



Strategic Plan

2023

From the Executive Director

For the past 17 years, the NC Education Lottery has been the very definition of ‘successful.’ As the only Lottery to achieve annual sales growth throughout its history, and as the youngest Lottery to achieve Level 4 certification from the WLA, the NCEL enjoys a stellar reputation around the world as an industry leader in both sales growth and responsible gaming. With these achievements come new opportunities as well as challenges.

We have been entrusted by the General Assembly to implement a program for regulating sports betting in our state. At the same time, in order to continue our historic growth in lottery sales and revenue to education, we are planning to introduce a new form of games on our online platform – digital instants. This Strategic Plan is designed to help us navigate through these and other new challenges and opportunities in the next three years.



Introduction

At the North Carolina Education Lottery, we're in the business of possibilities. We know that lottery players opt to play for the chance to dream about life changing possibilities for themselves and their community. Our players feel energized as they dream about personal wins and optimistic as they imagine the positive impact play can have on education and the community as a whole in our state.

To accomplish our mission to raise revenue to maximize contributions to education, we provide entertaining games through a dynamic business enterprise built upon honesty, integrity, innovation and teamwork. Over the past 17 years the NCEL has contributed more than \$10 billion to education and has grown fiscal year sales to more than \$4 billion, making it one of the most successful lotteries in the country and the only US lottery to achieve year-over-year growth in sales for every year since inception.



Introduction

Our mission extends well beyond meeting the goal of dollars raised for education, but also encompasses protecting the interests of those who play our games. From the way we design and advertise our games, to the tools we develop to help players stay in control of their play, responsible gaming is at the heart of everything we do.

The next several years will offer new opportunities for the lottery and our players. We will continue to expand our portfolio of games as we strive to appeal to an increasing number of North Carolinians. Our new strategic plan, developed with the input of key stakeholders, will focus our energy and resources as we work together towards our common goal. We will continue to grow and evolve our business as we seek to create a world of winning possibilities for the entire state, and through the fun of play, raise billions for education.





Revenue for Education

The NCEL enjoys storied success in the industry for years of consistent growth. As we look ahead for the coming years, we will build upon that foundation for our future success. We will enthusiastically continue to be the model for best practices, transparency, and increased return to education aligned with expanded efforts to ensure responsible play. We will continue to expand our portfolio of games and increase the number of North Carolinians engaged in lottery games to support the expanding education needs.



Revenue for Education

- ★ Optimize the retail and online game portfolio to increase playership and sales.
- ★ Team: Product Development & Digital Gaming
- ★ Refresh our retail experience to engage players.
- ★ Teams: Sales and Brand Management & Communications
- ★ Develop a holistic view of the player experience from game awareness through prize claims in order to uncover new opportunities for sales growth and engagement.
- ★ Teams: Product Development & Digital Gaming, Sales, and Brand Management & Communications
- ★ Continue to evolve our Sales Organization to recruit, develop and expand our retail partnerships to maximize revenue for education.
- ★ Team: Sales



People

The NCEL team is our most vital resource for continued success. In order to meet our mission for education effectively and efficiently and with the highest degree of integrity, we will focus on enhancing the employee experience. What lottery employees do every day as stewards of the player experience determines the lottery's future, and so sustaining an environment where employees feel valued, understood, and safe remains key. Our focus also includes a continued commitment to creating a diverse workplace, and ensuring we set the industry standard for Diversity, Equity and Inclusion. To further empower our employees and attract new ones, we will create programs to guide career growth. During our strategic planning process, many employees shared their ideas about increased interaction with the entire lottery team, mentoring programs, and other opportunities to cultivate their skill sets. As our business continues to mature, we will develop succession plans to prepare the new leaders who will guide our growth in the years ahead.



People

- ★ Succession Planning to establish opportunities for current and future staff to ensure continuity of operations and sustained growth.
- ★ Team: Human Resources
- ★ Cross Training opportunities to encourage employees to learn the entire lottery business and to identify areas of interest.
- ★ Teams: Human Resources and ALL
- ★ Raise the profile of the NCEL as an employer for both potential and existing employees.
- ★ Teams: Human Resources and Brand Management & Communications
- ★ Set the standard for the lottery industry to develop our Diversity, Equity and Inclusion programs for employees and business partners.
- ★ Teams: Human Resources and Legal
- ★ Develop a new standard for employee communications that is meaningful and effective at engaging our employees and partners.
- ★ Teams: Brand Management & Communications and Human Resources
- ★ Develop Employee Resource Groups to meet the needs of our employees. We will launch and develop the North Carolina Chapter of the NASPL initiative, Women in Lottery Leadership (WILL).
- ★ Teams: Human Resources, Finance, Administration & Security and Brand Management & Communications



Innovation

In an increasingly digital marketplace, innovation will determine how lotteries remain relevant in the future. Our continued success will rely on our ability to embrace technology in this time of great change. We will employ advanced equipment to make the traditional lottery retail experience function better, and we will develop innovative, new games and product offers for those who prefer an online play experience. Improved technology will allow us to keep our internal business systems performing efficiently while continuously refreshing fun products and evolving value propositions to maintain our existing players and attract new ones.



