



**TEXAS LOTTERY COMMISSION**

**REQUEST FOR PROPOSAL FOR**  
**ADVERTISING MEDIA SERVICES**

**#362-2023-0002**

**RESPONSES TO PROPOSERS'**  
**QUESTIONS**

**AND**

**AMENDMENTS TO THE RFP**

**October 12, 2022**

**REQUEST FOR PROPOSALS  
FOR  
ADVERTISING MEDIA SERVICES  
RESPONSES TO PROPOSERS'  
QUESTIONS**

**Note to All Prospective Proposers:**

The following responses include questions raised and answers provided during the pre-proposal conference held on September 27, 2022, and questions submitted in writing by the RFP deadline.

In its answers to the following questions, the Texas Lottery Commission (Texas Lottery or TLC) has attempted to provide both accurate and thorough responses. Some answers may clarify or modify the RFP, and every Prospective Proposer is on notice of each answer's content. Answers that modify the RFP are so noted. Answers apply only to the facts as presented in each specific question.

Proposers shall review all sections of the RFP along with this document to ensure a complete understanding of the requirements. Any exceptions to the RFP shall be noted in the proposal, as required under Section 2.7 of the RFP.

It is recommended that Proposers review the pre-Proposal conference video located on the Texas Lottery's website at:

[https://www.texaslottery.com/export/sites/lottery/About\\_Us/Doing\\_Business\\_with\\_TLC/Procurement/](https://www.texaslottery.com/export/sites/lottery/About_Us/Doing_Business_with_TLC/Procurement/)

Please note: Any questions regarding the HUB Subcontracting Plan (HSP) are in a separate document that will be updated throughout the procurement process.

**PRE-PROPOSAL CONFERENCE QUESTIONS AND RESPONSES –  
September 27, 2022.**

1. When you say "original" does that mean we need to manually sign?

**RESPONSE:** The original Proposal should either be signed in ink or should be an original signature in electronic format.

2. For parts 1, 2 & 3 - do we have to include all copy/contents from the RFP in our blanket acceptance? Or is a single page for each part with our blanket acceptance okay?

**RESPONSE:** In the Letter of Transmittal, you can provide a statement that says, "we blanket accept parts one, two, and three." Otherwise, you can provide a tab or page for each Part (1, 2 and 3) and provide the same statement.

3. Will the selected vendor be responsible for executing the 2023 media plan that is included?

RESPONSE: No, the Successful Proposer will be responsible for executing the FY24 media plan, which begins September 1, 2023.

4. Can you explain why the scoring matrix has changed (pretty significantly)?

RESPONSE: The scoring matrix is set by the evaluation committee for each RFP. The evaluation committee will change from RFP to RFP, typically. This RFP has a new and different evaluation committee; and this is not the same RFP we released before. It is similar, but there are updates to it. The new evaluation committee examined the RFP, including the scoring matrix, and updated it to reflect the committee's thoughts on how these services should be evaluated.

**PRE-PROPOSAL CONFERENCE QUESTIONS AND RESPONSES – September 27, 2022. THE FOLLOWING QUESTION WAS SUBMITTED AT THE END OF THE PRE-PROPOSAL CONFERENCE DURING THE TEAMS MEETING BUT WAS NOT ADDRESSED IN THE VIDEO.**

5. What do you consider to be the biggest updates made to this RFP versus the one earlier in the year?

RESPONSE: The Texas Lottery declines to respond.

**WRITTEN QUESTIONS RECEIVED BY October 4, 2022, @ 4 P.M.**

6. Section 8.1.4(c): By “The budget shall not exceed \$10 million and should only include all media costs.” in Section 8.1.4(c) please confirm that:
- a. Media Budget for Plan in Proposer’s Response should be the full \$10 million
  - b. Agency Fees will be covered under a separate Budget not explicitly called out in this RFP (i.e. “Agency fees shall not be included in this assignment.”
  - c. Any other necessary non-working costs (i.e. Jackpot vinyl replacement or campaign vinyl Production costs) will also be covered under a separate Budget not explicitly called out in this RFP
  - d. Would any experiential contract payments be covered under a separate PO budget? Without knowing what opportunities would or would not be considered by the Texas Lottery in 2023, how would a proposer know how to estimate for those costs to be managed?

