

**HOLIDAY REVIEW • VERMONT LOTTERY • MAKING A DIFFERENCE**

THE OFFICIAL PUBLICATION OF THE NORTH AMERICAN ASSOCIATION OF STATE & PROVINCIAL LOTTERIES

# INSIGHTS

MARCH/APRIL 2023

## DEBUNKING LOTTERY MYTHS

An updated and  
expanded review  
of common lottery  
myths.

# Understanding Trust to Drive Sustainable Growth



*An increased focus on responsible gaming informed by consumer research.*

**R**esearch shows that high-trust companies are 2.5 times more likely to be high-performing revenue organizations, outperforming other companies by up to 400%, according to *Harvard Business Review*.

A June 2022 Gallup poll indicated trust in U.S. businesses and institutions, including government, has plummeted to its lowest point in decades. While companies and organizations work to enhance the customer experience, they cannot elevate that experience if consumers don't have trust.

In simple terms: The more consumers trust a brand, the more loyalty they have to that brand. So much so that they are 88% more likely to buy from that brand again.

How do lotteries, which uniquely operate at the nexus of business and government, overcome this growing decline in consumer confidence to grow proceeds sustainably and responsibly for beneficiary programs?

"Trust must be earned, and that begins with understanding the why inside the science of consumer behavior," said Jen Welshons, Chief Marketing Officer for Scientific Games. She has led the company's global analytics and insights for 23 years, digging deep into data gleaned from thousands of player research studies and focus groups. "A lottery's success is rooted in the public's perception of its integrity and intent.

Over the past 50-plus years, lotteries have exceeded expectations in building trust and funding for good causes. But to sustain continued growth and returns to beneficiaries, lotteries must be proactive in increasing lottery literacy among 100% of stakeholders. When lottery literacy plummets, trust goes with it."

**Lottery Literacy (n).**  
When all stakeholders are educated about the lottery, including its games and offerings, how to play, the odds, minimum age, where the money goes, what healthy play looks like, and what to do if it becomes unhealthy.

"The increased focus on responsible gaming has led many in our industry to look for additional guidance and support," said Carla Schaefer, VP of Responsible Gaming for Scientific Games. "We ramped up resources to help our lottery partners continue to grow funding for good causes in responsible, sustainable ways."

As part of its Healthy Play program, Scientific Games conducted extensive research to develop tools, best practices and messaging that educate all stakeholders, increasing

lottery literacy and fostering the healthy enjoyment of lottery games to help lotteries sustain growth today and in the future.

## National Responsible Gaming Survey

A key component of Healthy Play was commissioning a National Responsible Gaming Survey.

- 3,000+ people across the U.S. participated.
- Participants were 18 years of age or older.
- All participants resided in a lottery state.
- Sample based on specific proportions for gender, age, ethnicity, income and region.
- Survey included questions from multiple responsible gaming entities to ensure it reflected comprehensive findings from studies on which our lottery partners relied and our own Scientific Games' Lottery Literacy survey questions.
- Survey conducted by Leger, an expert in gaming research.

"Our National Responsible Gaming Survey had multiple goals, including being able to analyze responses by

## Public Perception by Jurisdiction

	% Nationally Who Said 'Yes'	Lottery A	Lottery B	Lottery C	Lottery D	Lottery E
The Lottery makes it easy to find the odds for different Lottery games.	40%	38%	45%	42%	41%	36%
The Lottery does a good job of promoting responsible gaming hotlines and websites if someone needs it.	42%	40%	46%	52%	50%	40%
The Lottery makes it easy to understand how different Lottery games are played.	43%	40%	49%	50%	47%	37%
The Lottery does a good job communicating the minimum age to buy and play the Lottery.	49%	49%	53%	50%	54%	44%
Lottery proceeds fund good causes in my state.	47%	56%	46%	45%	57%	40%

