



Leger

THE LARGEST CANADIAN-OWNED
POLLING, MARKET RESEARCH
AND ANALYTICS FIRM

MONTREAL • QUEBEC

TORONTO • WINNIPEG • EDMONTON • CALGARY

VANCOUVER • PHILADELPHIA

WEBINAR - OCTOBER 21 AT 1 PM (EDT)

THE NEXT GAMING NORMAL: LOTTERIES, SPORTS BETTING, AND CASINOS

PRESENTERS

Simon Jaworski President, US Office, Leger

Jason Allsopp Vice-President, Vancouver Office, Leger

MODERATOR

Tom Clark Chair, Global Public Affairs

PANELLISTS

Rod Elliot Senior Vice-President, Global Public Affairs

Steve Lautischer Senior Director, Gaming, AGLC

Chris Rogers Deputy Director: Marketing and Products, Arizona Lottery

Anika Howard Vice-President, Brand Marketing and Digital, Foxwoods



GLOBAL PUBLIC AFFAIRS

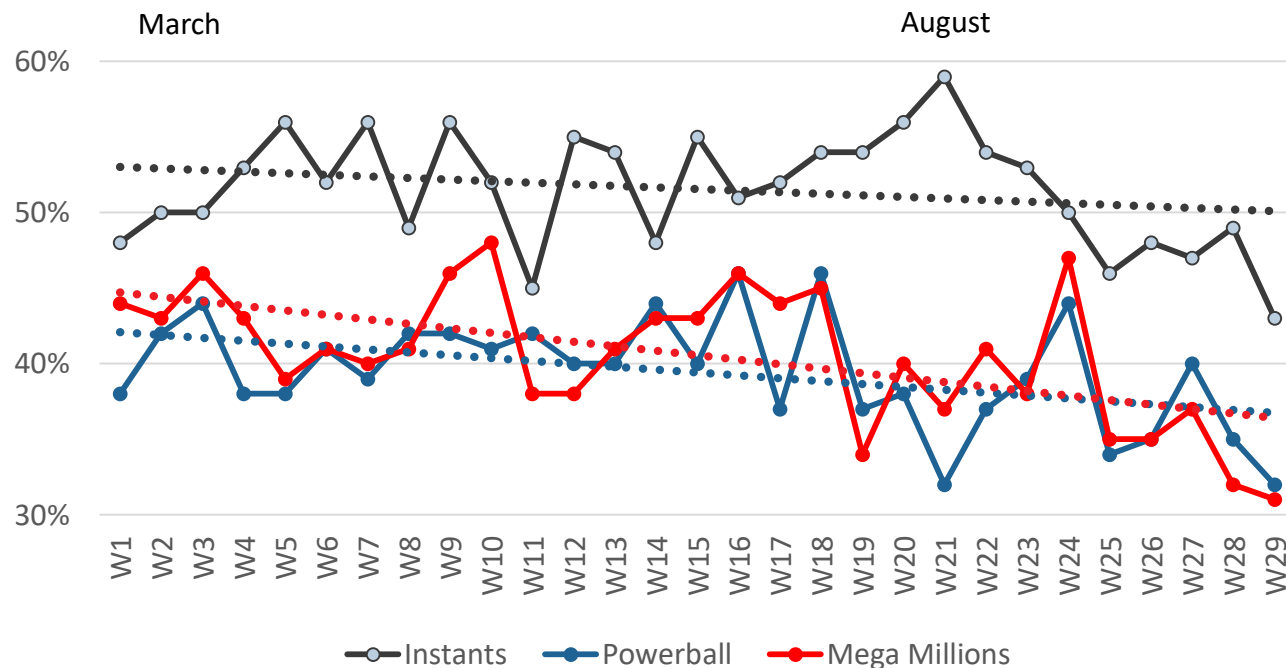
FROM INSIGHT TO IMPACT

COVID-19 TRACKING: INSTANTS, POWERBALL & MEGA MILLIONS



Oct 10/11

Intent to buy (among those who say they plan on buying lottery)



Mega Millions is down approximately 7%, Powerball is down 5% and Instants are down 3% in terms of intent to play during COVID-19.