RESPONSE:

- a. Yes.
- b. RFP Section 8.1.4 is an assignment, not the actual FY24 media plan.
- c. Refer to response for Question No. 6.b and Amendment No. 4.
- d. Please refer to Attachment H, Cost Proposal. See also the response to Question No. 12.

7. Does Urban One, Inc. need to do any registrations specific to this RFP?

RESPONSE: There is no registration process for participating in the RFP.

8. Is the link for the prebid conference going to appear prominently on the pages that are referenced in the RFP so it is not easy to miss?

RESPONSE: Please refer to the RFP Section 2.3 regarding the Pre-Proposal Conference information and Section 1.4 Schedule of Events. There will be a link prior to the Pre-Proposal Conference. After the conference, the link to the video will be posted.

9. Can you confirm that our previous RFP response and oral presentation effort for RFP 362-2022-0003 has not be made public, and any review or scoring of those materials by TLC will be completely disregarded?

RESPONSE: The Texas Lottery Commission is claiming an exception under the Texas Public Information Act, Texas Government Code §552.104 (EXCEPTION: INFORMATION RELATED TO COMPETITION OR BIDDING) for the information provided in response to RFP 362-2022-0003 as confidential and not subject to disclosure. Previously submitted Proposals will not be reviewed or considered under this new RFP No. 362-2023-0002 as the prior 2022 RFP has been closed.

10. With the clarification that agency fees should NOT be included in the \$10M budgeted media planning effort for purposes of the RFP, can you please confirm that the following fees ARE included and need to be shown within the \$10M media plan:

1. Paid Media
2. Previously Committed Paid Media
3. Billboard Production Projected Costs
4. Activations (including Production and Staffing)

RESPONSE:

1. Media is required for the media plan assignment. Please refer to RFP Section 8.1.4.

2. Media commitments are required for the media plan assignment. Please refer to RFP Section 8.1.4a.
3. Please refer to Amendment No. 4.
4. Activations are not required.

11. Can you please share your past billboard production costs for FY23?

RESPONSE: For FY22 the billboard production costs were \$73,290.74, and the estimated FY23 billboard production costs are \$132,300.

12. In the past, how much of your budget has been spent on activations?

RESPONSE: In FY22, TLC spent \$98,000.

13. Can media be invoiced 30 days in advance of the run date? Can the agency fees also be invoiced at this time?

RESPONSE: No. Please refer to RFP Sections 3.8.1 and 7.13.6.

14. Will existing media commitments be stewarded by the winning proposer and subject to media commission?

RESPONSE: The Successful Proposer will provide the stewardship for the pre-existing media commitments and will receive agency fees. Please refer to RFP Section 7.12.2.

15. Please confirm RFP responses are due via printed delivery submission only and there is no electronic submission option.

RESPONSE: In accordance with RFP Section 2.5, the Proposal must be submitted exclusively in printed form.

16. We understand creative is not part of this assignment, however can you help us understand how the creative strategy determined based on the recommended paid media tactics?

RESPONSE: This question is beyond the scope of the RFP and the information requested is not necessary to submit a Proposal.

17. How are you currently measuring success of your paid media outreach?

RESPONSE: The Texas Lottery is looking to Proposers to provide recommended solutions.

18. Should 3rd party production costs be included in Producer's Cost Proposal given that it's very difficult to estimate production costs prior to finalizing production specs? If so, can you provide historical information on prior year production elements, specs and costs?

**RESPONSE:** Yes. Please see response to Question No. 11.

19. The Proposal Evaluation and Contract Award lists a number of team members involved in the selection process but does not specifically identify any personnel involved in Marketing. Will there be any team members with Marketing expertise involved in the evaluation committee?

**RESPONSE:** The Texas Lottery declines to respond.

20. Based on the RFP, it seems as though media planning and buying is the primary emphasis. How much emphasis will be place on marketing strategy and creativity be placed on your evaluation?

