

RFP – LC000054 – Online Play System, Player Loyalty Program & Related Services (Q & A)

- 1. Section 2 Lottery Background, 2.2 General Information, 2.2.6 Current Lottery Business** – In this section, the RFP states that as of June 3, 2018 the Lottery’s Players Club had a membership of more than 992,815. However, in **A.2.7 Lucke-Rewards Loyalty Program**, the RFP states that the Players Club membership is over 845,715 as of June 3, 2018. Would the Lottery please confirm the membership total of its Players Club? **As of June 3, 2018, there were 992,815 total registrations, but 845,715 confirmed members. Users must confirm their account through email prior to being able to sign in and participate.**
- 2. Section 4 Responding Contractor Corporate Information, 4.2 Responding Contractor Certification Requirements** – If the prime contractor is bidding with sub-contractors, are the sub-contractors required to be certified according to the stated certifications? **Section 4.2 applies to the Responding Contractor Certification Requirements as a Primary Contractor. However, certain requirements apply to any subcontractors that will be handling Online Play services (i.e., QA, INFOSEC). The Lottery expects the Responding Contractor, as the Primary Contractor, to ensure that any of its subcontractors meet and execute according to the standards and requirements of the particular certification in which they hold.**
- 2. Section 5 Pricing, 5.2 Price Proposal Requirements, 5.2.2 Base Price** – Can NCEL clarify that both Price Proposals are to be included together in the Price Proposal Volume described in **1.12 Responsive Proposal Submission Criteria**? **Yes**
- 3. Section 5 Pricing, 5.3 Pricing of Options, 5.3.1 Specified Options, Game Development Services** – Does “fixed pricing related to the development of new game content” refer to fixed rates or a fixed price per game? **Fixed price per game.**
- 5. Section 5 Pricing, 5.3 Pricing of Options, 5.3.1 Specified Options, Third-Party Game Procurement & Digital Marketing Systems** – These requirements refer to “third-party game expenses” and “third-party costs”, can the Lottery confirm that this includes costs for Responding Contractors to integrate the games and systems? **For Third-Party Game Procurement, the integration costs are not included. The Successful Contractor will be expected to cover integration costs as they will be compensated via sales. For Digital Marketing Systems, the integration costs will need to be estimated and agreed to by the Lottery on a project-by-project basis.**

6. **Section 5 Pricing, 5.3 Pricing of Options, 5.3.1 Specified Options, Play-at-the-Pump Integration** – Can the Lottery clarify the meaning of “lottery cards that can be purchased at in-store check-out lanes”? Are these cards for pre-paid online play (i.e. gift cards), as described in **A.2.3 Payment Acceptance, Prepaid Acceptance**? **Yes, these are pre-paid cards for Online Play.**
7. **Section 5 Pricing, 5.3 Pricing of Options, 5.3.1 Specified Options, Digital Marketing Systems** – Can the Lottery clarify what it means by “Digital Marketing System”? Does the Lottery currently have a system in place, if so can the Lottery describe the system? **The Lottery currently uses Salesforce Marketing Cloud and is exploring additional CRM tools from Salesforce and other digital marketing/automation companies (Marketo, Hubspot, etc.). The Successful Contractor will be expected to integrate with such digital services and tools at the Lottery’s request.**
8. **Appendix A Technical Specifications** – Some of the subsections are listed as mandatory; however, this section is not included in **Appendix F RFP Compliance Table**. Can the Lottery confirm that **Appendix A** is a mandatory part of the evaluation? **Appendix A has its own compliance table.**
9. **Appendix A Technical Specifications, A.2 Detailed Technical Responses** – Can the Lottery clarify what areas are included in the mandatory pricing and what areas can be offered as options? **All requirements under A.2, except A.2.10 (highlighted in blue), must be included in the base price (as applicable to pricing with and without digital instant games). A.2.10 requires the Responding Contractor to provide information and pricing under separately sealed cost proposal from the base price proposals. Please also note RFP Subsection 1.20.1, which states: “The Responding Contractor may propose additional services, products, product components, or features not required in Appendix A (Technical Specifications); i.e., Offered Options, and clearly marked as such in the Cost Proposal. Unless requested by the Lottery for the Responding Contractor to include options in a secondary cost proposal for evaluation purposes, any “options” included in the Technical Proposal shall automatically be deemed part of the base price and shall not be marked as “option” and/or “no charge” (or any similar reference). If an additional service, product, product component, or feature is proposed, it should be clearly marked as an OFFERED OPTION.” Please also refer to RFP Section 5.3 for clarifications on Specified, Invited and Offered Options.**
10. **Appendix A Technical Specifications, A.2 Detailed Technical Responses, A.2.1 Player Account Management System** – In order to determine accurate prices for these services, can NCEL provide historical transaction information regarding wallet transactions (i.e., funding, deposits, withdrawals, etc.), as well as the number of calls for geolocation and ID verification? **For Online Play and funding data, refer to Tables 2.2.8 and A.2.2 (provided with Q&A 2). Calls for geolocation and ID verification are not available to be provided. Geolocation is required with every purchase attempt. Currently, each Online Play user is ID verified once upon upgrading their account, but the Lottery may consider an annual check with the new system.**
11. **Appendix A Technical Specifications, A.2 Detailed Technical Responses, A.2.1 Player Account**

Management System, Player Geolocation – What is meant by “land-based” geolocation? Is it the Lottery’s intention to use geofencing to restrict play within defined geographic areas? Presumably, computers hardwired to connect to the Internet and wireless connections via Wi-Fi and Cellular. The Lottery requires that geolocation works to correctly identify VPNs, proxy servers, etc. that might be used to attempt wagers outside NC State lines. Geo-fencing would be utilized to prevent wagering within certain distance parameters within the State lines to ensure compliance (i.e., 2 miles within NC borders).

