

## Multi-Prong Approach to the Most Time-Efficient Implementation of an Online Selling Channel

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**PGRI Introduction:** Loteria Română wanted to implement the online selling channel quickly and cost-effectively, and then nurture its growth over time. The initial goal was to reach 5% of total sales by the end of the first year of implementation. Ambitious but do-able. Then grow online sales steadily. As the process unfolded, though, Ionut-Valeriu Andrei discovered creative ways to drive sales at an increased rate. The result is that the initial target of 5% of total sales was reached in just three weeks. But that is not the interesting part of this story. Projections were adjusted accordingly, increased to 10% of sales over the next ten weeks. They blew past that goal in seven weeks. Projections increased again and again. Online sales continued to increase at a breakneck pace to the point of exceeding 20% in a grand total of thirty weeks time. Last time we checked, they were at 26% of total sales.

This interview is based on a presentation made by Ionut-Valeriu Andrei at the EL/WLA Marketing Seminar in London in February. Mr. Andrei was recently appointed to the Executive Committee of EL (European Lotteries Association).

**Paul Jason:** The Romanian Lottery dove into the process of digitalizing its lottery products and channel mix with a bold 2-way approach, which included both developing its own in-house platform, as well as engaging in partnerships with 3rd-party apps. Describe the process of deciding how to approach the goal of building an online sales presence from scratch?

**Ionuț Valeriu Andrei:** It is true, we made a

bold decision regarding the method of going online. What we might point out is that right from the beginning we took it from scratch which provided a lot of latitude and flexibility for developing our own unique strategy. Two years ago when I took the challenge of running the Romanian Lottery, the company was stuck in an old paradigm in which consumer access to classical lottery games was mainly the same for as long as the history remembers. And the Romanian Lottery



has, indeed, a great history behind, a legacy of which we are very proud.

For more than 117 years, the company has been present in the lives of Romanians as one of the most trusted public-owned companies.

But, in terms of approaching the latest trends of the market, the company had very little experience. And here is where our team decided to tackle hard. We chose a pathway of switching the entire paradigm. We worked for several months on developing a comprehensive marketing and sales strategy, which took into account all the aspects involved in creating a new image of the Romanian Lottery on the market. We decided to use our objective of building an online platform as a catalyst to transform our whole approach to the business.

In 2023 we went through a comprehensive rebranding process, in which we combined our tradition with modern and minimalistic elements, aiming to address, in terms of visual identity, a wider range

of consumers, play-styles, and demographic profiles.

We launched several projects, some of them already being successfully implemented, for the digitalization of internal processes, and to be able to manage ourselves more efficiently. We now have nearly 1,000 of

comprehensive and competitive gaming experience. The possibility of selling lotto tickets through multiple channels gave us a huge boost and connected us with consumer groups which we may not have otherwise reached. We were able to create and implement additional promotions for

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our own points of sales, spread all over the country. We also expanded our network of partners, going also towards the providers of self-service terminals. The products of the Romanian Lottery are now accessible in more than 38,000 points of sales.

And now reaching to the essence of your question, it came time for us to identify the most time-efficient way of implementing the Online Selling Channel. Time was essential, as the pressure from the market was growing. So, from the comprehensive analyses we had already performed, three approaches emerged – one in which we could have launched a public tender to contract a software provider to develop an online platform; another one in which we develop in-house our own platform; and another one which involved partnerships with app owners that already had a big pool of clients, to integrate our products. We went forward to analyse the last two options because the first one was less time efficient to implement. Seeing the strong points and weak points of each project we concluded that the benefits of the projects can be overlapped, so we made the decision to give the green light to both of the projects. We would build our own app and also partner with already-existing app owners.

In terms of business, going towards already established apps to integrate our games has proven to have some extremely strong points. We identified apps on the market which already had a large pool of clients, which allowed us to have a quick entry into the market – around 6 months. That enabled us to capitalize on the already existing app features, which enabled us to offer a

the products and in less than one year we managed to exceed our target benchmark of 26% of our sales coming from the online channels exclusively.

Additionally, we gathered data from the market through our app partners and we were able to work on developing our own in-house online selling platform, that we just launched in March. We see it as a new step towards digitization, transparency, and accessibility, which were our main objectives right from the beginning. It is a promise respected by our players and retailers alike, to be as close as possible to the Romanian consumer and to further strengthen the trust with which we have been invested by the players, in the tradition of over 117 years of history of the Romanian Lottery.

### What is an example of a 3rd party app partner?

**Ionuț Valeriu Andrei:** AmParcat.ro is a parking payment solution that provides the ability to pay the parking fee on your smartphone. Through the AmParcat app, users are now able to purchase lotto tickets and participate in the draws organized by the Romanian Lottery. AmParcat has over 1 million users, a huge customer base that is now being presented with the option of playing the Romanian Lottery.

