

**STATE OF NEW HAMPSHIRE
LOTTERY COMMISSION**

**Addendum
iLottery Vendor
NHLC Responses to Proposer Inquiries**

September 23, 2022

Section of RFI	Question	NHLC's Answer
Section 6 – SCHEDULE, Page 9	So that respondents can prepare detailed and informative RFI responses that support the NHLC with the objectives of the RFI, we respectfully ask for a 2 week extension to the submission deadline	An extension is granted. See schedule below.
Section 1 – OVERVIEW, Page 3 and Section 5 – RFI RFI VENDOR QUESTIONS, 5.15, Page 7	<p>The RFI states “The material provided as the result of this RFI will not constitute any type of bidding process by the Lottery but may be used for informational purposes only in the development of a Competitive Bid, which may or may not be conducted in the future. No contract will be awarded from this RFI.” Later in the RFI it is noted “As the lottery readies to prepare an RFP...”</p> <p>Is NHLC able to confirm if an RFP will be issued and if yes, is NHLC able to share an approximate date by when you want to issue any RFP(s)?</p>	The expectation is that an RFP will be released shortly after the vendor presentations for the RFI.
Section 3 – BACKGROUND, e-Instant GAME PORTFOLIO, Page 4	Please can the NHLC confirm if there are any legislative, or policy limitations or restrictions regarding e-Instant game types?	The Lottery cannot issue a KENO style e-Instant game type at this time. NH also has a maximum ticket cost of \$30.
Section 6 – SCHEDULE, Page 9	We would like to propose that in support of RFI responses the NHLC allow all respondents who submit a materially developed and compliant response the opportunity to present	RFI vendor presentations are tentatively scheduled for the week of November 7-10, depending on the number of presentations, some may also be the week of November 14. The number of responses received will determine the ability for the Lottery to support opportunities to present.

<p>Section 3 Background “Initiatives”, Page 5</p>	<p>Section 3 states that "<i>The NHLC’s goal is to offer all retail draw games through iLottery on a single draw to Auto-Renewal option, excluding Keno.</i>" Would the Lottery please confirm our understanding that Keno is currently excluded from the list of available games on the iLottery channel; however, the Lottery is open to the possibility of adding Keno to the digital library in the future?</p>	<p>KENO is currently excluded from the list of available games on iLottery, due to it only being legal for sale in municipalities that have voted to approve it, 91 in total. Due to geolocation issues with that, KENO is not permitted through the iLottery platform.</p> <p>The Lottery reserves the right to offer KENO on iLottery in the future.</p>
<p>Section 6 Process “Schedule”, Page 9</p>	<p>To allow Vendors to provide the most thorough and comprehensive responses, would the Lottery be willing to consider extending the deadline for submission by one week, i.e., from September 29, 2022, to October 6, 2022?</p> <p>Also, due to the unavailability of resources during the World Lottery Summit occurring from October 16 - 20, 2022, would the Lottery be willing to consider extending the date of Vendor Presentations from October 25, 2022, to November 2, 2022?</p>	<p>An extension is granted. See schedule below.</p>
<p>Section 6 Process “Submission Format and Presentation”, Page 9</p>	<p>Would the Lottery please specify the maximum file size that can be received by the email address provided in the RFI for response submission?</p> <p>Also, if the file size limit is greater than the Vendor’s file size limit to send email, would the Lottery be willing to allow a Vendor to split the response into multiple files/emails if needed, provided they are clearly marked as such?</p> <p>And finally, if splitting the response into multiple files is not allowed, would the Lottery be willing to provide an upload link to enable the Vendor to submit its response in a single file?</p>	<p>The total email message size allowed is 25MB.</p> <p>If the response is larger than 25MB, please use the following process to identify the response in each email Subject Line: [RFI RESPONSE] [VENDOR] - [Part 1 of X, 2 of X, 3 of X]. Please use the same format for file identification.</p>