Innovation

- ★ We will expand our portfolio with new games to optimize the digital channel.
- ★ **Team: Product Development & Digital Gaming**
- ★ Continue to evolve our business processes and systems to optimize our performance across the organization. Evaluate our business partnerships to ensure that we are leveraging the most innovative technology to meet the needs of North Carolinians.
- ★ **Team: ALL**
- ★ Evaluate and Improve the mobile experience for Lottery players, leveraging new and emerging technology to deliver an outstanding experience for our players.
- ★ **Team: Product Development & Digital Gaming**
- ★ Explore opportunities to refresh our infrastructure to embrace innovation in an omnichannel environment.
- ★ **Teams: Product Development & Digital Gaming and MIS/Gaming Systems**
- ★ Develop a 360° view of our player experience to uncover opportunities for advancement.
- ★ **Teams: Product Development & Digital Gaming, MIS/Gaming Systems, Sales, and Brand Management & Communications**
- ★ Continue to build out the retailer platform to improve the Lottery retailer experience – training, reporting, and responsible gaming.
- ★ **Team: Sales**



Integrity and Trust

Paramount to the NCEL's future success will be its efforts to continue building on the trust established with players and the public. The lottery's integrity can be seen not only in the games and promotions it offers, but also in its administrative processes and security measures. As both sales and player winnings increase, the lottery must aspire to share the benefits to education resulting from the money raised. Along with its commitment to education, the NCEL will maintain its reputation as a socially responsible organization. With this spirit of deep commitment to our players, the NCEL seeks to evolve its existing Play Smart program to better educate players and keep play fun. These efforts will ensure that as we grow, our players' confidence in our operational integrity does as well, and we continue to keep the interest of these players and stakeholders uppermost in mind.



Integrity and Trust

- ★ WLA Recertification Process – Focus on continuous improvement to foster responsible gaming across North Carolina.
- ★ Team: Brand Management & Communications
- ★ Launch Moving North Carolina Forward - a platform which will showcase beneficiary and player stories that clearly demonstrate our impact.
- ★ Team: Brand Management & Communications
- ★ Continue to perform due diligence in the management of administrative operations.
- ★ Teams: Finance, Administration & Security and MIS/Gaming Systems
- ★ Continue to involve law enforcement and retail loss prevention on proactive security measures through annual information symposiums.
- ★ Team: Finance, Administration & Security



Integrity and Trust

- ★ Evaluate and improve our online player engagement to effectively deliver information efficiently and provide a more seamless experience.
- ★ Team: Product Development & Digital Gaming
- ★ Engage all stakeholders to ensure balance with retail and online play.
- ★ Team: Sales
- ★ Refresh our Play Smart program to expand our reach for all players and retailers.
- ★ Teams: Sales and Brand Management & Communications



Expansion

North Carolina is experiencing dramatic changes in the landscape of gaming. These changes offer opportunities for the lottery to continue its remarkable success while securing fair and responsible gaming values for North Carolinians. The NCEL has been tasked with ensuring the integrity of sports betting through proper licensing, financial review, and oversight as defined by the North Carolina Legislature. We will develop the necessary infrastructure with staff and technology to manage these responsibilities and mitigate risk, with the same level of efficiency as we do our lottery game play today. In addition, we will continue to focus on producing products and innovative opportunities that enhance the fun and excitement of traditional lottery games.



Expansion

- ★ Develop a Gaming Compliance Department to align with legislation that establishes the NCEL Commission as the regulatory agency for sports betting.
- ★ Teams: Gaming Compliance & Sports Betting, Finance, Administration & Security, and Legal
- ★ Build the appropriate infrastructure with technology and staff to issue sports betting licenses within the prescribed legislative timeline.
- ★ Teams: Gaming Compliance & Sports Betting, Legal, and MIS/Gaming Systems.
- ★ Develop and launch the licensing and regulatory best practices to assign licenses to sports betting partners and to monitor their efforts with integrity to support North Carolinians.
- ★ Teams: Gaming Compliance & Sports Betting and Legal
- ★ Evaluate opportunities to grow our portfolio of lottery games to broaden the platform for North Carolinians who enjoy our games for education.
- ★ Team: Product Development & Digital Gaming
- ★ Keep a relentless focus on improving our business to improve the player experience across all of our channels, our retail expansion, our current and potential employees, and stakeholders.
- ★ Teams: Product Development & Digital Gaming, MIS/Gaming Systems, Sales, Brand Management & Communications, and Human Resources



