep lottery-domain expertise, with operator experience in North America and Europe
- North American Corporate Head Office in Chicago, Illinois
- Digital Services partnerships with the Illinois Lottery, UK National Lottery and Irish National Lottery
- Lottery-focused, we invest in innovative solutions for the future of modern lotteries



Lottery Expertise Worldwide



We are extremely proud of our continued business partnership with the Arkansas Scholarship Lottery



Contract with the Arkansas Scholarship Lottery (ASL)



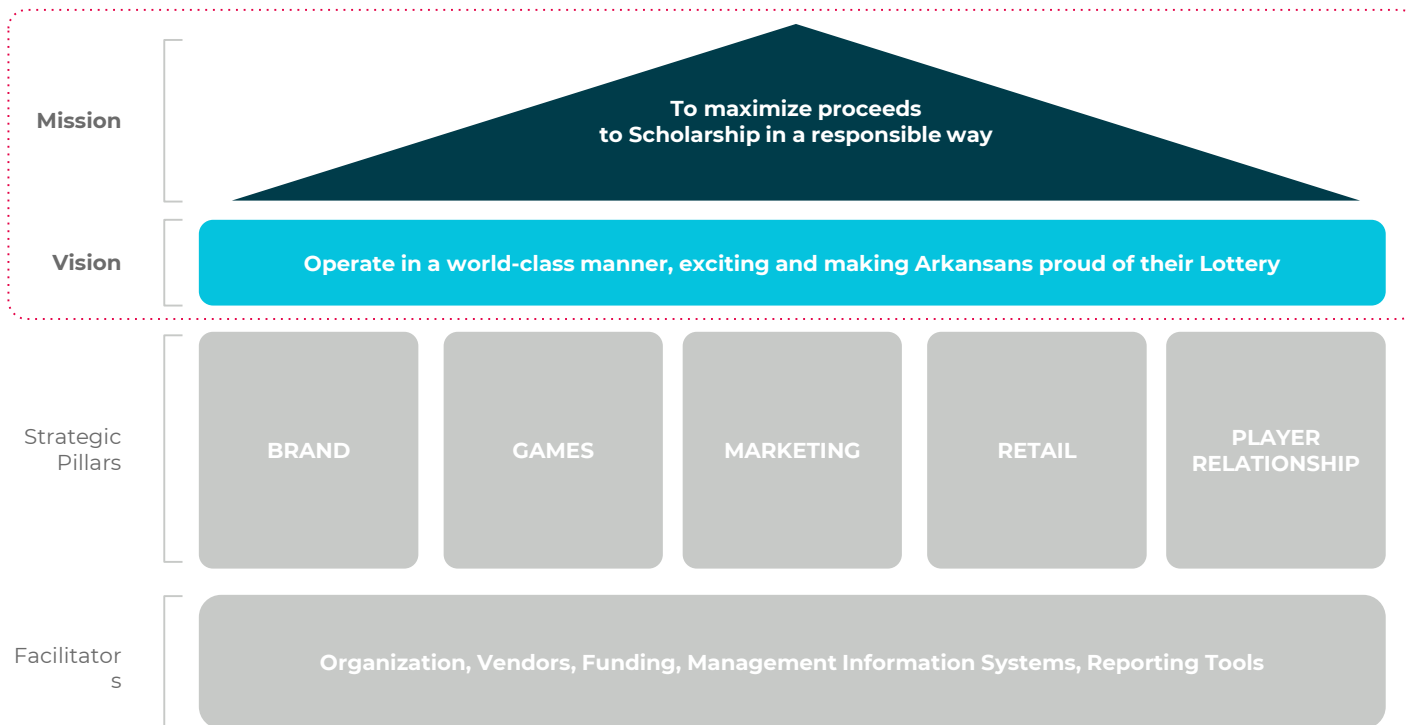
- Long-term contract for Business Planning and Consulting Services commenced in December 2015
- 5 Year Business Plan was developed in the first three months and presented to the LOC for approval
- Implementation plan was agreed with the Lottery Director in March 2016 and for each subsequent year
- Camelot have based a permanent VP of Commercial Operations in Arkansas since January 2016
- A Camelot team of Lottery specialists have worked with the ASL both in and out of State to implement the key initiatives while always operating as efficiently as possible