MEGA MILLIONS AND POWERBALL SALES ARE DOWN DURING COVID-19

Leger's research has examined 4 alternatives in 2020

1

Global-Powerball



2

Player driven notions

3

Increasing the number of draws per week (Mega and PB)

4

A \$5 Powerball game version

PLAYER NOTIONS (OPEN ENDS) FOR CHANGES TO MEGA MILLIONS

(March 2020)

Higher payouts when numbers only partly match/when only Mega Ball matches	12%
Change the prize structure so that there are more smaller winners / more prizes / more winners	10%
Better odds / better chances of winning	7%
Change the numbers to be played / decrease the range of numbers	4%
Drop the price to 1\$ / 1\$ to play	4%
Higher payouts / larger prizes	4%
Freebies/second chances for lower tier prizes (ex. just Powerball, just 2 numbers, etc.)	2%
Cheaper tickets / less expensive tickets	2%
Less complicated / easier to play	1%
More draws per week	1%



POWERBALL MODIFICATIONS – 4 CHOICES MODEL

	Played Lottery Ever	Past Month Powerball	Past Year, Not Past Month Powerball
Win \$1,000 for matching 4 numbers, or 3 numbers + the Powerball (Currently this is a \$100 win)	23%	33%	17%
Win \$4 for matching any number (Currently this is a non-winning ticket)	22%	19%	29%
Win \$10 for matching 2 numbers (Currently this is a non-winning ticket)	20%	20%	17%
Win \$100 for matching 3 numbers, or 2 numbers and the Powerball (Currently this is a \$7 win)	19%	15%	24%
None of these changes would improve the game	16%	14%	13%



IS MOVING TO MORE DRAWS PER WEEK FOR POWERBALL AND/OR MEGA MILLIONS A FEASIBLE ALTERNATIVE TO HELP DECLINING SALES?



1

Past year players are split on appeal.

2

50% - Once or twice a week.

3

More than 20% of players would stop playing either game.

4

9% of Powerball/7% of Mega Millions players said they would play every day.

5

Heavier spending players > casual and lower spending players

INTEREST IN A \$5 'NATIONAL' GAME?

Base: Ever Played Lottery (n=623)



	Total	Lottery Past Month	Lottery Past Year, Not Past Month	LAPSED
	623	401	128	94
NET YES: DEFINITELY/PROBABLY PLAY	45%	59%	24%	14%
Definitely play	26%	36%	9%	4%
Probably play	19%	23%	16%	9%
Might or might not play	33%	30%	45%	34%
NET NO: Definitely/Probably Not Play	21%	11%	31%	53%

MORE THAN 20M NEW PLAYERS HAVE TRIED INSTANT SCRATCH GAMES DURING COVID-19*

90% of these have played some form of Lottery before, but it's still a significant number of U.S. adults (around 2m) who have entered the Lottery sector, looking for something 'new' in Scratch.

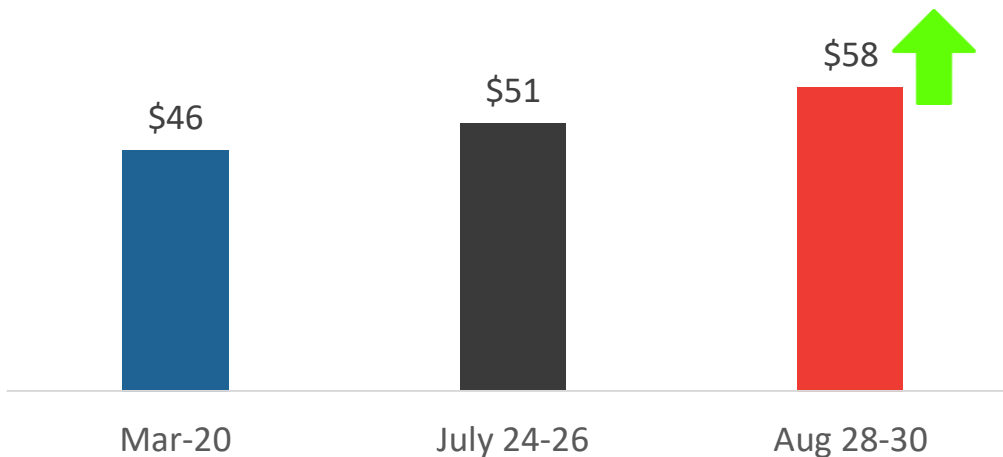


*Humans are notoriously forgetful

AVERAGE WEEKLY SCRATCH SPEND 'PRE-COVID-19' VS 'PAST 3 MONTHS'



JAN-MARCH 2020



= Significantly higher at 90% confidence

How much did you spend on Scratch Tickets in an average week, before COVID-19?
How much are you spending on Scratch Tickets in an average week in the past 3 months?

