

ARE WOMEN AND OLDER AMERICANS FINDING OTHER THINGS TO DO IN PLACE OF LOTTERY?

Simon Jaworski,

Founder & CEO, Lotto Research

Probably the most important factor when companies consider their future sales strategy is 'are we attracting the next generation of consumers?'. And 99% of the time they would be correct. It's logical. You want to grab the 18-34 year-olds before they enter their 'prime' earning and spending years.

However, for the Lottery industry there appears to be other issues that may require a little TLC (Tender Lottery Care) to potentially alleviate declines in both activity and sales among some key, but often ignored, demographics in the landscape of these United States.

To understand what has been happening over the past eighteen months or so, I present to you, dear reader, a battery of statistical evidence that sheds light on what the Dorothy, Blanche, Sophia, Rose and Frank Costanzas of this world are currently doing, instead of purchasing a \$5 Crossword scratch-off.

1. Older Americans are enjoying travel again.

Yes, we're five years removed from COVID, and Americans have been slowly gathering the moxy to head out on vacations again, and they're doing that en masse. Younger Americans were quicker on the uptake to start flying and vacationing again. But based on key national data comparing Q4 2023 and Q4 2024, we saw the percentage of Americans aged 55+ increasing travel as a preferred activity up from 43% to 49%. Travel as the 'most preferred' activity of Older Generation Xers and Boomers has also risen significantly, from 12% to 19%.

These trends may affect lotteries in at least a couple ways. First, if a larger portion of disposable income is spent on travel, that leaves less to spend on that \$5 Mega Millions ticket on their latest grocery store trip.

Second, going on vacation can potentially break a habit. Lottery is often referred to as an habitual purchase, and it doesn't take too long to break a habit if something else comes to replace that habit. That leads us to ...

2. American women are turning more to playing social games on their phones.

A recent survey in a Midwest state shows that women are choosing to utilize their iPhones and Androids more often for relaxation, at significantly higher levels than men. Social non-money games can deliver the feeling of "winning" and they are easy to play from anytime, anywhere. These games can include, but are not exclusive to, the likes of Candy Crush, Words with Friends, Solitaire, Digital Jigsaw Puzzles, Mahjong, Trivia and Crosswords. The playing experience of some of these games can be construed as direct competition for Instant Scratch games with similar themes.

We have seen similar trends with younger males and sports betting.

3. The Economy and Winning.

In another recent survey conducted by Lotto Research, Americans whose spend or play has declined over the past twelve months focused on two reasons for reducing their Lottery spend. 60% claimed 'financial/cost of living issues' was a key factor, while 38% stated that 'not winning enough' was an influential component. However, among those 65+ year-olds, the number unhappy with the lack of a winning proposition jumped significantly to 55%.

How can state lotteries use this information in the short term?

How might lotteries, either independently or via their vendors, tap into providing a greater winning experience, even if it is outside of the games they supply? How about cross-promoting with other brands, garnering additional prizes for players, which could strengthen the two big national brands, Powerball and Mega Millions? Or, maybe there are ways to expand (or create) VIP player programs and offer online experiences via mobile devices to engage with consumers already besotted by their hand held devices? Is a national lottery game, which focuses on non-monetary prizes, akin to a social game, a possibility?

LOTTO
RESEARCH



With Americans traveling across the country in greater numbers than at any time since 2020, could we find a way to cross-promote between state lotteries, or perhaps loop more directly in with the travel and hospitality sector?

The focus of my research has always been squarely on the lottery player — understanding who they are, what motivates them, and how they engage with the product. But as I look ahead, I find myself increasingly drawn to broader consumer trends that, while not directly tied to lottery play, offer insight into the cultural and emotional landscape our players inhabit.

These trends tell us more than just how people spend their money — they reveal what they value, what captures their imagination, what they aspire to experience, and even who they hope to become. Some might say that kind of philosophical speculation won't help sell more lottery tickets. But I believe it's essential. To connect our product with the lives of modern players, we must understand the underlying hopes and dreams that shape their worldview.

The beauty of lottery is that it already lives in this deeply personal space. It's a product of imagination and possibility — and it has always adapted itself to reflect the desires of its players. I think we need to dig deeper to understand how the world and our consumers are changing over time. Let's do what lottery has always done — meet our players not just where they shop, but where they live: in their hearts, their minds, their habits, and their lifestyles.

Trust me, I'm a researcher

Simon Jaworski, Founder & CEO, Lotto Research;

simon@lottoresearch.com
C: 609-558-1019