Mission Statement and Vision



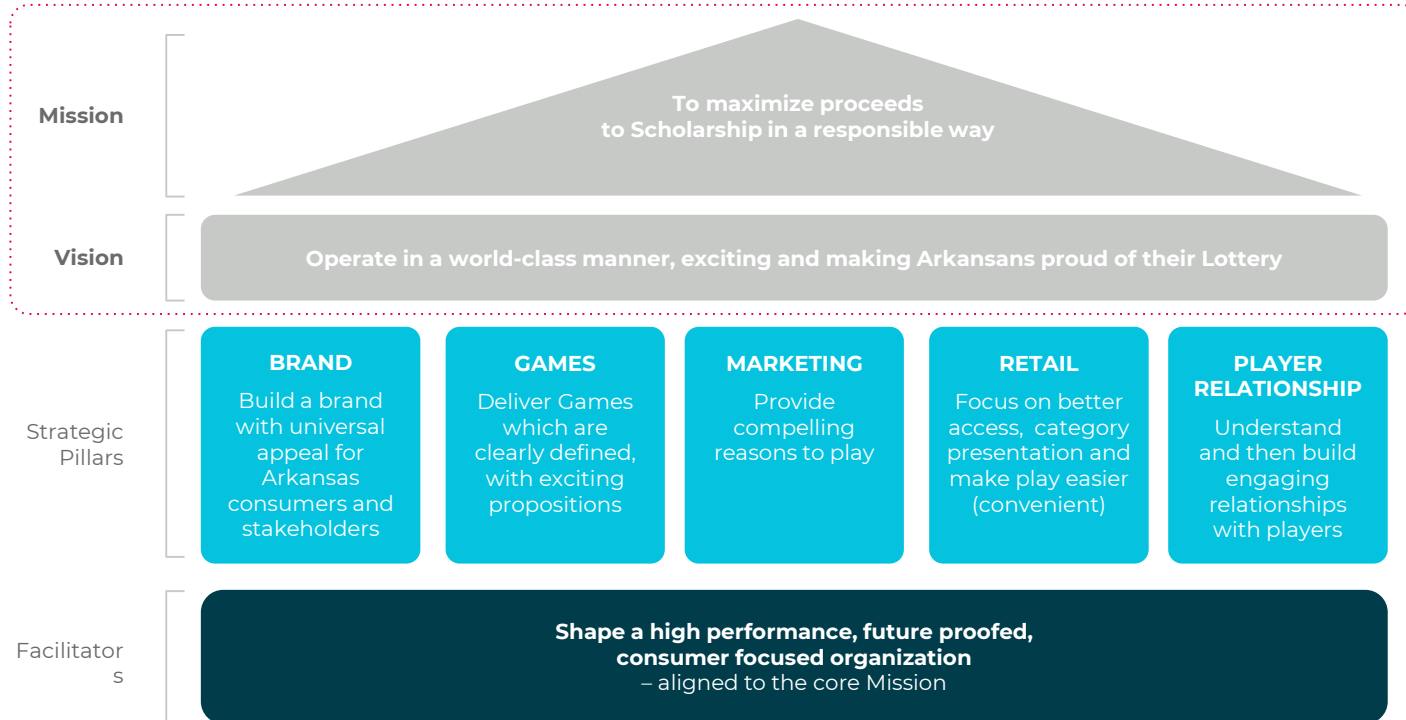
A new mission statement in 2016 clearly defined the purpose of the Lottery



Five Strategic Pillars



Five pillars of growth have underpinned all the sales and marketing activities, designed to create brand demand and attract new players



Recommendations and Initiatives



The business plan identified many commercial opportunities and made recommendations to achieve them

Key Initiatives		FY16	FY17				FY18				FY19		FY20		FY21	
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	H1	H2	H1	H2	H1	H2
BRAND	Beneficiary program (enhanced)															
	Winners program (define and execute)															
	Stakeholder management & advocate program															
	Brand refresh															
GAMES - INSTANTS	Core game strategy															
	Prize maximization program															
	Pre-launch game development program															
	Game design principles document															
	1 in 1 out approach to supply chain															
GAMES - DRAW GAMES	Establish NPD pipeline															
	Renovate the NSJ game															
	Renovate Powerball and Mega Millions (est)															
	New product innovation															
MARKETING	Introduce brand architecture															
	Introduce insight led advertising															
	Introduce econometrics model															
RETAIL	Maximize sales from existing TVMs															
	Key accounts function															
	Optimize distribution (esr +600 terminals)															
	Value of Lottery program (VOL)															
PLAYER RELATIONSHIPS	Build Insight capability															
	Enhance CRM program															
	Enhance Digital program															
	Enhance loyalty & retention program															

– Planning – Live – Ongoing

FY20 Implementation Plan



Every financial year we have developed a refreshed an enhanced implementation plan

