Life Path

Maximize your marketing and POS ROI by better understanding the player path to purchase and the marketing touchpoint ROI to generate that purchase.

Challenges Facing Lotteries Today

- Growing revenue, attracting new players, and increasing participation among current players is challenging but also integral to success.
- Most lotteries do not have a clear idea about what is really helping consumers make the decision to buy their games or which marketing levers do the best job at triggering purchases, yet continue to spend millions of dollars on marketing approaches.
- Margins are shrinking and there is demand to better maximize the return on marketing investments.
- The path to purchase of a consumer is not linear, and is becoming more convoluted with technology innovations and the rise of the omni channel shopper. As a result, shoppers are rapidly adopting to digital and e-commerce.
- Despite having a very good understanding of the lottery’s player base as it relates to incidence, participation, psychographics, and potential opportunity markets, there is little known about these players’ path to purchase as it relates to optimizing the following:
  - Targeting the right shoppers
  - At the right place/touchpoint
  - With the right product/message
  - At the right time in the path
  - With the optimal investment
Why Life Path as a Solution?

1. Aids SHARPER TARGETING for important shopper segments.
2. Optimizes CHANNEL AND RETAILER STRATEGY.
3. Identifies highest impact COMMUNICATIONS STRATEGIES.
4. Drives ACTIVATION STRATEGIES AND TACTICS.
5. Improves ROI on shopper marketing activities.

A Solution to These Challenges:

The first step is a deep dive into the players’ path to purchase in the lottery category and for the specific games within respective jurisdictions. The path to purchase is the process an individual goes through every time he or she makes a purchase in the lottery category, regardless of the length of the lifecycle be it weekly or annually.

Why? To optimize investment in the path to purchase touchpoints that generate the greatest sales to help lift overall revenues, especially among target consumers.

With that, this solution will help lotteries determine:

- How players make choices, including the location of purchase and the kind of shopping mission their lottery purchase(s) fall into.
- What marketing levers played a role in their lottery purchase and the impact of each (including ROI if marketing budgets provided).
- Where the opportunities are to better leverage their relationships with certain retailers (i.e. grocery) to optimize the footprint of their offering in-store.

Additional key questions addressed along the various path to purchase stages include:

- What are the pre-trigger game preferences?
- How are players triggered?
- How do consumers make choices when it comes to lottery at retail/specific retailers?
- What is the impact of the various touchpoints the lottery has?
- What is the post-purchase experience?

Consumers and shoppers are continuously exposed to ‘touchpoints’ which may reinforce and disrupt mental networks and thereby influence purchase decisions.

Path To Purchase in its most complete form
Some important considerations regarding a players’ life path:

1. Not all shoppers follow the same path to purchase. In many categories, a lot of shoppers don’t necessarily go through all stages. When (attitudinal and/or behavioral) loyalty develops, players may shortcut the evaluation and exploration stages and perform auto-pilot buying OR trigger and purchase occur simultaneously to generate true impulse buying.

2. The impact of touchpoints varies according to the stage in the path to purchase.

3. Different touchpoints have different roles. Specifically, some touchpoints can be reassuring of a good game decision, provide players with trustworthy information or details on how to play, or allow players to make informed decisions based on price or jackpots, etc.

4. Game attributes/benefits driving game choice vary according to the stage in the path to purchase.

Each of these four considerations can be evaluated by type of retailer (i.e., grocery, independent/local retailers, convenience with or without gas, etc.) and type of player type (i.e., heavy, light, etc.).

**How We Do It**

Ipsos recommends a two-phased approach. Phase 1 would include an online survey interview while Phase 2 would include a follow-up qualitative deep dive with options of a traditional in-person or digitally administered ethnography.

**Phase 1: Interview**

**Purpose:** To obtain a holistic understanding of the path to purchase, covering both online and offline interactions including the true impact of touchpoints.

**Who:** The context of the survey is set based on the players’ most recent purchase. Ensuring the sample is composed of recent players (past month or more recent is ideal) across all frequencies (weekly, monthly, less than monthly, etc.) are included.

**What:** Respondents would complete four core modules in an approximately 18-minute questionnaire as they relate to:
From there, Ipsos uses advanced analytics to derive the impact (not stated impact) that the lottery's touchpoints have on generating a purchase for the category, specific games, at specific retailers, and by specific player types. If the lotteries provide their spend for each of the touchpoints included in the study, Ipsos would be able to provide a Return on Investment (ROI) measure.

The following example represents some of the hypothetical outputs.

**Net Impact:**

![Image of Net Impact diagram]

**Interactions Between Touchpoints and Link with Pre-Trigger Brand Preferences:**

![Image of Interactions diagram]

*Note: size of the bubbles is proportionate to impact of a predictor variable on sales*
Phase 2: Engage

Purpose: Provide deep insights of specific aspects of the path to purchase (e.g., deep understanding of stages, influencing touchpoints and pain points in the path to purchase, shopping behaviors, evaluations of websites, in-store behaviors, etc.).

Who: Ipsos recommends doing a deep dive on specific player groups within specific retail categories.

What: Much of what is discovered in Phase 1 can be explored in Phase 2, specifically as it relates to the retail experience around mission, choice, touchpoint recall, and purchase. For example, if the results from Phase 1 indicate that some POS touchpoints are not proving to be impactful, then the lottery can try to explore why that is in the moment.

There are two possible approaches to address this phase either with traditional in-person ethnographies or digital ethnography, known as Eye Journal. Either approach would include at least one shopping/shop-along exercise.

Please contact Ipsos for pricing.

About Ipsos

Ipsos is an independent market research company controlled and managed by research professionals. Founded in France in 1975, Ipsos has grown into a worldwide research group with a strong presence in all key markets. Ipsos ranks fourth in the global research industry.

With offices in 88 countries, Ipsos delivers insightful expertise across five research specializations: brand, advertising and media; customer loyalty; marketing; public affairs research; and survey management.

Ipsos researchers assess market potential and interpret market trends. They develop and build brands. They help clients build long-term relationships with their customers. They test advertising and study audience responses to various media and they measure public opinion around the globe.

Ipsos has been listed on the Paris Stock Exchange since 1999 and generated global revenues of €1,782.7 million in 2016.

Contact Us

Ipsos in North America has a solid team solely dedicated to research in the Lottery and Gaming sector.

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