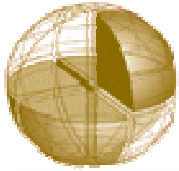


Thank you for the opportunity to present

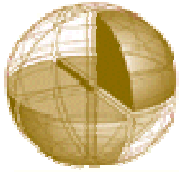


2008 Player Demographics Study



Introduction

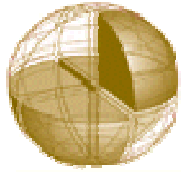
- ❖ The Center for Research & Public Policy (CRPP) is pleased to present the results to the *2008 Demographics Study* conducted on behalf of the Vermont Lottery Commission.
- ❖ CRPP was commissioned by the Vermont Lottery Commission to measure playing habits and demographic background of “Players.” “Non-Players” were asked a few questions prior to exiting.
- ❖ The research included a comprehensive telephone survey of 809 Vermont Lottery game “Players” and an exit interview among 1188 “Non-Players.” Interviews were conducted among residents of Vermont by phone. CRPP, working together with the Vermont Lottery, designed the survey instrument to be used when calling residents of Vermont.
- ❖ This report summarizes information collected from telephone surveys conducted February 11– 26, 2008.



Introduction

Areas of Investigation...

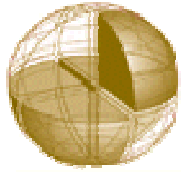
- ❖ Quality of life among players and non-players;
- ❖ Among non-players: history of playing, reasons each no longer plays, and reasons why each may play again one day;
- ❖ Among players: current standard of living, playing habits, effects of economy on playing habits, amount of money spent on games, pot requirements for Powerball;
- ❖ Knowledge and importance of “play lottery games responsibly” message;
- ❖ Communication: ways players seek information, prefer to get information and cell phone ownership/usage;
- ❖ The Web: internet access, rating VT Lottery Website on five characteristics, likelihood of buying tickets online; and
- ❖ Demographics.



Methodology

Survey design at CRPP is a careful, deliberative process to ensure fair, objective and balanced surveys. Staff members, with years of survey design experience, edit out any bias. Further, all scales used by CRPP (either numeric, such as one through ten, or wording such as strongly agree, somewhat agree, somewhat disagree, or strongly disagree) are balanced evenly. And, placement of questions is carefully accomplished so that order has minimal impact.

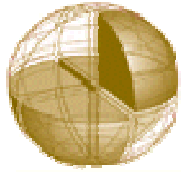
All population-based surveys conducted by CRPP are proportional to population contributions within States, towns, and known census tract, group blocks and blocks. This distribution ensures truly representative results without under or over representation of various geographic or demographic groups within a sampling frame.



Methodology

CRPP utilized a “super random digit” sampling procedure, which derives a working telephone sample of both listed and unlisted telephone numbers. This method of sample selection eliminates any bias toward only listed telephone numbers. Additionally, this process allows randomization of numbers, which equalizes the probability of qualified respondents being included in the sampling frame.

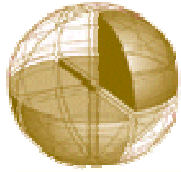
One survey instrument was used to elicit information from all Vermont respondents. Respondents qualified for the survey if they confirmed they were at least eighteen years of age, and were current residents of Vermont.



Methodology

CRPP staff completed surveys among 809 Vermont Lottery “Players,” and 1188 Vermont Lottery “Non-Players.” For the purposes of this study, residents were considered to be “Players” if they indicated playing any number of Vermont Lottery games such as Instant Scratch Off Tickets, Online terminal games such as Tri-State Megabucks and Powerball. Further, respondents were considered to be “Non-Players” if they suggested they currently do not play any of these games.

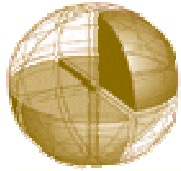
Training of telephone researchers and pre-test of the survey instrument occurred February 11, 2008.



Methodology

All facets of the study were completed by CRPP’s senior staff and researchers. These aspects include: survey design, pre-test, computer programming, fielding, coding, editing, data entry, verification, validation and logic checks, computer analysis, analysis, and report writing.

Statistically, a sample of 809 Vermont Lottery “Players” represents a margin for error of $\pm 3.5\%$ at a 95% confidence level. The sample of 1188 “Non-Players” has an associated margin for error of $\pm 3.0\%$ at a 95% confidence level.