Key Initiatives

		FY20			
		Q1	Q2	Q3	Q4
BRAND	Brand Affinity - Evaluation and application of the findings from consumer tracker research to drive awareness, usage and participation.				
	This is Winning - Continue to develop & evolve the This Is Winning brand vehicle to continue to increase win belief and drive the beneficiaries message				
GAMES – DRAW GAMES	New product development - Conduct a review and analysis of new product development opportunities.				
MARKETING	Commercial support - Ongoing support for Advertising & Marketing Director and team on implementation of FY20 strategies. Including developing the FY20 marketing plan, enhanced communications and activation of game plans.				
	Marketing Investment Effectiveness - continued development of revenue focused media planning & flighting. Optimize reach & frequency through the learnings from the econometrics model.				
RETAIL	Marketing Investment Effectiveness - continued development of revenue focused media planning & flighting. Optimize reach & frequency through the learnings from the econometrics model.				
	Walmart Supercenter - Support with the installation of the 54" 'dreamtouch' and the training of all rollout locations				
	In-Store Execution - Continued support and adaptation of the in-store execution model including reporting. Support the implementation of Intralot's iLOOK platform including the integration of SFA tactic questions for store scoring capabilities.				
	Access - Targeted new business strategy to onboard new customers. Including update to the Value of Lottery story and customized sell-in stories for each targeted account.				
	Retail communications - Support and constant review of retail comms strategy delivered through partnering with marketing department. Adapt and, where appropriate, tailor retail messaging at each contact point.				
	Department consultation and support - Support for Key Accounts function: Annual account plans, communications, reviewing and tracking tactical performance. Field Sales: Communication, Standardization and Retail toolkits				
PLAYER RELATIONSHIPS	Market trends - Conduct analysis of market trends in Arkansas including identifying the threats to lottery sales and how to mitigate against them. Indirect threats: Economic variables, changes to consumers purchasing behavior; Direct threats: The launch of the Mississippi Lottery, casino expansion and the introduction of sports betting.				
	CSR - Assist with the implementation of responsible gambling 'planning phase' agreed actions into the OAL organization. Develop and optimize approach of 'implementation phase' of work				
	Business Intelligence, Analytics and Data Insights - Explore the possibility to develop and implement a single source for data visualization, real-time reporting and actionable insights into the full performance of the business - timings and further details to be confirmed (no resource costs allocated)				

– Development Work
 – Delivery and/or Launch
 – Ongoing Support



2.

Commercial Update



Key Achievements.

Outstanding results and milestones achieved.



- Two consecutive record sales years - FY18 and FY19
- Record net proceeds year - FY19
- Record Draw Games sales year - FY19
- Record Instants sales year - FY18
- Entering and passing the planning phase of the National Council of Problem Gambling (NCPG) Responsible Gaming Verification Standards - 2019
- Successful hosting of the North American Association of State and Provincial Lotteries (NASPL) 2019 conference
- Awarded prestigious La Fleurry Award in 2019 as one of the five best Lottery Advertisements of the Year

NASPL / NCPG Responsible Gaming Certificate

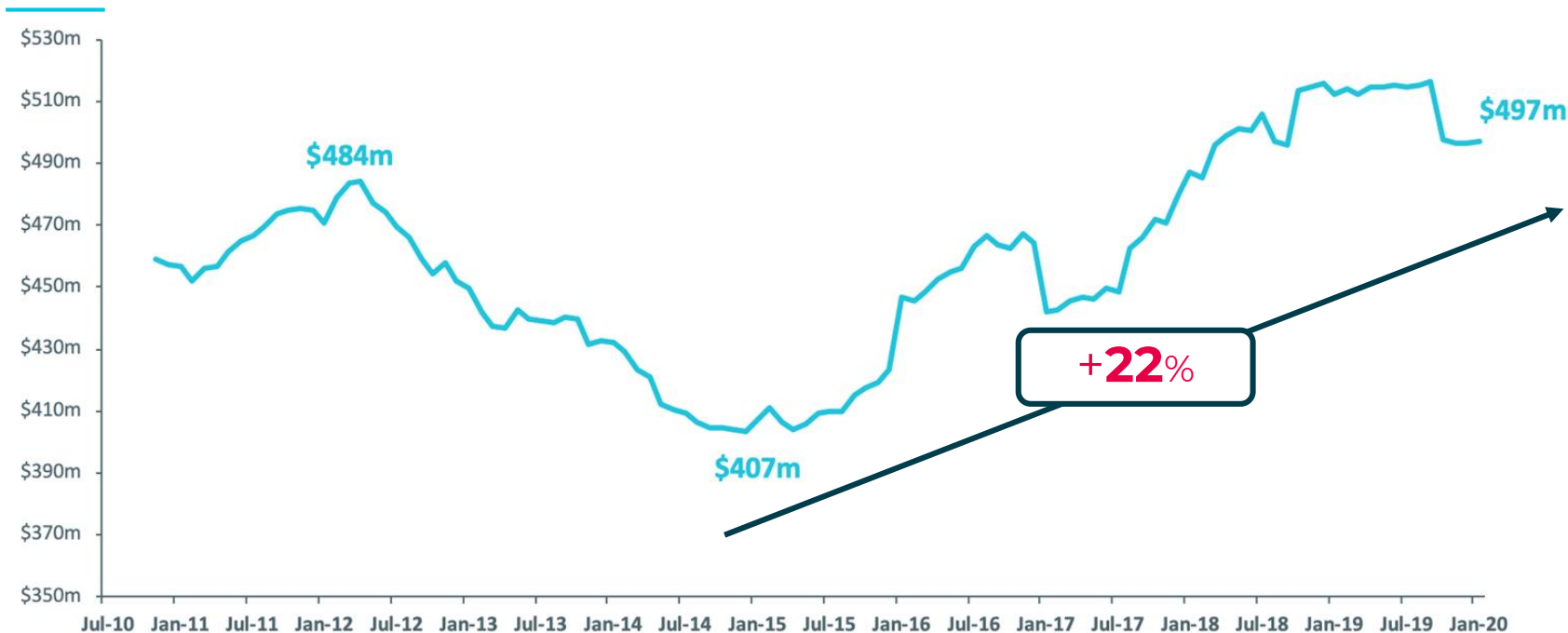
A first such award as a result of a new Responsible Gaming program that has been implemented in line with the mission statement