HOW MUCH DO YOU AGREE WITH THE FOLLOWING STATEMENT

"I am spending more on lottery than gambling during COVID-19."

(5-point scale from 'Agree completely' to 'Disagree completely')

- **11%** of the U.S. population agree that they are spending more on Lottery than Gambling during the current pandemic.
- **However, the growth appears to be coming from two specific areas, Casino Players and Sports Bettors.**
- It also skews younger and non-white.

% Agree – Over-Index	
Age 18-29	17%
Age 30-39	18%
Casino Players	30%
Sports Bettors	41%
Non-White	18%

On a scale from 1 to 5, where 1 is Disagree completely and 5 Agree completely, please tell us how much you agree with the following statement.

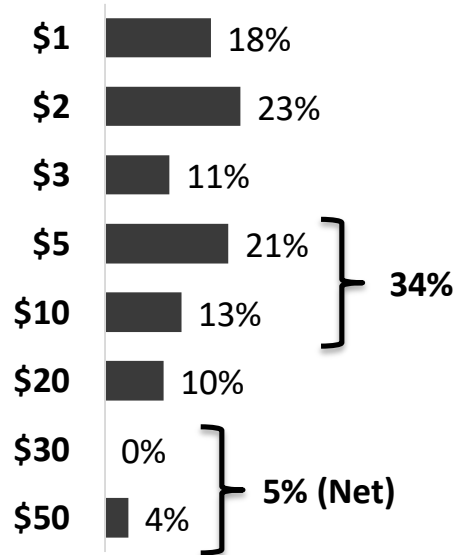
I am spending more on lottery tickets/games than gambling at casinos or betting on sports during the COVID-19

Base: US Adults

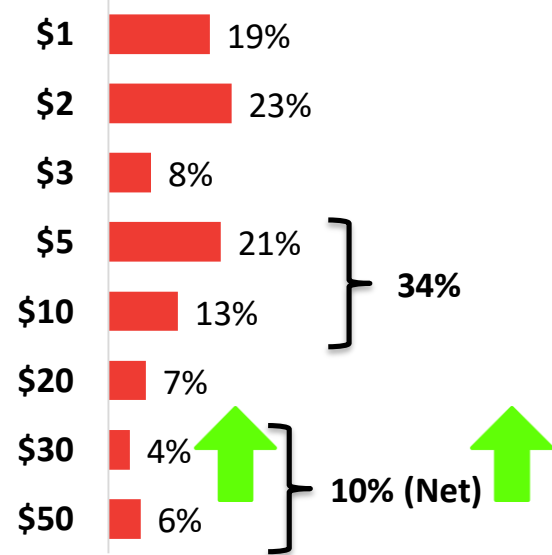
FAVORITE SCRATCH TICKET PRICE POINT



Favorite Price Point
(May 22-24)



Favorite Price Point
(Aug 28-30)



= Significantly higher at 90% confidence

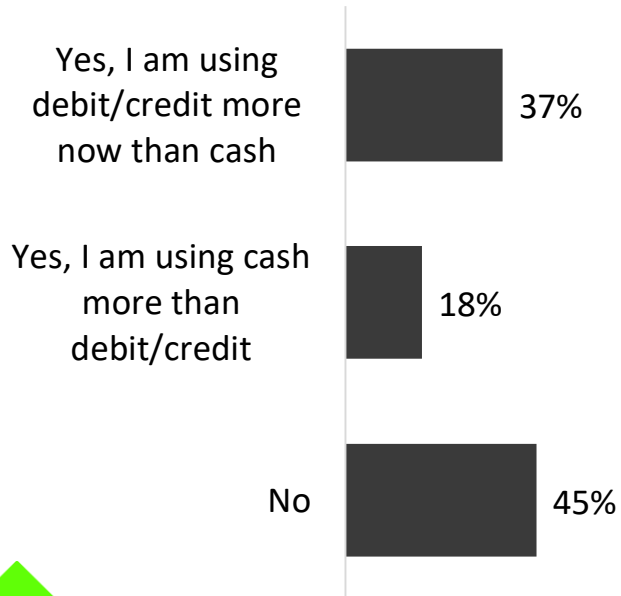
And which price of Instant tickets is your favorite?