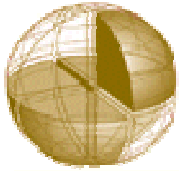


Non-Players Highlights

Quality of Life...

- ❖ A large majority of “Non-Player” respondents, 94.5%, reported their quality of life as being “very good” (40.2%) or “good” (54.4%).

Quality of Life	2008 Non-Players (N=1188)
Very good	40.2%
Good	54.4
Poor	3.8
Very poor	0.8
Don't know/unsure	0.8
<i>Total good</i>	<i>94.5</i>
<i>Total poor</i>	<i>4.6</i>

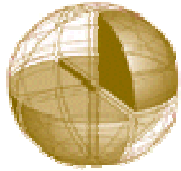


The Market

- ❖ Nearly two-fifths of “Non-Players” (38.2%) indicated they have played the Vermont Lottery in the past. Another 61.2% reported never having played in the past.

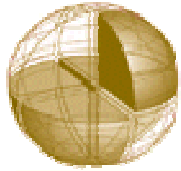
Played Lottery in the past?	2008 Non-Players
Yes	38.2%
No	61.2
Don't know/unsure	0.6

- ❖ Among “Non-Players,” the most frequently named reasons for no longer playing included “just not interested” (26.2%), “do not believe in gambling” (13.6%), “a waste of money” (12.0%), “can't afford it” (10.5%) and “unlikely chance of winning” (10.1%).



The Market

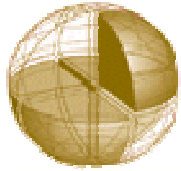
Why do you no longer play the Vermont Lottery?	2008 Non-Players
Just not interested	26.2%
Do not believe in gambling	13.6
It's a waste of money	12.0
Do not have the extra money/can't afford/afraid to lose money/fixed income	10.5
Chance of winning is unlikely	10.1
Just don't think about it/forget to play/too busy/not a priority	7.0
Never won	5.1
Do not want to get addicted/spend too much money on it	4.1
Other	3.5
Use extra money for other things	3.1
Lottery is fixed or rigged	2.0
Don't know/unsure	0.9
Too much hassle	0.6
Don't know where proceeds go	0.6
Play Lottery in other states	0.6
Local store does not sell	---



The Market

- ❖ While a large majority of respondents (79.5%) suggested there is nothing that would prompt them to play the Vermont Lottery again, others suggested they might if there were a better chance of winning (5.9%), if their personal income increases (3.63%) and if “pots” were bigger (1.2%).

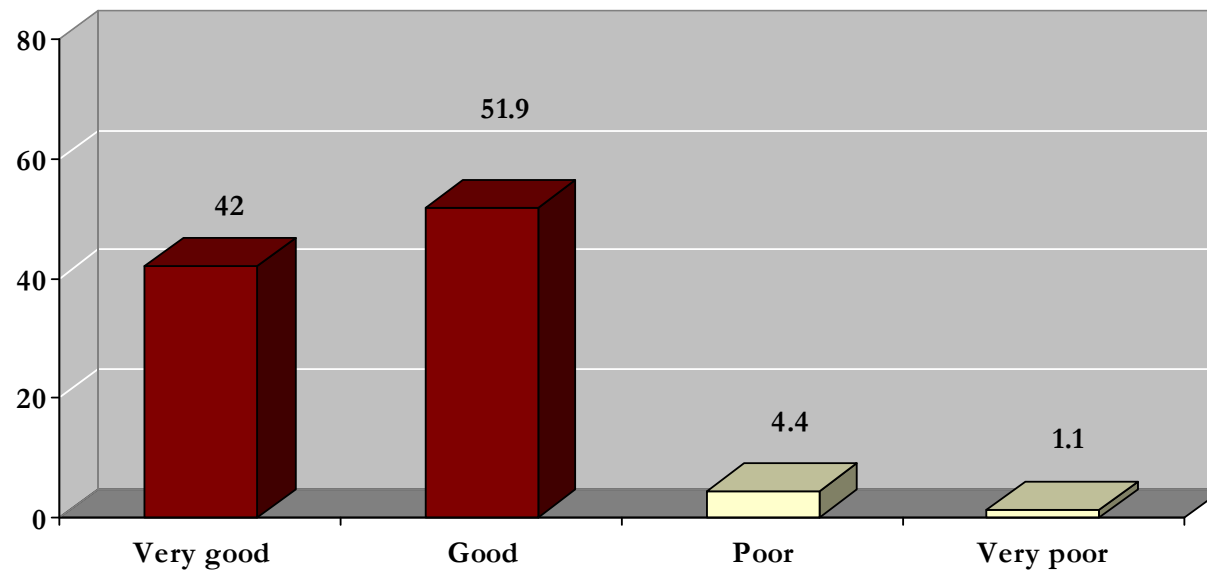
What would prompt you to play the Vermont Lottery again?	2008 Non-Players
Nothing	79.5%
Better chance of winning	5.9
Don't know/other	5.6
If I had more dispensable money/if I had a better standard of living	3.6
Other	1.5
Bigger pots	1.2
More specific knowledge about where profits are going	1.1
More interesting games	0.8
If economy was better	0.8
Make more convenient/available (internet, etc.)	0.2