Total sales - 12 months rolling (Moving Annual Total)



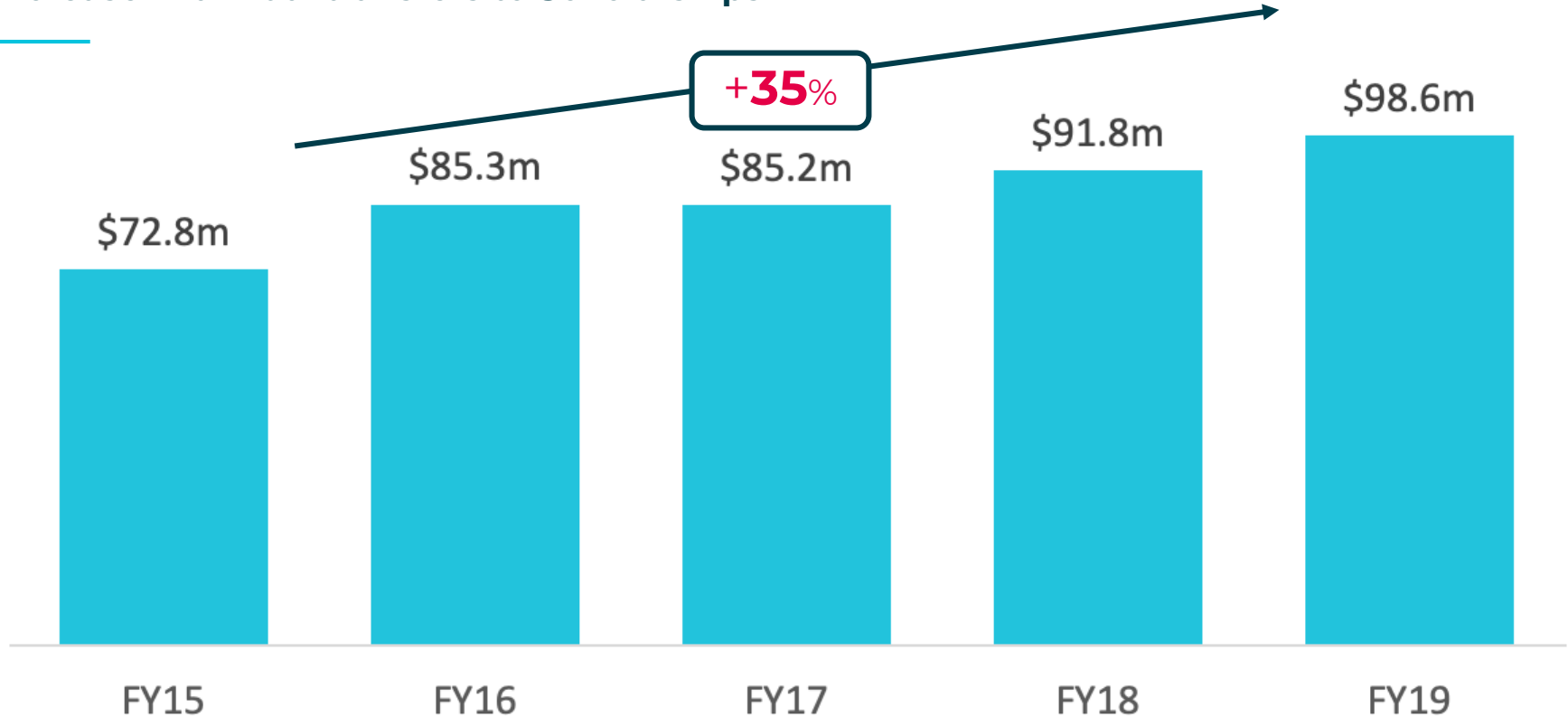
\$90m annual sales growth over the last five years



