



Fiscal Year 2026-27 Annual Business Plan

Lottery Commission, Agenda Item 9(f)

June 16, 2026

The goal of the Lottery's Annual Business Plan

- Communicate the planned and priority initiatives for the year.
- Demonstrate the extensive and deliberate tactical plan that aligns with the approved strategic plan.
- Serves as an internal guide and transparent public record to how the Lottery plans to achieve its mission and goals in FY 2026-27.



Business Plan Development Process



Five Strategic Objectives

- Reduce reliance on big jackpots to meet financial goals by growing Draw Game sales outside of \$1 billion+ jackpots
- Continue eliminating barriers to play among infrequent Scratchers players
- Expand efforts against Core Scratchers players to battle growing competition for the entertainment and gaming dollar
- Elevate the customer experience for players, retailers, and internal customers
- Transform and modernize Lottery programs and processes to reduce costs and/or allow staff more time for revenue generating initiatives



FY 2026-27 Business Plan

How we plan to...

Reduce reliance on big jackpots to meet financial goals by growing Draw Game sales outside of \$1 billion+ jackpots.



SuperLotto Plus becoming more super!



- First enhancement to the game since 2000
- Considering an additional draw for SuperLotto Plus
- No changes to odds, just another day to play
- Proven strategy to bring new excitement to the game and boost interest and play
 - Adding draw days have increased sales for Powerball and other state's lotto games

calottery



Making it more convenient to play

- Implementing pilot to sell jackpot games in checkout aisle at supermarkets
- Increased signage will boost awareness
- Pilot has a thorough analysis planned to evaluate performance, profitability, and how best to rollout in the future
- Set to launch in 2027



Several other efforts planned

- More Hot Spot promotions
- SuperLotto Plus Scratchers game
- Boost jackpot awareness through continued jackpot alerts and new permanent jackpot billboards



FY 2026-27 Business Plan

How we plan to...

Continue eliminating barriers to play among infrequent Scratchers players



Successful efforts will continue; focusing on the fun and entertainment



Not Final Art

- Advertising campaigns will continue to break down emotional barriers and build awareness
- Godzilla stomping into stores in the spring
- Continued launch of fun, easy to play Scratchers