12. **Appendix A Technical Specifications, A.2 Detailed Technical Responses, A.2.1 Player Account Management System, Player Geolocation** – Can the Lottery clarify whether the designated exclusion zones listed in this section include tribal casino jurisdictions? Geofencing is only limited to boundaries within the State of North Carolina.
13. **Appendix A Technical Specifications, A.2 Detailed Technical Responses, A.2.4 Payment Issuance, AML Compliance** – Would the Lottery please define what regulatory validations are required? Regulatory compliance is required on Federal and state tax reporting and applicable withholding and state debt set off on all prizes \$600 and above.
14. **Appendix A Technical Specifications, A.2 Detailed Technical Responses, A.2.5 Virtual Prize Claim Center, Claim Center Back Office** – Is it the Lottery’s intention to act as the Claim Center and perform the necessary Compliance functions? Typically, Compliance is provided by the Vendor. Can this be an Offered Option? The Lottery intends to act as the claim center requiring full oversight of the virtual prize claim center. This is to insure compliance with all federal and state regulations regarding payment of lottery prizes. This is a mandatory requirement and cannot be an offered option.
15. **Appendix A Technical Specifications, A.2 Detailed Technical Responses, A.2.6 Promotions Capabilities, Free Games** – Can the Lottery clarify whether a “qualifying purchase” refers to an online game, a print game, or both? Both.
16. **Appendix A Technical Specifications, A.2 Detailed Technical Responses, A.2.6 Promotions Capabilities, Bonus Payout Events** – This requirement gives the example of awarding a player a bonus based on a win amount, which is uncommon. Can the Lottery please clarify whether the intention is to award prizes for a Win amount? Yes. This is referring to a typical prize markup promotion where the prize payout amount can be increased by a percentage or dollar amount for a certain period of time, all configurable for the promotion.
17. **Appendix A Technical Specifications, A.2 Detailed Technical Responses, A.2.7 Lucke-Rewards Loyalty Program** – The RFP states that the average monthly growth of its Lucke-Rewards Loyalty Program is 17,391 users, what is the total duration over which the average has been 17,391 users? Can the Lottery also provide the historical monthly growth rate per over the past year? The average monthly growth of 17,391 is based on the 8 months since the launch of our new website (November 6, 2017) during which time the Club has seen

exponential growth from the period prior to launch. For more historical data on the Player's Club refer to Table A.2.1 (provided with Q&A 2).

18. **Appendix A Technical Specifications, A.2 Detailed Technical Responses, A.2.8 User Interface Components and Integration Services** – Can the Lottery clarify who will be responsible for integrating iLottery and Loyalty capabilities within the Lottery website? **The Successful Contractor in coordination with the lottery.**

19. **Appendix A Technical Specifications, A.2 Detailed Technical Responses, A.2.8 User Interface Components and Integration Services, UI Components** – The Lottery has requested UI components for integration into their sites, the underlying APIs that could be used to build customized UI components, and a Content Management System (CMS). In addition, it appears that the Lottery's website has been recently re-developed. The Lottery has not asked for services to add the new gaming and loyalty features to its website, nor integrate the requested CMS. Can the Lottery please clarify the scope of what the CMS will be used for, so that an appropriate solution can be recommended. **Same as above. The Successful Contractor will be expected to fully integrate, in coordination with the Lottery, all the components they develop into the current Lottery website. See below for further clarification on CMS systems.**

20. **Appendix A Technical Specifications, A.2 Detailed Technical Responses, A.2.8 Content Management System** – What CMS is the lottery using for its current website? Does the lottery intend to continue to use this CMS for the implementation of their Online Play System and Player Loyalty Program? **The current Lottery website and CMS is custom built in-house. The CMS used to manage the Lottery-hosted pages of the website will remain the same. The expectation is that the Successful Contractor will have a separate CMS to manage the Successful Contractor-hosted pages. The Lottery expects to have some level of access to the Successful Contractor's CMS system in order to manage select content on the Successful Contractor's pages (like promotional banners and static copy for example).**

21. **Appendix A Technical Specifications, A.2. Detailed Technical Responses, A.2.11 Software Development Model, Lottery Testing Devices** – Can the Lottery elaborate on what this requirement entails? Are these classes of devices (i.e., Android, iOS, etc.), are they variations of OS's (i.e., iOS 10, iOS 11, iOS 12, Android 7, Android 8, Android 9, etc.), or physical devices (Apple iPhone 6, iPhone 7, iPad 6G, Samsung Galaxy 8 Edge, Samsung Galaxy 9, Samsung Galaxy Tab S2, etc.)? **The expectation would be a combination of the most popular physical devices (iOS and Android) with the most recent and applicable OS versions for each.**

22. **Section 1.5 – Schedule** - The NCEL has identified September 4 – 14, 2018 as the timeframe for demonstrations / site visits. Would the NCEL kindly consider the demonstrations to be presented during NASPL, September 25 – 28, 2018 or the following week on October 2 – 5, 2018? **No.**

23. **Revised Procurement Schedule page 5** - It is our understanding that based on the revised procurement schedule issued on June 29, 2018, that the NCEL will notify Responding Contractors of site visits on August 30 – August 31, 2018. Based on the revised procurement schedule, the site visits will now be anytime between September 10 – September 21, 2018. Would the Lottery kindly advise if Responding Contractors are allowed to recommend a preferred date for their site visit that falls between the dates of September 10 – September 21 or if we are allowed to negotiate the date given to us on August 30 – 31? **Yes, the Lottery will contact all qualified Responding Contractors and will request some dates and times available so that we can schedule all the site visits within such timeframe.**