

CARMANAH JACKPOT SIGNS PROVEN TO INCREASE RETAIL SALES

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Carmanah Jackpot Signs drive sales by raising jackpot awareness and attracting both new and lapsed players. They have a proven track record of increasing revenue for online draw games and also incremental sales lift for instant tickets and ancillary products. The signs are secure, reliable and accurate, and can be updated via the lottery terminal or by cellular network.

The *first lottery* completed a study of 20 retailers with signs versus 20 retailers without signs during a 12 week period. The results, shown in Table 1, were a **6.6% increase** in Lotto (“Online”) Games sales and a 1.7% increase in Instant Ticket sales versus the control group. The same lottery continued to track the data for a 23 week period, and added a second control group.

Table 1: Carmanah Jackpot Sign Sales Data & Analysis (\$thousands)

Retailers with Signage (20 Stores)	9/7/10 - 11/30/10	1/5/11 - 3/30/11	+/- from base period	Increase over Control Group
Total Instant	\$923	\$1,147	24.3%	1.7%
Total Online	\$551	\$678	23.0%	6.6%
Control Group (20 Stores)				
Total Instant	\$850	\$1,042	22.6%	
Total Online	\$432	\$502	16.4%	

Three major lotteries have each performed their own comparative statistical studies of retailers with Carmanah jackpot signs in the window versus control groups with matched trade-style retailers without jackpot signs.

As shown in Table 2, the results were a **9.6% increase** in Lotto (“Online”) Games sales and a 6.0% increase in Instant Ticket sales versus the first control group, and a **4.8% increase** in Lotto (“Online”) Games sales and a 7.3% increase in Instant Ticket sales versus the second control group.

Table 2: Carmanah Jackpot Sign Sales Data & Analysis (\$thousands)

Retailers with Signage (20 Stores)	6/9/10 - 11/17/10	12/10/10 - 5/21/11	+/- from base period	Increase over Control Group 1	Increase over Control Group 2
Total Instant	\$1,715	\$2,170	26.5%	6.0%	7.3%
Total Online	\$1,003	\$1,326	32.2%	9.6%	4.8%
Control Group 1 (20 Stores)					
Total Instant	\$1,569	\$1,890	20.5%		
Total Online	\$779	\$955	22.6%		
Control Group 2 (20 Stores)					
Total Instant	\$1,634	\$1,947	19.2%		
Total Online	\$1,079	\$1,374	27.4%		

The *second lottery* completed their own 32 store statistical comparison as part of a four month pilot project. The results of this pilot were similar to the first lottery's study: a **7% overall sales increase** over the control stores in the same areas, and resulted in a 15% sales uplift when the jackpots were high.

Retailer and player feedback from the three studies suggests the jackpot signs drive sales in multiple ways including; additional foot traffic, helping core players stay informed of jackpots, and bringing in new or lapsed lottery customers.



The *third lottery* completed two comparative trials, using 43 signs that were evaluated at various trade styles over a six month period. The trials were completed in two different years, yet yielded the same results, which were an **overall average sales lift of 4.8%** versus the control group.

The increased lottery profits generated from the 4.8 to 9.6% sales increases mean that, for all three of these lotteries, the payback period for the sign purchase is short, measured in months. There are few retail optimization initiatives that provide this exceptional level of ROI.

Anecdotal evidence from the studies also suggest the jackpot signs have a trickle-down effect, not only increasing sales of other lottery products, but also of non-lottery product sales, such as drinks and food. Results like these can improve the relationship between the lottery and the retailer.

The Carmanah wirelessly-updated Jackpot Sign is an investment that brings a sales increase and improved retailer relations, with a quick payback - true retail sales optimization.