

Increased efficiency and revenue through digital identity validation

The State Lottery Commission was established in response to the need for revenues for the cities and towns of this commonwealth. Since selling its first lottery ticket in 1972, the state lottery has generated over \$131 billion in revenues, awarded over \$92 billion in prizes, returned over \$28 billion in net profit to the commonwealth for unrestricted local aid, and paid over \$7.5 billion in commissions and bonuses to its statewide network of retailers.

Overview

Historically, winning lottery tickets were cashed at state lottery locations across the state; however, with only a few locations scattered across the state, it became a challenge for many individuals to drive to a location. This meant that winning tickets often sat uncashed for longer than they should.

The impact was felt more during the pandemic when these lottery locations were temporarily closed and many consumers were not comfortable cashing tickets in person even when they were open. Getting these tickets cashed became a priority for the client in order to funnel money back into the economy.

In order to increase efficiency and profitability of their statewide lottery program, the client partnered with Experian® to determine how they could make online lottery ticket cashing a possibility for the first time in their state's history.

They had already considered implementing an online ticket-cashing application before the pandemic started. Expenses associated with their current ticket-cashing process were high, and they needed a way to reduce the cost of in-person exchanges for winning tickets ranging between \$600 to \$5,000 dollars.

Additionally, there were many benefits to be gained for both the client and the lottery players. For winners, it meant faster, easier access to their winnings. For the State Lottery Commission, benefits included reduced operational costs, reduced environmental impact from consumers driving to locations and the impact of returning money into the economy faster. However, moving this process online presented the risk of fraudulent activity and the potential for underage individuals to cash tickets.

Our approach

The client trusted that Experian could help them determine the best digital identity validation solution for their new remote ticket-cashing application. Our team recommended a comprehensive solution that included our powerful data combined with CrossCore®.

CrossCore is an integrated, digital identity and fraud platform that enables clients to connect, access and orchestrate decisions that leverage multiple data sources and services. CrossCore combines risk-based authentication, identity proofing and fraud detection into a single, state-of-the-art cloud platform. It engages flexible decisioning workflows and advanced analytics to make real-time risk decisions throughout the customer life cycle. It also offers the flexibility to modify strategies in real time, enabling businesses to stay ahead of fraudsters while enhancing the customer experience.

Implementing CrossCore provided the client with the confidence that individuals cashing a ticket are who they say they are when registering their app account. State lotteries are also responsible for identifying winning individuals who may owe taxes or child support, so it was important for them to properly identify individuals and flag intentionally misleading or mismatched information. This enabled them to further investigate accounts in question.

Results

Shortly after integrating CrossCore's digital identity validation capabilities, the client launched their innovative ticket-cashing app with a scanning feature that enables customers to scan their tickets and find out if they've won. Customers who register for this feature also have access to the mobile ticket-cashing feature.

Mobile ticket cashing gives customers the ability to claim prizes of \$600 to \$5,000 securely through the state lottery app and receive their winnings electronically to their bank account. Over 67,000 consumers have signed up for mobile ticket cashing, and 8,000 prize claims have been fulfilled through the app.

To date, state lottery players have claimed over \$10 million in prizes through the mobile cashing feature. Additionally, they have saved over \$55,000 in gasoline costs through the elimination of vehicle trips to lottery claim centers while also promoting sustainability and public health.

Innovative fraud tools to help you stay ahead

Let us help you increase profitability and efficiency with our digital identity validation capabilities and fraud solutions. Contact your local Experian representative or call 1 888 727 8330.