A LITTLE PLAY CAN MAKE YOUR DAY



SCRATCHERS

Eliminate other barriers related to trust, awareness, and ease of purchase

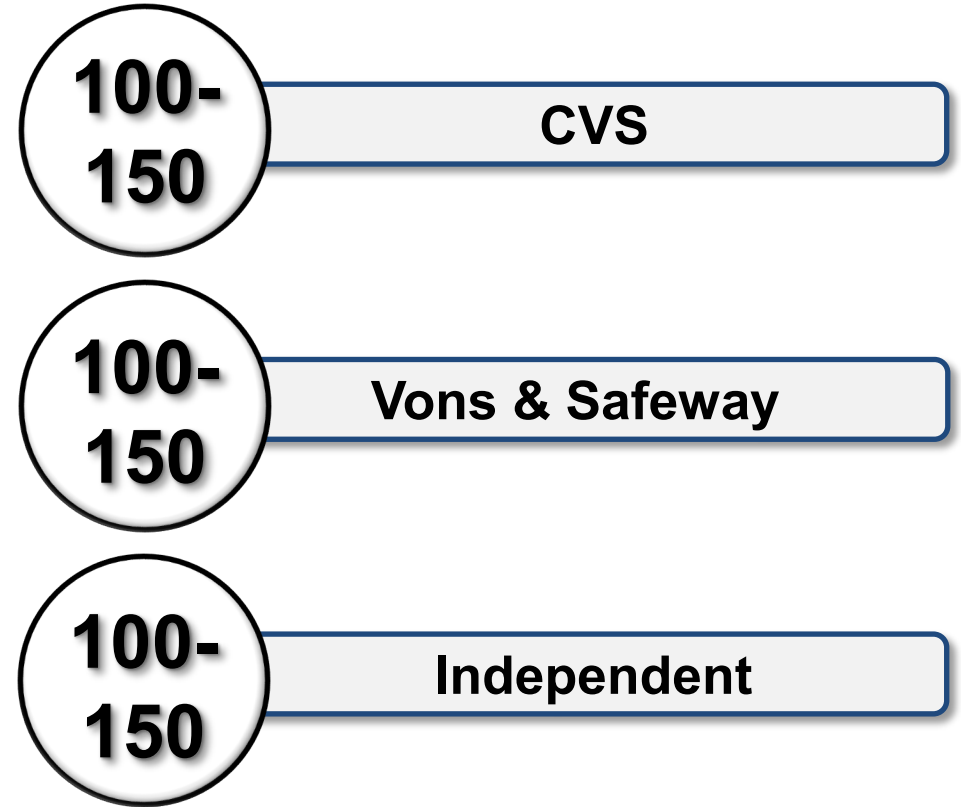
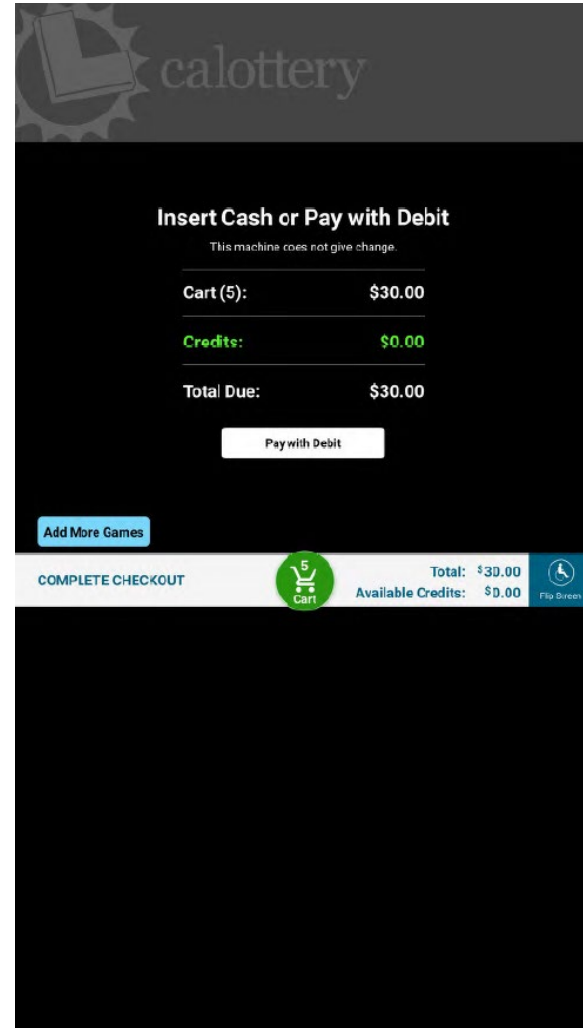
- Continue supporting the Education Campaign and leveraging key moments to share the Lottery's story



- Pilots for new digital menu-boards and playstands
- Research more ways to ease purchase decisions

Pilot for Debit Card Payments coming in Q1





Will analyze sales changes, retailer satisfaction, player adoption, California Lottery employee task efficiencies, and profitability.

FY 2026-27 Business Plan

How we plan to...

Expand efforts against Core Scratchers players to battle growing competition for the entertainment and gaming dollar



It's all about the games and 2nd Chance.

- FY 2026-27 Scratchers Product Plan with additional \$30 & \$40 games
- More games with strong Core appeal
- 2nd Chance Program improvements for deeper engagement and excitement
- Analysis and planning for potential \$50 ticket in the future



FY 2026-27 Business Plan

How we plan to...

*Elevate the customer experience
for players, retailers, and internal customers*



The year ahead: CX Framework and Roadmap Development

To ensure long-term success of this objective need to establish a unified enterprise strategy for improving the customer experience.

- Committee of members from each division to help develop this
- Will be reviewing prior research, conducting additional Lottery research, researching best practices and benchmarks
- Determine what customer experience touchpoints or perceptions should be prioritized in the next 3-5 years that will provide the most value to the Lottery
- Determine success metrics for the strategies
- Document and share the priority framework to ensure future initiatives align



Player Experience Highlight: Claims and Payments Improvements



- Electronic Claims and Payments
 - For prizes of \$600-\$5,000
 - Electronic claims submission, automated claim status updates, electronic payment options
- Increase Pay at the District Office prize payment thresholds