Base: Past week Instant players, n=143, n=152

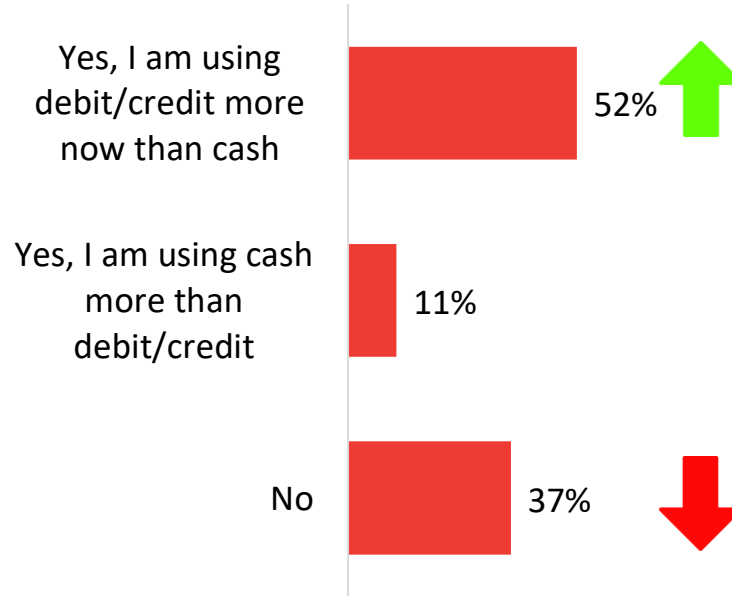
CHANGE IN LOTTERY PURCHASE: DEBIT/CARD VS CASH




Change in Lottery Purchase
(May 22-24)



Change in Lottery Purchase
(Aug 28-30)



 = Significantly higher at 90% confidence

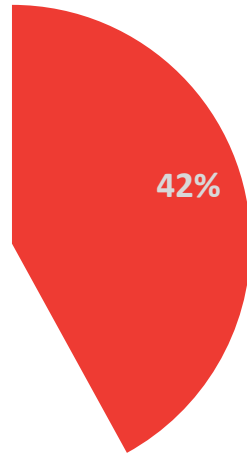
Has the way you have purchase Lottery changed during the COVID-19 outbreak?
Base: Played any lottery game last week, n=262, n=282

GREATER USE OF LOTTERY VENDING MACHINES DURING COVID-19

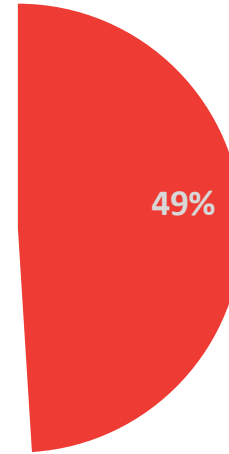


Use Vending Machines More

(May 22-24)



(Aug 28-30)



■ Yes

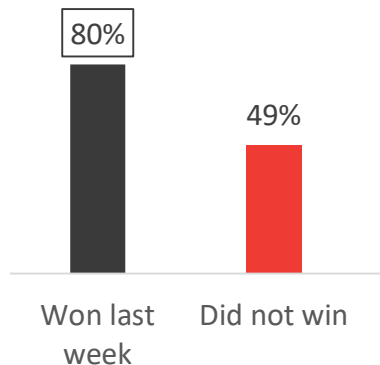
Are you using vending machines more to purchase Lottery tickets during the COVID-19 pandemic?
Base: Played any lottery game last week, n=262, n=279, n=282

PLANNING TO BUY LOTTERY THIS WEEK BY WINNING/NOT WINNING

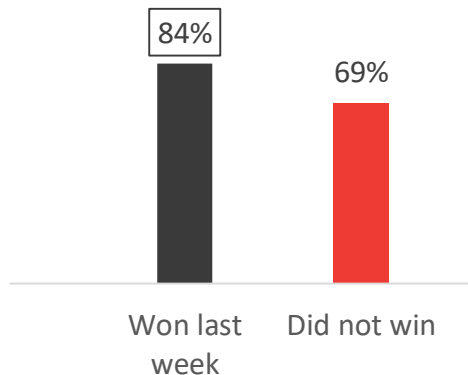


- More than nine in ten Scratch players (92%) who won on Scratch games last week plan to play lottery this week (**significantly higher** than the portion seen in May).
- This portion is also **significantly higher** compared to those who did not win (67%) on Scratch last week.