<p>Section 6 Process "Submission Format and Presentation", Page 9</p>	<p>Section 6 states that <i>"Selected Vendors may be offered an opportunity to present their capabilities and technology virtually."</i></p> <p>In contrast, it also states that <i>"Vendors selected to present will be given the opportunity to share their vision, capabilities and technology in person and discuss the opportunity with Lottery staff."</i></p> <p>Would the Lottery please clarify if the presentations will be conducted virtually, in-person, or if it is up to the Vendor to decide the format?</p>	<p>To ensure fairness to each participating vendor, the RFI will provide the same timeframe and same format to all participants.</p> <p>The NHLC provides each vendor invited to present, with the choice to present in-person or virtually. No vendor will receive preferential treatment for either presentation method.</p>
<p>Per 6. Process, Submission Format and Presentation</p>	<p>Would the Lottery please supply proponents with an agenda or outline to define what will be required for the presentation?</p>	<p>At the end of this document is updated information on the presentation and timing.</p> <p>Please refer to this agenda as the timing of the presentation has changed and outlined below.</p>
<p>Regarding 5.7. Service Level Agreements (SLA) (page 7)</p>	<p>Will the Lottery please clarify its understanding of "independent moderation" in the context of assessing and contesting liquidated damages?</p>	<p>The Lottery is looking to understand other methods of applying LDs, associated with actual harm, and mediated on a regular cadence. This is not encompassing of consequential damages or service level agreements, but of items that are difficult to quantify the value of the damage suffered. Please provide your thoughts on this topic including relevant experience.</p>
<p>Section 5.11, Staffing, Customer Service and Support, Page 8</p>	<p>In Section 5.11, the NHLC requests insights on staff augmentations for an iLottery program. Please provide information in regard to the staff that is currently in place, either full-time or part time, dedicated to the Lottery's iLottery program?</p>	<p>Currently, no Lottery staff member spends 100% of their time on iLottery. Many positions spend between 5%-75% of their time on iLottery. All NHLC staff that work on iLottery also support the traditional retail side of the business as well.</p> <p>We are seeking vendor recommendations on vendor staffing roles to support Lottery goals including, full-time, part-time, on-site and remote roles.</p>
<p>General Question</p>	<p>Is the NHLC open to multiple first and third-party game content providers? Is there a requirement to go out to RFP for new eInstant content or is there a possibility of the iLottery system provider bringing possible game provider partners forward for review?</p>	<p>Yes, the NHLC is open to multiple game providers. See the questions the NHLC posed regarding games and game providers.</p> <p>All options are open for discussion at this time. We are seeking your input within the RFI process.</p>

		Please provide your recommendations including pros and cons on such options.
General Question	Does the NHLC anticipate any changes to sports betting regulations that could bring the iLottery platform and sports platform into one app, or create a deeper integration between the two through something like a loyalty program?	Not at this time.
General Question	What program enhancements are most important to the NHLC at this time, as the Lottery seeks to grow on the successes it has experienced thus far?	At this time, we are seeking your input within the RFI. Please provide what you believe can help the Lottery grow and prosper.
General Question	How much growth within the iLottery program is expected over the next three years?	You are welcome to share growth rates achieved with other customers. And from the growth NHLC has achieved year over year, what would you expect the growth to be? Below are targets and actuals for NHLC for FY19 (Sept.-June)-FY22.
General Question	Could you please confirm that participation in the process is open to all?	Yes, participation is open to all vendors who are able fulfill the needs described by the Lottery.
General Question	We would like to know (if possible) how you envision the procurement process moving forward after the RFI i.e. when do you plan to release an RFP? And will you limit the invitees to the RFP to those who responded to the RFI?	The expectation is that an RFP will be released shortly after the vendor presentations for the RFI. The RFP participants will not be limited to those that respond to the RFI. However, the answers to the RFI questions may help influence the RFP requirements.