Players Highlights

Quality of Life...

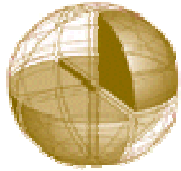
- ❖ A large majority of respondents (93.9%) reported their quality of life as being either “very good” (42.0%) or “good” (51.9%).





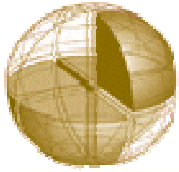
The Market

- ❖ Upon being asked how often they play the Vermont Lottery, the largest percentage groups of respondents reported the following:
 - § 1-3 times per week: 36.6%
 - § 1-3 times per month: 25.9%
 - § 1-3 times per year: 19.3%



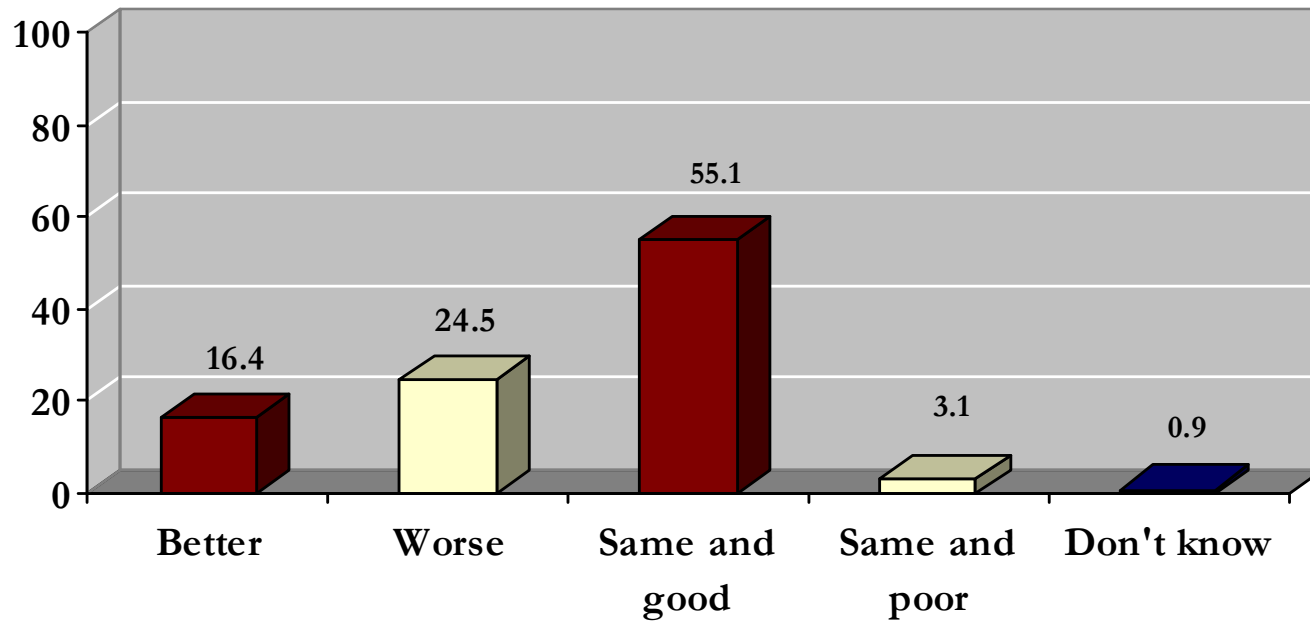
The Market

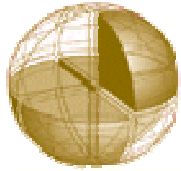
How often do you play?	2008 Players
1-3 times per week	36.6%
4-6 times per week	2.1
7-10 times per week	0.8
Over 10 times per week	0.3
1-3 times per month	25.9
4-6 times per month	1.6
7-10 times per month	0.3