Total Transfers FY15 to FY19



The sales uplift has translated into a significant increase in annual transfers to Scholarships

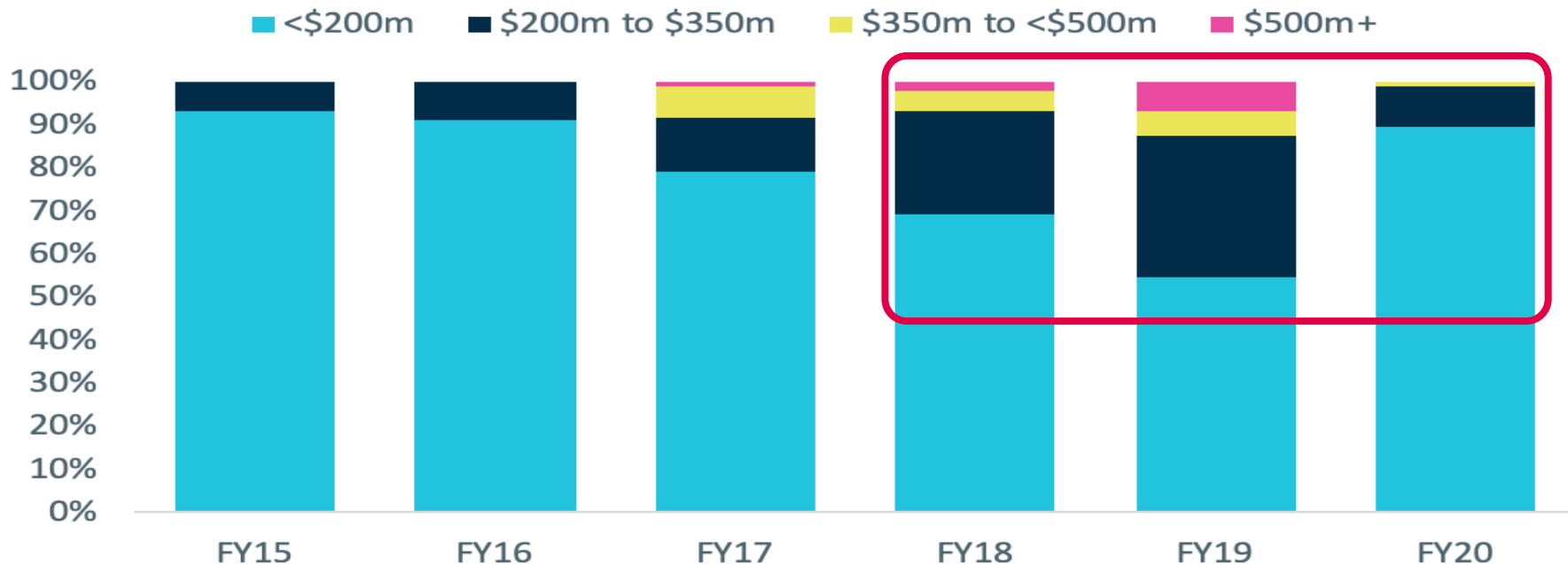


Draws by year by Jackpot Value



There has been a marked lack of Multi-State game jackpot activity in the first half of 2020