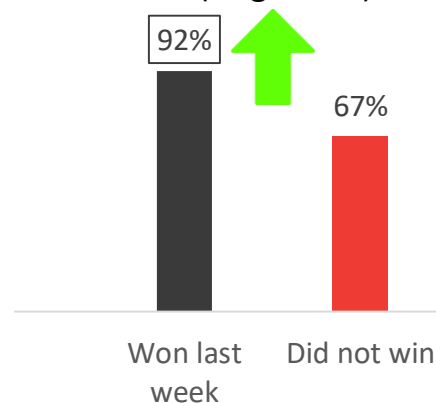
Plan on Buying Lottery Tickets this Week (May 22-24)



Plan on Buying Lottery Tickets this Week (July 24-26)



Plan on Buying Lottery Tickets this Week (Aug 28-30)



Do you plan on buying lottery tickets this week?

Base: Those who won and those who did not win last week May (n=72, n=69); July (n=72, n=77); August (n=65, n=87)

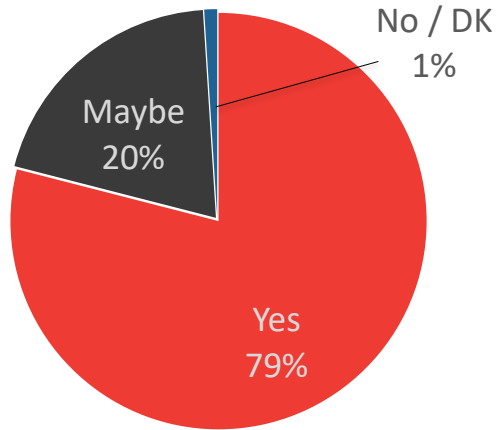
Box indicates significantly higher at 90% between groups.

Arrow indicates a significant difference between June and August at 90%

WILL NEW PLAYERS CONTINUE TO PLAY SCRATCH GAMES AFTER THE PANDEMIC PASSES?



Continue to Play
(Aug 28-30)



% Yes
Groups who over-index

Male	South	West	18-29	<\$35k	\$100k+
89%	87%	91%	84%	84%	86%

...but there is no guarantee they'll spend as much, or play as often.

Will you continue to play Scratch games after the COVID-19 pandemic has passed?

Base: First time players during COVID-19 pandemic, n=77

*Directional view, low base sizes

HOW CAN CASINOS ATTRACT BACK THE CASUAL PLAYER DURING AND AFTER COVID-19?

45%

don't even know if the casino is open at the moment



Return to the casino

51% are not planning to



36% are unsure

2X



... as many casual players spending less than more

Casual players are acting carefully when it comes to safety measures



Choose slots carefully



Want easy access to wipes and hand sanitizer



Want appropriate screening when entering



Attend when there are less people



Wear a mask



BUT...
Believe it's less fun

No bars/ restaurants?



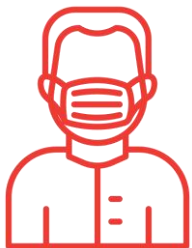
13%

of casual players are positively impacted

59%

of core players are fine without them

HOW CAN CASINOS ATTRACT BACK THE CORE PLAYER DURING AND AFTER COVID-19?



Core players are returning to casinos and doing so at a rate that closely mirrors their pre-COVID-19 visitation.



3X



... more core players are spending more

Core and casual players don't differentiate when it comes to safety measures



Choose slots carefully



Want easy access to wipes and hand sanitizer



Want appropriate screening when entering



Attend when there are less people



Wear a mask



BUT...
Believe it's less fun

10%

gambled online pre-COVID-19

14%

gambled online now

89%

will continue to gamble online once casinos fully reopen

87%

of pre-COVID-19 online gamblers are likely to continue

65%

of post-COVID-19 online gamblers are likely to continue

WHAT DOES THE SPORTS BETTING MARKET LOOK LIKE RIGHT NOW?

10%

of Americans have bet on sports in the past month

	Bets Placed
Straight (point spread)	59%
Money Line	50%
Total Line	35%
Parlay	28%
Head to Head	23%
Teaser	18%

Demographic Differences

16%

Male



4%

Female

19%

18-29

17%

29-39

6%

40-64



Yes, the youngest age group (18-29) plays the most...

BUT... those aged 30-39 and 40-49 have the highest % of heavy players at 14% (\$200+ p/w)

Which sports?



61%



68%*



29%



29%



16%



Leger

SIMON JAWORSKI

President, US Office

sjaworski@leger360.com

JASON ALLSOPP

Vice-President, Vancouver Office

jallsopp@leger360.com

Leger

We know Canadians