**RESPONSE:** The Texas Lottery declines to respond.

21. In reference to Section 4.5, Is the Texas Lottery Commission able to share criteria to determine financial soundness? For instance, is there a percentage threshold that this contract should represent for total agency business?

**RESPONSE:** There are no published criteria for financial status. You need to submit the documentation that is requested in RFP Section 4.5. This information is what the Texas Lottery uses to make a determination of financial soundness.

22. In reference to Section 8.1, Is the plan for media buying to only include billboards and newspapers?

**RESPONSE:** No. Please refer to RFP Section 8.1.4.

23. **Media Related:**

**DEMO:** Primary demo noted as A18-49; digital noted as A18+ only targeting. Please confirm guaranteed delivery demo.

**RESPONSE:** Adults 18-49.

**DELIVERY GUARANTEES:** Deliver on impressions or GRPS? The agency transacts in impressions, can we report back solely as impressions, or does TLC need to see ratings as well?

RESPONSE: Impressions or GRPS will be required depending on the medium. Please refer to Attachment N, Media Buying Guidelines.

**MINORITY:** Are there requirements for inclusion of minority owned media properties? If so, please provide.

RESPONSE: No.

24. **Promotion Related:**

**2nd CHANCE:** How important are 2nd chance promotions/opportunities and how much (if any) priority should they be given with media support?

RESPONSE: The Texas Lottery declines to respond.

Is TLC currently tracking site visits?

RESPONSE: The Texas Lottery declines to respond.

How much priority should be given to driving traffic to the website and any specific web actions?

RESPONSE: The Texas Lottery declines to respond.

**Promotion Calendar** - BUNTIN finds a lot of value in being able to tailor and contextualize campaign media strategies and targeting to the specific content/themes of each game. Are the themes for FY24 already planned (and can they be provided) so we can develop bespoke strategies for each initiative?

RESPONSE: The FY24 product plan is not finalized at this time. Past advertising campaigns have primarily supported two to three (2-3) scratch ticket families, plus a holiday suite of tickets. Please refer to RFP Sections 8.1.3 and 8.1.4 (d).

25. **Miscellaneous:**

**Preferred Vocabulary:** How comfortable is TLC with the use of terms such as “targeting?” Are there any media or other marketing words/terms/phrases BUNTIN should not use in our deck or presentation?

RESPONSE: Please refer to Attachment M, Advertising Sensitivity Guidelines.

Please advise as to preferred term and capitalization for tickets (I.e., Scratch-offs, Scratch-Offs, Tickets, Scratch-off tickets, Scratchers, etc.)

RESPONSE: scratch tickets or scratch ticket game

**26. Audience Specific:**

**SEGMENTS:** Does Texas Lottery utilize any target consumer segments? If so, what are they and what are their attributes? Please share any available details/information.

RESPONSE: The Texas Lottery does have a recent segmentation study and does not have additional research information to provide.

**27. Messaging/Assets:**

**ASSETS:** Can :15 assets (existing or can be created) run as standalones, bookends, or both?

RESPONSE: Yes.

**28. Overarching Brand/Commission**

- Innovation is a core value and theme prevalent throughout documents. What are examples of the most successful ways The Texas Lottery Commission has achieved innovative results for the organization?

RESPONSE: This question is beyond the scope of the RFP and the information requested is not necessary to submit a Proposal.

- As part of media decisions, it is helpful to have insight into the overall brand strategy and positioning used to develop communications.

- Could you please provide any documentation as part of the pitch process as input to media plan development?

RESPONSE: The Texas Lottery declines to respond.

- Also mentioned in documents was discussion around an annual marketing plan by the current communications agency. Could this be provided as input to media plan development?

RESPONSE: Please refer to FY23 Media Flowchart, Attachment J.

- When launching a promotion, are there separate strategies developed for each game, and if so, how does this impact media, i.e., properties used, contextual, etc.?

RESPONSE: Texas Lottery is looking to Proposers to provide recommended solutions.

- In light of much-reduced budgets, how are facets such as Charitable Bingo, Winner Awareness and Beneficiary Awareness being promoted/communicated, if at all?