**Some lotteries may suffer from "paralysis from analysis" and the pressure to spend more and more time and money testing and researching in order to further reduce risk. You describe coming to a point where you had not eliminated risk, you were not sure what the outcome would be, but you met a threshold of confidence**

**in the outcome, and had gamed out the war-room scenarios so that you had an action plan and contingency plans for the different ways that things might unfold. In hindsight, how do you look upon this approach now?**

**Ionuț Valeriu Andrei:** It is true, we had to dive in! Of course we had a strong analysis behind every step we took, but I chose to take decisions as a manager, not as a technician. Technicians tend to wait for a project to be 100% failproof in order to take it to GO LIVE. As a manager, I see the things quite a bit differently. Rather than wait twelve months for a project to be 100% failproof, I prefer to launch it after three months when it is at 98% and do another two months of live fine tuning. In the end you have the same project implemented in half the time. Testing and implementing the preliminary results of each stage put us in the position of being flexible and able to modify or even pivot based on the real-time feedback. Time is sensitive in a dynamic market like gaming and we decided to keep up the pace with our engines at maximum speed. But we did not go blindly ahead as we are constantly monitoring results and bringing new features, new opportunities, and new games on the table.

We've observed healthy competition among partners who are driving increased sales, and we continuously assess how the diversity in user experiences benefits our strategic objectives.

**Did you say that part of your approach included plans for pivoting if you fell short of the target, or if some part of the plan did not perform as well? Like dropping either the in-house app or the third-party app partnerships if one out-performed the other by a big enough margin?**

**Ionuț Valeriu Andrei:** We are always analysing and adjusting, as mentioned before. Of course every approach has its own risks, and we are well prepared for multiple scenarios. The partnerships with the 3rd party app providers are going well and the results have been much higher than our initial expectations. Also, with our own platform we are looking towards building on the momentum and we want to gain as much visibility as possible. So that foundational aspect of our strategy is not likely to change.

However, we are not looking solely at these steps and processes from a sales

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Ryan said, “Take time to really understand people and their why. Spend more time listening than speaking and make sure you appreciate and respect where people are, what they’re thinking and feeling.”

Jay agreed, “Get out of your office and communicate, call some teams up out of the blue, be present when you talk to people. Ask people what’s motivating them and what’s discouraging them right now. I’m usually surprised by the answers. Even if you don’t have the remedy for their concerns, you will find that they appreciate

your willingness to listen, acknowledge their concerns, and think about how to work on improving things.

Doug offered a practical example of enabling authentic conversations. “After our annual staff survey, I meet with staff in groups but without their supervisors. You would be amazed at what people will say when their supervisor isn’t there. Amazing value comes from them feeling heard and being able to talk to me directly, and we use what they say to create actions.”

Concluding the discussion, Matt shared his commitment to “spending five good minutes each day thinking, ‘How can I engage with and thank a team member.’ Just five good minutes, and always let them know that you were thinking about them. I can personally attest to the power of that, and I’ve seen the impact it has on a team when you really understand their why and awaken that thankfulness. You’re going to be a better leader, and your team’s going to be more productive because that sense of belonging and connection will help them thrive.” ■

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and marketing perspective. We see these digital assets that we have included and developed also as tools of increasing our presence and footprint in the Romanian society. We are staying focused on one of our most important missions – that of being an actively involved actor in society. For instance, our in-house-developed platform and the partner apps include educational resources about responsible gaming practices, ensuring that players are informed and promoting a healthy approach to lottery participation. And we are constantly learning from our 3rd party app partners in ways that enhance our in-house capabilities.

We are also keeping our level of involvement in CSR actions at a peak performance as we are committed to creating a positive impact in society.

**What is the next frontier you are working on now?**

**Ionuț Valeriu Andrei:** The next step is to launch the native in-house developed App. This year I want to finish our analysis of the online casino and sports betting platform and if possible by the end of Q3 to be able to launch an RFP. We have an important duty to continuously enhance our clients’ user experience and to improve our RG policies.

Our extraordinary interaction within the EL and WLA team is as well a top priority for us and we want to contribute as much as possible to the benefit of our associations. This year we are proud to host in Bucharest EL Corporate University (ELCU) INDUCTION seminar, and we are thrilled to welcome all professionals from EL Lottery and Associate Members. ■

*The Future of iLottery: Predictions for 2030 — continued from page 23*

deal with the lottery). We can expect that more of our competitors will follow suit, further encroaching on our own market share.

The need to address online lottery play becomes even more apparent in Les Brown’s “attention economy,” when player time and attention are considered the scarcest resources of all. This means that unless U.S. Lotteries learn to effectively capture, manage, and maintain their player’s attention by providing them with online play – they’ll fall hopelessly behind competitors who are providing these online experiences.

This includes developing innovative marketing and sales strategies to attract

and retain iLottery players and create opportunities to cross sell iGaming, sports betting, and competing products, or risk losing our player base to our competitors. Moti also believes that lotteries should not just assume that if they build it, players will come to play iLottery. If players have already churned to our competitors to buy iLottery products, it will be significantly more challenging to lure them back. Additionally, costs will exponentially increase to remarket to churned players, highlighting the need to own our players now, and cater to our U.S. customer’s desire for online Lottery play.

As we walk towards our shared future, proactive creativity and collaboration will

be key to the (i)Lottery industry’s success in 2030. By pooling our resources and sharing best practices, lotteries can effectively educate legislators and underscore iLottery’s contributions to worthy causes, to successfully combat our competitor’s growing legislative opposition. This collective approach will be essential, and we must own our players end-to-end and win their loyalty in the wake of this new competition, or ultimately risk losing our market share and our player base. ■