



**Adapting Lottery for Modern Retail:
A Global Perspective**

Illinois Lottery's Successful Pilot Program with Retailers

In a strategic move to enhance its operations and improve sales performance, the Illinois Lottery embarked on a *SCiQ*® pilot program with two major retailers. The pilot was implemented across 43 retail locations for a period of 90 days.

The primary goals of this pilot were threefold. Firstly, the Illinois Lottery aimed to achieve a sales increase of 10% post-installation compared to the benchmark or expected performance. Secondly, the initiative sought to improve performance metrics, specifically Out of Stock (OOS) and Hours to Fill, compared to the Win-30 benchmark. Lastly, the pilot aimed to garner positive retailer feedback in areas they have deemed operational challenges.

To meet the needs of the retailers, the Illinois Lottery implemented a series of measures. On the day of installation, on-premise training was provided. A

24-hour hotline and field tech program were established to provide immediate assistance when needed. Lottery Sales Representatives were trained on the system to ensure smooth operations. A Camelot Field Manager was assigned to drive communication of KPIs and sales at the retail level. Furthermore, sales and KPI reporting were conducted weekly to Key Account HQs and store/field level management.

The results of the program were promising. Based on a subset of control stores and state average, sales increased by 9.2% with an additional 2.1% over control stores, netting an 11.3% increase. Performance metrics also improved compared to control stores. OOS improved by 1.05% and Hours to Fill improved by 4.9 hours. New game activation remained flat. Retailer feedback was positive, indicating the success of the pilot.

Given the success of the pilot, the Illinois Lottery has decided to expand the program to 700 high volume locations, which constitutes 9.8% of the retail estate. This expansion will include Key Accounts and top-performing Independents, which currently only sell from vending or under and back counter locations. The expansion is planned to be completed by October 2023.

In 2023, Illinois Lottery retailers faced challenges with staffing issues and changing consumer shopping trends. As a result, in FY24, one of the Illinois Lottery's focuses will be identifying opportunities to support its retailers with their daily lottery best practices. The *SCiQ* pilot, with its Instant Ticket selling management tools, is expected to significantly improve the selling experience and contribute to the overall success of the Illinois Lottery.