PB & MM H1 Share of Draws by Jackpot Value



Key Initiatives FY16 to date



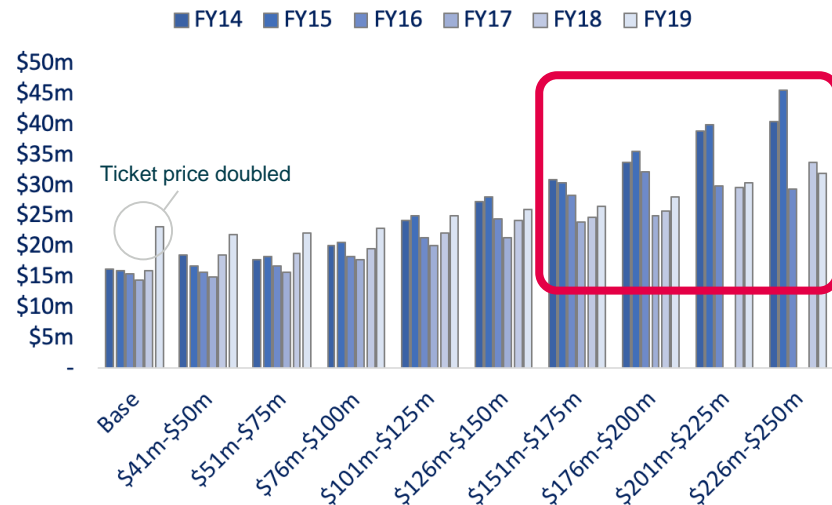
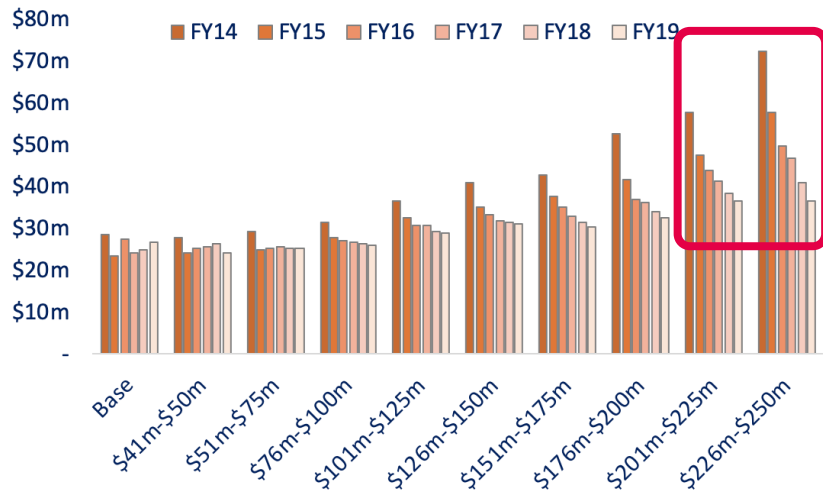
Since 2016 there have been numerous sales driving initiatives delivered across all the commercial functions



USA - Powerball and MegaMillions sales by jackpot size



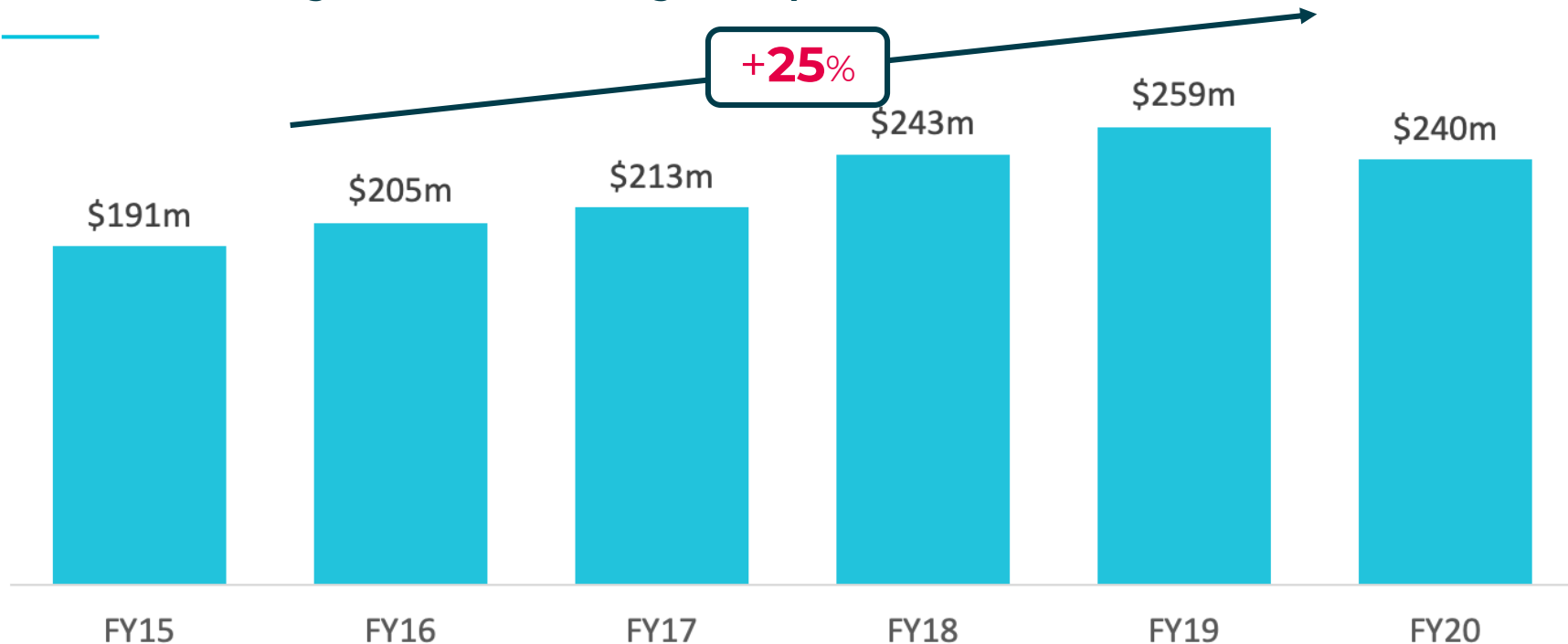
There are also strong indications of “jackpot fatigue” across the USA as consumers wait for larger jackpots before playing