NHLC Annual iLottery Targets and Actuals

	FTD Target	FTD Actual	Deposits Target	Deposits Actual	NGR Target	NGR Actual
FY19	14,757	23,303	\$ 4,743,775	\$ 7,979,469	\$ 3,332,054	\$ 5,602,894
FY20	19,364	14,338	\$ 14,262,472	\$ 18,029,484	\$ 9,914,340	\$ 12,549,257
FY21	15,318	29,655	\$ 28,392,858	\$ 40,107,802	\$ 19,874,999	\$ 28,052,419
FY22	19,200	16,440	\$ 57,142,857	\$ 54,992,206	\$ 40,000,000	\$ 36,564,738

Amendment: UPDATED SCHEDULE

Task	Date
RFI Due to Lottery by 4 PM ET	October 13, 2022
Vendor Presentations	November 7-11, 2022, and possibly the following week

Amendment: SUBMISSION FORMAT AND PRESENTATION

Presentation time has expanded to allow interested vendors a full day of presentation and dialogue with New Hampshire Lottery staff. The proposed agenda is as follows:

Topic	Schedule	Summary
<p>Introductions, Roles and Vendor Overview</p> <ul style="list-style-type: none"> • Company history and experience (10 min) • Company offering – products, solutions (20 minutes) 	30 min.	
<p>iLottery Gaming System Technology Overview</p> <ul style="list-style-type: none"> • Describe Process and Integration experience, capabilities and approach to onboarding third-party suppliers content suppliers. Is the process the same each time? • Discuss experience with integration to player application. Define integration process. • Discuss suggested ways to reward players with points for iLottery play within the app/rewards program. • Discuss ability to integrate with our traditional system for wagers, player reporting and prize payment. Have you done this? Do you recommend or not recommend we do this, and why. • Provide overview of system platform and discuss any innovative technical platform features. • Discuss server locations for customer wallet, bet server and content. • Provide an overview of software development lifecycle, roadmap delivery approach, feature releases. • Discuss the segregation of development and production systems. • Provide an overview of QA, UAT and implementation. • Share lessons learned in live data migration, single sign on solutions, version control, iLottery testing and release cycles. • Describe your deployment solutions – infrastructure, data centers, configuration, approach to cloud. 	45 min.	

<ul style="list-style-type: none"> • What are your ICS recommendations and best practices, for draw and e-Instant games. 		
<p>Operations and Reporting</p> <ul style="list-style-type: none"> • What are your base contract recommendations for on-site, remote, dedicated vs. shared vendor staffing resources and what configurations have been successful in other jurisdictions. • Describe prize payment options and security. Describe what is manual vs automated for payment of prizes and withdrawal. • Please provide overview and location of Gaming System Operations Including, control room, tech operations, and player support teams. • Describe Data and Reporting including, standard reporting available, timing and frequency of reports, as well as business intelligence and analytics tools. 	15 min.	
<p>Player Portal & Support</p> <ul style="list-style-type: none"> • Are there any jurisdictions where the website serves as the game portal? • Do you integrate into any lottery’s website for AI assisted customer support? • Please describe player portal and portal security including how incidents are prevented, logged and monitored, how development and production sites are secured. • Player user-interface, including the technology that supports it, your philosophy on UX, player security and ADA features. • Discuss Player Support Center Capabilities and how vendor will provide player support offerings from sign up to withdrawals, including phone, e-mail, and live chat 24/7, 365 days per year. – Tech support from a vendor perspective? 	30 min.	2 hours
<p>Break</p>	15 min.	2 hours 15 min.
<p>Game Design and Support Overview of Game Studio & number and type of games available</p> <ul style="list-style-type: none"> • List current integrations to 3rd party game vendors. • Discuss time to market for new and 3rd party games. • What game UX improvements have you learned over the last two years? • Provide examples of game innovation and top performance. 	30 min.	

