

Vision: Recognized as the first choice for gaming entertainment, while serving the State of Arizona.

Mission: To support Arizona programs for the public benefit by maximizing net revenue in a responsible manner.

Agency Description: The Arizona Lottery was established to maximize net revenue dedicated to a variety of beneficiaries assigned through a statutory distribution formula. An advisory commission and an executive director, both appointed by the Governor, oversee operations. The lottery sells products through a licensed retailer network to provide players with innovative, entertaining and rewarding games of chance.

Executive Summary: Working towards our vision to be Arizona’s first choice for gaming entertainment, we identified four strategic priorities to maximize transfers to our beneficiaries:

- 1. Workforce success:** The agency’s most important resource is its employees, and every year we identify agency initiatives that reinforce and sustain our data driven, continuous improvement culture.
- 2. Retail network:** Increasing our understanding of our impact on retailer so that we can deliver a better lottery experience.
- 3. Player base:** Continue strengthening player base by adding new draw based games and opportunity for wins through digital platforms.
- 4. Lottery impact on the state of Arizona:** Continue to create opportunity to showcase beneficiaries. Develop new product lines to help us increase beneficiary transfer.

Summary of Multi-Year Strategic Priorities

#	Five Year Strategy	Start Year	Progress / Successes
1	Invest in workforce success	2017	Conducted director’s employee skip level meetings which helped in the development of the agency’s annual employee engagement plan. More than 40% of the workforce benefit from the agency’s telework policy. Took action to help identify best practices for ensuring effective meetings which resulted in a 20% elimination of redundant status meetings. Employees submitted 141 Kaizen Teians which recognize and reward employees for implementing process improvement. Employee Engagement score of 79%.
2	Expand retail network and improve retailer experience	2017	Only US Lottery jurisdiction operating inside Costco stores; Fully operational Kingman Walmart Lottery redemption center; upgraded CRM software; continued expansion jackpot signs at retail, visual cue to increase out-of-stock awareness in vending machines. Initiate Strategic partnership with State Fair to operate Lottery ticket van. Continued vending machine expansion with approximately 45% of gross sales generated. Implemented SciQ inlane sales pilot at Fry’s. Developed and distributed a new FAQ on accounting procedures to educate retailers. Implemented service model (RSS) for retail with CVS and expanded model with pilot at Walmart Supercenters. Implemented QuickCard product at Dollar General, Fry’s, Safeway/Albertsons, Circle K.
3	Strengthen player base through innovative and entertaining products	2017	Implemented Fast Play, Triple Twist and Quick Draw; Added third day for Powerball and The Pick. Expansion of \$20 and \$30 price point; introduced \$50 ticket in scratch; wider game availability on Scratchers™ games; Development of Players Club enhancements and launch of Ultimate Playlist.
4	Increase Lottery Impact in the State of Arizona	2017	During the Ducey Administration increased Beneficiary transfer by 64% and expanded Gives Back Sponsorship efforts to strengthen beneficiary’s community impact.

Strategy #	FY23 Annual Objectives	Objective Metrics	Annual Initiatives
1	Improve employee engagement in opportunity areas	<ul style="list-style-type: none"> Percentage of new employees onboarding bootcamp program developed per the project plan Percentage of leaders who have completed LDP training Percentage of employees who have implemented at least 1 Kaizen Teian with measurable improvement 	<ul style="list-style-type: none"> Implement a formalized director employee communication/ engagement plan Develop a new employee Lottery management system onboarding program (Bootcamp) Develop and implement a new leader development program (Breakthrough Project)
1	Improve Lottery/ Vendor Relationships	<ul style="list-style-type: none"> Percentage of 2026 Request for Proposal (RFP) action items completed on time per the project plan Percentage of vendor key performance indicators (KPI's) trending in the green Number of vendor incidents reports submitted 	<ul style="list-style-type: none"> Plan and execute the 2026 Lottery contracts RFP project Integrated project management task tracker for vendors Work with vendors to identify mutually agreed upon metrics for vendor to present at monthly business review Conduct process problem solving with appropriate vendor partners
2	Improve retailer experience (Frictionless retailer experience)	<ul style="list-style-type: none"> Number of failed vending machine burster events Average number of days between retailer call and fix for issues/problems called into the Scientific Games Retailer Hotline Number of Route Sales Specialist (RSS) service calls placed to Scientific Games hotline Percentage of retailers that activate new games within 5 days of launch 	<ul style="list-style-type: none"> Work with Scientific Games task force to reduce failed vending machine burster errors Problem solve with Scientific Games to reduce Route Service Specialist (RSS) high volume service calls Conduct an in-depth retailer satisfaction survey to understand and solve priority Retailer pain points
2	Expand retailer network	<ul style="list-style-type: none"> Number of EX vending machines deployed per month Net number of lottery retailers 	<ul style="list-style-type: none"> Develop and deploy vending machine distribution. Expand presentations to corporate accounts not currently selling lottery products. Update new retailer welcome kits and material
3	Strengthen and retain player base	<ul style="list-style-type: none"> Percent of completed Keno implementation per project plan Sales of Keno Sales of Quick Draw Percentage of active players in Player's Club 	<ul style="list-style-type: none"> Implement Final Phase of Keno in FY23 Lead efforts with Multi State Lotteries to introduce new product expansion Expansion of digital platform with new product development Voice of the Player research conducted prior to game development
4	Increase Lottery Impact in the State of Arizona	<ul style="list-style-type: none"> Total dollars transferred to all Lottery Beneficiaries Percent of Lottery sales compared to Projected FYTD 	<ul style="list-style-type: none"> Leading efforts with Multi State Lotteries to introduce new product expansion Expansion of digital platform with new product development