ASL - Half Year (H1) Sales FY15 to FY20



FY20 Half year sales are up \$49m vs FY15 driven by a stronger base business reducing the reliance on high Jackpots



3.

Future Revenue Growth Opportunities



Commercial Objectives

Increased competition means we need to be stronger, better informed and more dynamic than ever

- To incrementally increase sales and net proceeds while ensuring the long-term future of the Lottery
- To expand the player base through enhanced communications that meets the consumers' changing needs
- To encourage “more consumers to play a little” and ensure responsible, sustained growth
- To continue to exercise responsible gaming and put enhanced controls in place
- To add greater insight through a data approach to the Lottery's business operations and strategic planning
- To continue to make the Lottery in Arkansas exciting and relevant in a changing and challenging environment



Commercial Opportunities

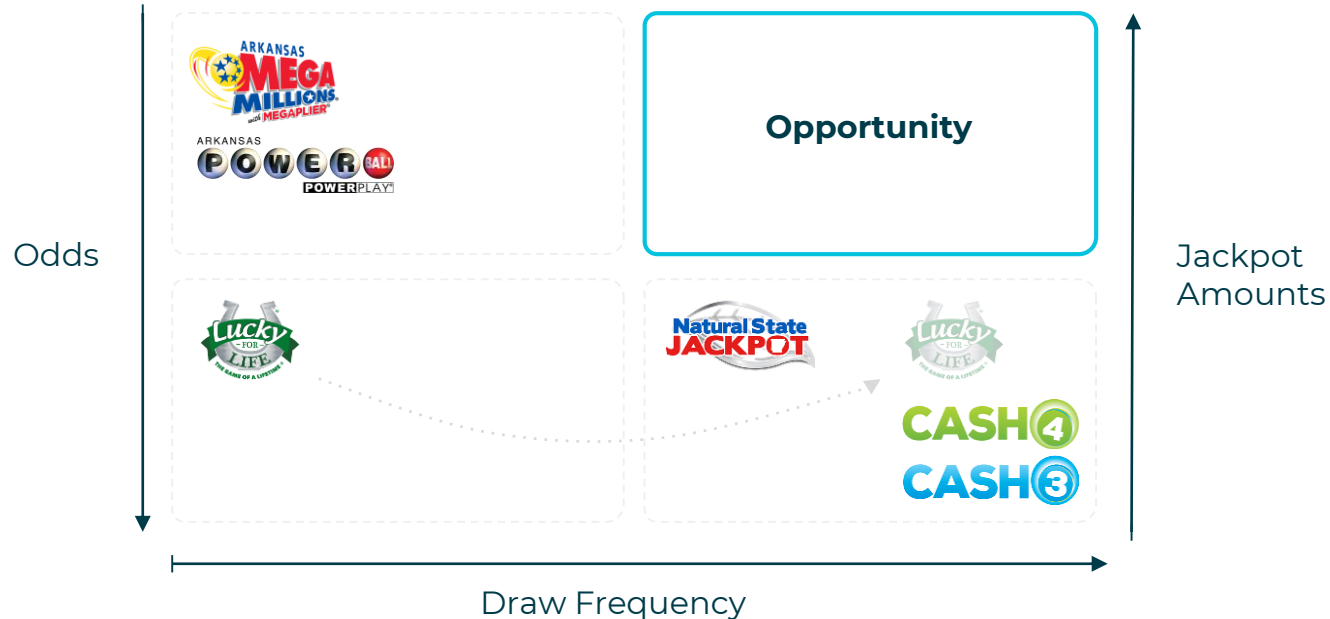
To be stronger we always need to be looking at future opportunities and initiatives to enhance the consumer offer

- Maximize and improve the existing “business as usual processes” across all commercial functions (high quality games, retail execution, beneficiaries program, driving win belief, responsible gaming)
- Review the existing Games portfolio for both game enhancements and new game opportunities
- Implement new initiatives and ways of working in retail to deliver the best possible buying experience
- Use data analytics to develop strategic plans that are more targeted, adaptable and consumer focused
- Increase CRM capability to improve consumer relationships, cater for their needs and responsibly grow sales



Draw Game Development.