RESPONSE: This question is beyond the scope of the RFP and the information requested is not necessary to submit a Proposal.

- Goals and objectives are provided in general, i.e., product awareness, interest, and participation as one example.
  - Are there more specific KPIs you are trying to achieve for the next fiscal year, such as “increase lottery participation by xx% from xx%” in light of the maturity of the lottery in TX?

RESPONSE: Please refer to RFP Section 1.1.2, Comprehensive Business Plan.

- When establishing a specific ticket/campaign promotion, are there typically specific KPIs tied to an individual promotion that will need to be achieved by media efforts?

RESPONSE: Texas Lottery is looking to Proposers to provide recommended solutions.

- Can TLC provide any available market research reports/data you have, i.e., brand health trackers, player insights data, game-specific research, etc.

RESPONSE: The Texas Lottery does have a recent segmentation study and does not have additional research information to provide.

29. Does the \$10M media-only budget include the production costs for the billboards?

RESPONSE: Please see Amendment No. 4.

30. Is there a reason that the budget for print Newspaper is lower than it previously was?

RESPONSE: The information requested is not necessary to submit a Proposal.

31. Can you confirm that the media plan should start at fiscal year 24, which starts September 2023.

RESPONSE: Yes, please refer to RFP Section 8.1.4 d.

## AMENDMENTS TO THE RFP

The following have been adopted by Amendment to the RFP, as permitted by Section 2.12 of the RFP. The following sections have either been replaced in their entirety or new material has been added.

### Amendment No. 1

#### 7.6 Media Services

7.6.4. Trafficking of Media. The Successful Proposer shall be responsible for the trafficking of all creative assets to media and out-of-home production vendors in a timely manner and adhere to all deadlines with receipt confirmation. The Successful Proposer must provide the Texas Lottery with detailed creative asset specifications and creative due dates in a timeline as prescribed by the Texas Lottery. The Texas Lottery will provide all creative assets.

### Amendment No. 2

#### 7.8 Out-Of-Home Production

Campaign billboards. The Successful Proposer shall be responsible for negotiating and contracting out-of-home billboard assets including but not limited to: vinyls, extensions, and snipes.

Permanent Jackpot billboards. The Successful Proposer shall be responsible for negotiating and contracting new and replacement out-of-home billboard assets including but not limited to: vinyls, and jackpot number box replacement or repair. In addition, the Successful Proposer will also be responsible for resolving signal failures with jackpot box vendor.

### Amendment No. 3

#### 8.1 Media Plan Assignment

8.1.4. **The Assignment.** Each Proposer shall create and submit as part of its Proposal, a cost efficient and effective FY 24 annual media plan that is designed to increase product awareness, trial and participation by adult (ages 18+) Texans. The media plan should detail the markets, mediums, planned goals (impressions, GRPs, etc.), and flight dates utilized to reach the intended audience. The media plan must exclude agency fee costs within the allocated budget.

Considerations are as follows:

##### *(a) Media Commitments*

The following annual media commitments are required in the media plan:

- Permanent Jackpot Billboards. Texas Lottery looks to enter into a new 2-year deal with ninety-five (95) permanent billboards throughout Texas. For FY23,

this dollar commitment is \$5,778,883 inclusive of both billboard media and jackpot box vendor costs.

## **Amendment No. 4**

### **8.1 Media Plan Assignment**

8.1.4. ***The Assignment.*** Each Proposer shall create and submit as part of its Proposal, a cost efficient and effective FY 24 annual media plan that is designed to increase product awareness, trial and participation by adult (ages 18+) Texans. The media plan should detail the markets, mediums, planned goals (impressions, GRPs, etc.), and flight dates utilized to reach the intended audience. The media plan must exclude agency fee costs within the allocated budget.

Considerations are as follows:

#### ***(c)Budget***

The budget should include all media costs (do not include out-of-home production costs) and shall not exceed \$10 million. **The budget shall not exceed \$10 million and should only include all media costs. Agency fees and out-of-home production costs shall not be included in this assignment.**