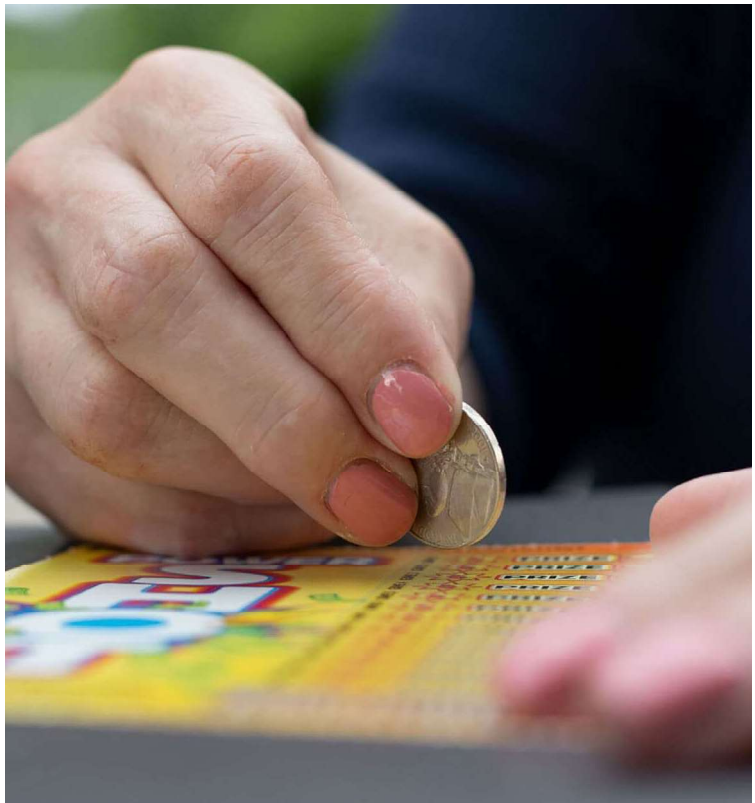
consumer segments from our ONE Segmentation Study,” explained Welshons.

Survey questions were carefully culled, centering around trust, the truth about prizes and odds, lottery myths, and setting limits, as well as overall mental and physical health, and playership across all forms of gaming.

### Actionable Research

The actions driven by our National Responsible Gaming Survey are research-backed and shifting the focus.

“One hundred percent of people in a state are lottery stakeholders, and when they have easy access to trustworthy information and a solid understanding of the facts, lottery literacy increases and people make better choices. We believe this is achievable through increased transparency into lotteries and educating everyone about healthy play, including what it looks like and what to do if play becomes unhealthy,” shared Schaefer. “With the insights gleaned from our National Responsible Gaming Survey, we can now better identify where the industry needs to focus responsible gaming efforts and develop







best practices and programs increasing lottery literacy among all stakeholders, not just the less than 5% of the population suffering from a gambling disorder.

In addition to establishing a national benchmark, the study also provided jurisdiction-specific insights into those areas where a lottery had excelled at promoting lottery literacy and those areas where improvements could be made. The chart on the previous page, which has been anonymized, is a sampling of these results.

#### Data-Backed Decisions

Rather than focus on a smaller group of the population, actions are turning to unified responsible

gaming messaging that resonates with all consumers and is easily accessible so that everyone can be educated about lottery literacy.

“Like any business decision, lotteries should make responsible gaming decisions backed by data. As a high-trust form of gaming, lotteries can sustain revenues for the good causes they fund through the science of understanding their consumers,” said Welshons.

Now that a national benchmark is in place, results can be measured annually to determine if trust in lottery operations and responsible gaming solutions are working in the U.S. And states can benchmark against the national data. ■

SOURCES: Ashley Reichheld and Amelia Dunlop. (2022). 4 Questions to Measure and Boost Customer Trust. Harvard Business Review; Jeffrey M. Jones. (2022). Confidence in U.S. Institutions Down: Average at New Low. Gallup; Leger national research study (2021-2022); Scientific Games National Responsible Gaming Survey.

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