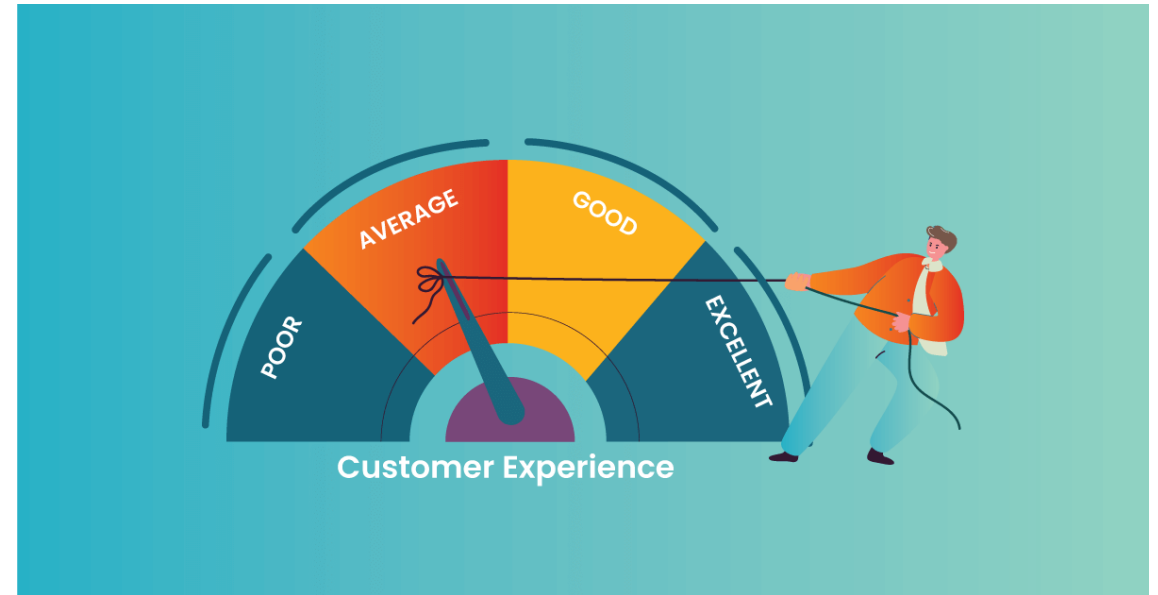
Several other efforts starting for our players

- Lottery Office Digital Signage Upgrades
- Winner Awareness Map on PWS
- Pilot to allow players to use their prizes from winning tickets for purchases (of the same value) at self-service vending machines
- Cashless Payment Pilot
- In-Lane Sales Pilot



Just getting started for retailer experience

- Digital Retailer Application
- Equipment Upgrades
- Statewide expansion of SmartCount



Several efforts planned focused on the employee experience

- Data system and reporting enhancements
- Continued Mission, Vision, Value efforts
- Internal communications enhancements
- Safety tours
- Facility improvements



FY 2026-27 Business Plan

How we plan to...

Transform and modernize Lottery programs and processes to reduce costs and/or allow staff more time for revenue generating initiatives




The year ahead: retail, website, and developing a plan



- Public Website Content Management System Research
- Digital Retailer Application Form
- Continued Human Resources Services automations
- Develop Framework and Roadmap for this objective

- SuperLotto Plus Scratchers game
- \$30 game launch
- Cashless Payments at Vending Machines Pilot
- Statewide expansion of SmartCount
- Research more ways to ease purchase decisions
- 2nd Chance enhancements
- Safety and facility tours

- ### Quarter 2
- \$40 game launch
 - CX Priority Roadmap
 - Modernization Priority Roadmap
 - 2nd Chance enhancements
 - \$50 ticket analysis
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- ### Quarters 3-4
- \$30 and \$40 game launches
 - Godzilla Scratchers game and 2nd Chance promotion
 - Digital Retailer Application
 - SuperLotto Plus Enhancements
 - In-Lane Sales Pilot
 - Lottery Office Signage
 - Pilot to allow players to use their prizes from winning tickets for purchases
 - Winner Map on public website

Year-round

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| <ul style="list-style-type: none"> • Scratchers games for Core and Casual players • Hot Spot promotions • Advertising (Scratchers, Jackpot alerts, Education Campaign) • Retailer equipment upgrades • Development efforts for Prize Payment and Claims process improvements | <ul style="list-style-type: none"> • Human Resources automations and enhancements • Mission, Vision, Value program • Leadership Development and training • Data system and reporting enhancements • Public Website Content Management System Research |
|---|--|



Any Questions