<ul style="list-style-type: none"> • Discuss ideas for game portfolio management to keep our iLottery growing and exciting. What cadence of game launch is ideal to balance growth and over saturation? • Please demonstrate the features of three recent most successful games. • How do you obtain intelligence to continue to improve games? Is this included in the contract? 		
<p>Discuss Marketing platforms and capabilities</p> <ul style="list-style-type: none"> • Please describe your customer acquisition, retention and engagement strategy and experience. How do you utilize data within your marketing programs? Describe your system’s capabilities to support marketing, bonusing and player experience. • In which jurisdictions do you provide retention support? And acquisition support? • Describe the welcome journey for new registrations and new depositors. – How do you guide new registrations to make their first deposit. • email, SMS, push, player journey and Business intelligence solutions. – What do you use to move the players through the funnel? • Discuss information regarding what type of digital advertising/marketing offerings would be provided by the vendor. – What do you offer? • Please provide two success stories in moving players through the funnel. • What percentage do you recommend for bonus budget as a percentage of deposits? Is there a different strategy you would recommend? • Omni-channel and Retail affiliate and partnership program recommendations. What type of programs do you offer? • What other retail programs do you offer? • Do you conduct research to improve marketing of games, player experience, sign up more players, etc.? • What techniques are in use to allow you to gain knowledge of the players? • What level of research and development should be required in the base contract? 	45 min.	
<p>Solution Demo/Player Journey</p> <ul style="list-style-type: none"> • Please provide a demo of your solution – web and mobile 	30 min.	

<ul style="list-style-type: none"> • Describe Primary Flows for: registration, deposit, eInstant wager, DBG purchase, player account, responsible gaming, cashout request, and processing a claim. • Given KYC requires a Social Security Number is there a more graceful way you recommend obtaining it, to not scare players off? • Are there any additional flows, or features unique to your platform (i.e. bonus capabilities, funding or withdrawal methods)? • Are we able to edit system messages to incorporate our tone, voice, and corporate identity? Are we able to provide a more personable message? 		
<p>Security and Compliance</p> <ul style="list-style-type: none"> • Provide an overview of end to end fraud and risk management and geofencing/geolocation services and options, Know Your Customer capabilities, anti-money laundering policies, security and data controls for back-end system access and player data protection. • List typical SLAs. • Let's discuss potential processes for assessing and contesting Liquidated Damages. 	15 min.	2 hours
<p>Break</p>	30 min.	4 hours
<p>Prize Payment</p> <ul style="list-style-type: none"> • Describe prize payment options available. • Discussion of iLottery payment solutions including credit and debit cards, ACH, E wallet, online payment mechanisms such as PayPal, and retail based online game cards. • What is your process and schedule to review the payments ecosystem for iLottery, claim center and retail to save on rates/fees and align with changing consumer expectations. • Do you offer secure, simplified & swift player payment? What is the typical payment/withdrawal timeline after a player has completed their claim? 	15 min.	
<p>Responsible Gaming</p> <ul style="list-style-type: none"> • Discussion of how iLottery solution encourages responsible gambling behavior on the part of end users and describe processes that include mechanisms to identify and appropriately manage compulsive gambling activity when appropriate. • What new tools should NHLC consider? 	15 min.	

<ul style="list-style-type: none"> Do you recommend the contract require an annual donation to local problem gambling organizations? 		
<p>Implementation</p> <ul style="list-style-type: none"> Please discuss proposed start up and implementation timeframe for an iLottery solution including aforementioned details and any other suggestions the vendor would propose. 	30 min.	
<p>Value Pricing</p> <ul style="list-style-type: none"> How do you recommend we pay for games? For example, pay outright a one time cost, a percentage of NGR, GGR, or otherwise. What do you do in other jurisdictions? Describe your costs for development. Is there a base set of hours defined within the contract? Do these hours roll over if not all are used? What would be a level of suggested hours per year? – Please discuss development hours and how to handle hours over this amount. Do you use a content aggregator to offer third party games? What does your base contract look like? What is included? What are the additional options – Specified & Invited, that NHLC should consider and that other jurisdictions utilize? Is there normally a cost to onboarding 3rd party game providers if they are already integrated with you? What are the best practices you have seen regarding payment and integration for 3rd party games, especially those with a licensed property? What benchmarks do you think are worthy of a vendor bonus? What are your thoughts on linking costs/fees to the CPI? 	15 min.	1 hours 15 min.
Open Discussion and Q&A	30 min.	5. hours 45 min.