Consumer needs mapping and gap analysis helps inform any future new game decisions.



Draw Game Development



We are currently conducting a comprehensive review of all the existing Draw Games on offer and their success in peer states

State	Instant	Keno	3 - Digit	4 - Digit	5 - Digit	Daily JP Game	In State Lotto	Small Bloc	Powerball	Mega Millions	Lucky For Life	ITG*
Arkansas	✓		✓	✓		✓			✓	✓	✓	✓
Kansas	✓	✓	✓				✓	✓	✓	✓	✓	
Kentucky	✓	✓	✓	✓	✓	✓			✓	✓	✓	
Missouri	✓	✓	✓	✓		✓	✓		✓	✓	✓	
New Mexico	✓		✓			✓		✓	✓	✓		✓
Oklahoma	✓		✓		✓			✓	✓	✓	✓	
South Carolina	✓		✓	✓	✓				✓	✓	✓	
Tennessee	✓	✓	✓	✓			✓	✓	✓	✓	✓	
Virginia	✓		✓	✓	✓		✓		✓	✓	✓	✓

*Instant Terminal Game

Arkansas and Peer States Draw Game Analysis



Through a “heat mapping” exercise we can identify opportunities based on peer state performance

State	Keno	Numbers Games	Daily JP	Lotto	Multi State	For Life	ITG
Arkansas	0.0%	13.8%	8.5%	0.0%	60.6%	3.2%	13.8%
Kansas	14.0%	7.0%	0.0%	16.0%	57.0%	6.0%	0.0%
Kentucky	19.7%	47.5%	2.9%	0.0%	28.0%	1.9%	0.0%
Missouri	14.1%	32.5%	7.9%	5.7%	37.7%	2.0%	0.0%
New Mexico	0.0%	9.8%	13.1%	4.9%	70.5%	0.0%	1.6%
Oklahoma	0.0%	10.1%	0.0%	5.6%	82.0%	2.2%	0.0%
South Carolina	0.0%	69.0%	0.0%	0.0%	28.4%	2.7%	0.0%
Tennessee	4.6%	31.6%	0.0%	8.4%	52.6%	2.8%	0.0%
Virginia	0.0%	66.9%	0.0%	1.4%	25.4%	1.6%	4.7%

Retail developments

We are working with our many retailers on greater innovations to further enhance the in-store lottery display



Secondary display in primary locations placement for impulse purchases - **Power Towers** branded at register in 200 stores

Introducing innovative **jackpot communication and digital signage** at counter for all three big draw games for AR. Custom designed lit signage



Dreamtouch 54\"/>

New Data and Intelligence Platform



Meeting customers needs faster, operating more dynamically and growing sales



What is it:

The new data and intelligence platform provides the ASL with real-time, intelligence-led, data to give the ASL an overview of their entire commercial operations.

It will enable the ASL to become a true data-led business that is able to harvest insights from its own data, and turn those valuable **insights into actions** and ultimately **maximize proceeds**.



Key Deliverables

- Data Warehousing
- Business Reporting
- Market Intelligence
- Real time Data Visualisations
- Propensity Models
- Paid Media Optimization
- Store Location Optimizations
- In-Store Stock Optimization

Benefits of a Data Platform and a Digital Services Partnership

- **Growing sales and net profits** – using enhanced data to inform strategic plans
- **Budget planning and sales forecasting** – greater accuracy through predictive sales models
- **Efficiencies** – Eliminates manual time consuming processing allowing the Lottery team to focus more on analysis and less time on data acquisition
- **Reporting** – Up-to-date data available all the time plus weekly reporting delivered straight to in-boxes
- **Retail customers** – Meets the needs of retail customers for weekly reporting and trend analysis bringing the Lottery in line with the consumer packaged goods industry standards
- **Fraud protection** – Enhanced fraud protection through faster detection
- **Engaging with players** to enhance their experience of the Lottery
- **Responsible Gaming** – Access to faster more meaningful data means improved RG monitoring and analysis

4.

Summary



Summary



- **FY19 Total Transfers up 35% vs FY15**
following two consecutive record sales years (FY18 and FY19)
- **Total H1 FY20 Lottery sales up 25%** today vs H1 FY15
- **Competition is now greater than ever**
with new Casinos, Sports Betting and the launch of the MS Lottery
- **Instants and In-State Draw Game sales remain strong** challenges around jackpot fatigue for Multi-State Games – PowerBall and MegaMillions
- Opportunities to introduce new games and retail initiatives while communicating with the consumer through a **stronger digital marketing program**
- **The use of data to enhance insight** and analysis and inform **business strategies** will develop significantly
- **The Lottery is in very good shape** to continue to deliver strong annual transfers to Scholarships in Arkansas

5.

Questions



Thank You
