

PIONEERING A NEW LOTTERY SPACE: Shoutz's Progress to Mobile



Being a pioneer isn't easy, but the biggest risks often bring the biggest rewards. It was that encouraging notion that prompted Jim Mueller and Shoutz to take what they learned in the world of short-form social video sharing and apply it to a new industry.

Now every day at Shoutz is spent engaging lottery players with great content, and helping to generate revenue for Shoutz partners - the MUSL member states—and the great causes they support. In just two years, Shoutz has gone from an experiment to a benchmark for others' attempts to enter the mobile space in the lottery industry. "We understand and appreciate our emerging leadership role in the industry," said Shoutz CEO Jim Mueller. "We take this very seriously and we demand the highest integrity of our people and products."

Along with filling a vacuum in the mobile space for the industry, Mueller also says that strict self-regulation had a great deal to do with the success of LotteryHUB, Shoutz mobile engagement platform for lotteries and lottery players. "Right from the start, we created internal policies so we'd operate in a fishbowl, just as our lottery partners do," Mueller said.

Making the move from social sharing to the lottery industry required a careful but enthusiastic approach. Mueller and his partners recruited people who had spent more than 100 years combined in and around the lottery industry, people who had a track record of revolutionary thinking and some who even had a hand in the start of the US lottery industry. Insistent on building a team of the 'best-of-the-best' in the lottery business while also complying with the very same regulations under which state lotteries operate, Mueller says Shoutz "demands that all full-time employees be vetted with an FBI background check."

Once the team assembled, that commitment to excellence through strict self-regulation was carried on, as much a point of pride as a testament to quality. Mueller said that all Shoutz products and systems are certified by Gaming Laboratories International, and each one is subjected to rigorous testing and security audits.

"There's no point in creating something that only a handful of lotteries will feel confident using. If it's not compliant with the strictest regulations, or it doesn't meet industry security expectations, then it's no good—we make products to make lotteries more convenient, engaging and rewarding so they can deliver more revenue to good causes; excellence is our minimum requirement."

With the strength and security of Shoutz products secured, Mueller and his team also wanted their products to be versatile, adaptable. Armed in advance with an intimate understanding of public gaming—and its often sensitive nature—the Shoutz team was able to create a product infinitely applicable within the lottery industry. "One of our top priorities was making LotteryHUB a no-cost solution for lotteries," Mueller said. But a platform like LotteryHUB doesn't come cheap—the Shoutz team knew they'd have to look to third-party advertisers

not only to generate additional revenue for lotteries, but also to recoup considerable investments in the LotteryHUB platform.

"We know that every state has different political realities surrounding their lottery, and we're in business for the players and for the lotteries," Mueller said. "So up front we created a 'blacklist' of products—alcohol and tobacco are good examples—that we wouldn't consider advertising. We are believers and followers of the marketing law: 'always protect your brand,'" Mueller said. "We serve one of the world's largest brands—Powerball and Mega Millions—so we're also responsible for protecting those brands and the brands of each of the member-state lotteries."

Compliance with the highest industry and internal standards, along with a commitment to versatility in Shoutz products, has allowed them to make LotteryHUB a turn-key marketing solution that nurtures real-world retail. Engaging and rewarding lottery players on a convenient mobile platform adds to the entertainment value of dollars spent on lottery games. That helps drive foot traffic for lotteries and their retail partners, in turn generating more revenue for good causes around the country.

And that's what it's all about. Mueller and Shoutz entered the lottery industry at a tumultuous time, when modern lotteries are trying to marry old-world regulation and new-world technology, not to mention new-world expectations from players. With Shoutz, Mueller and his partners had an opportunity not only to revolutionize an industry, but to tap that industry's potential to support good causes in a whole new way; to make a powerful addition to the lottery's arsenal of fundraising tools. "We've created a central hub where lotteries can engage and learn about their players," Mueller said.

"LotteryHUB is convenient, engaging and rewarding for the players," Mueller said. "But it's also a no-cost or low-cost solution, giving lotteries the opportunity to use this mobile platform not only to promote games, winner awareness and new offerings, but also to drive revenue from third-party advertisers." Now that LotteryHUB is an official app of Powerball and Mega Millions, the benefits of that strict self-regulation that continues to drive Shoutz are plain to see.

LotteryHUB serves a massive audience of highly engaged lottery players, and in no state does the app run afoul of regulations. Shoutz has also staked their claim as a mobile leader for the lottery industry. Theirs was the first app to capture the valuable attention of the mobile demographic, and they've been able to make inroads with a younger demographic.

That connection to a new, younger lottery player opens plenty of doors for the lottery industry. "This is the first opportunity for lotteries to monetize their players in a unique way," Mueller said. And, because of the strict standards to which Mueller and his team have held themselves over the past two years, every lottery has the same opportunity available: connect and engage with more players, add more value to every transaction and, most importantly, generate more revenue for good causes. ♦