1-3 times per year	19.3
4-6 times per year	8.5
7-10 times per year	2.4
11-20 times per year	0.8
Don't know/unsure	1.2



Standard of Living

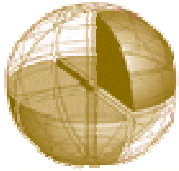
- ❖ When compared to their standard of living two years ago, over two-thirds, 71.5%, of respondents reported their standard of living as being “better” or “the same and good.”





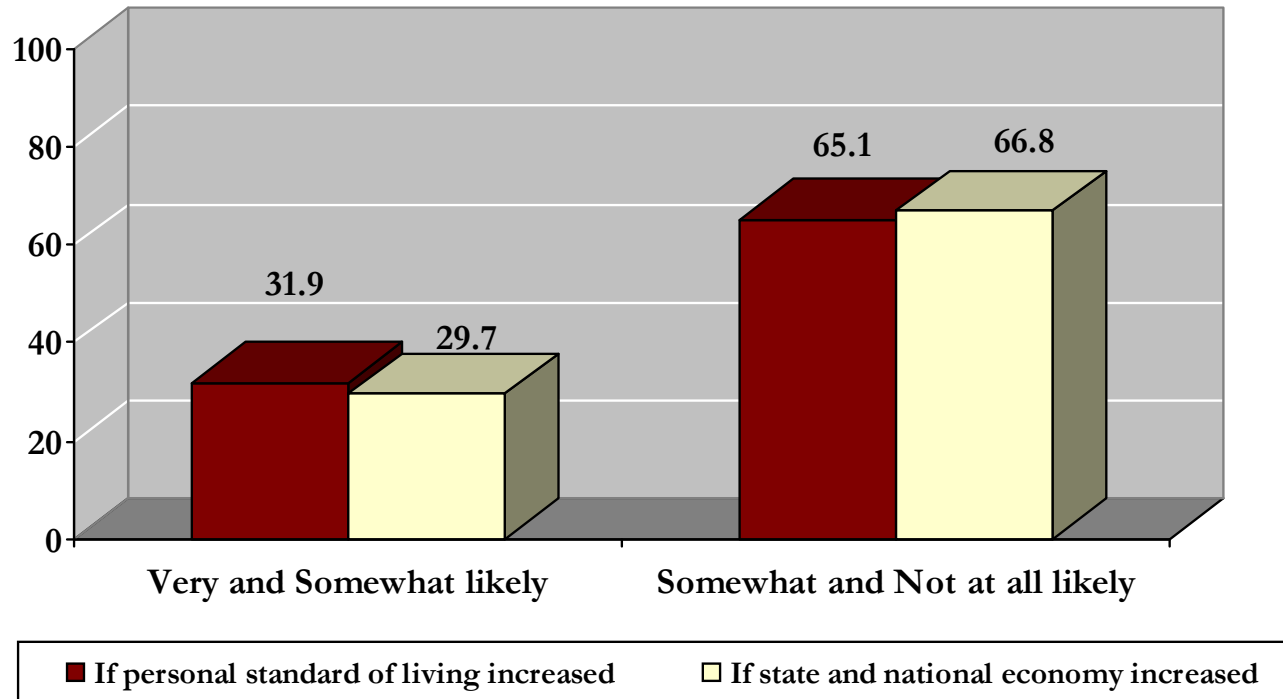
Standard of Living

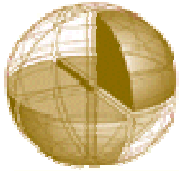
- ❖ While 29.7% of respondents reported being “very likely” or “somewhat likely” to increase their Lottery playing habits if the state and national economy increased, 66.8% of respondents also reported they would be “somewhat unlikely” or “not at all likely.”



Standard of Living

How likely to increase Vermont Lottery playing habits...

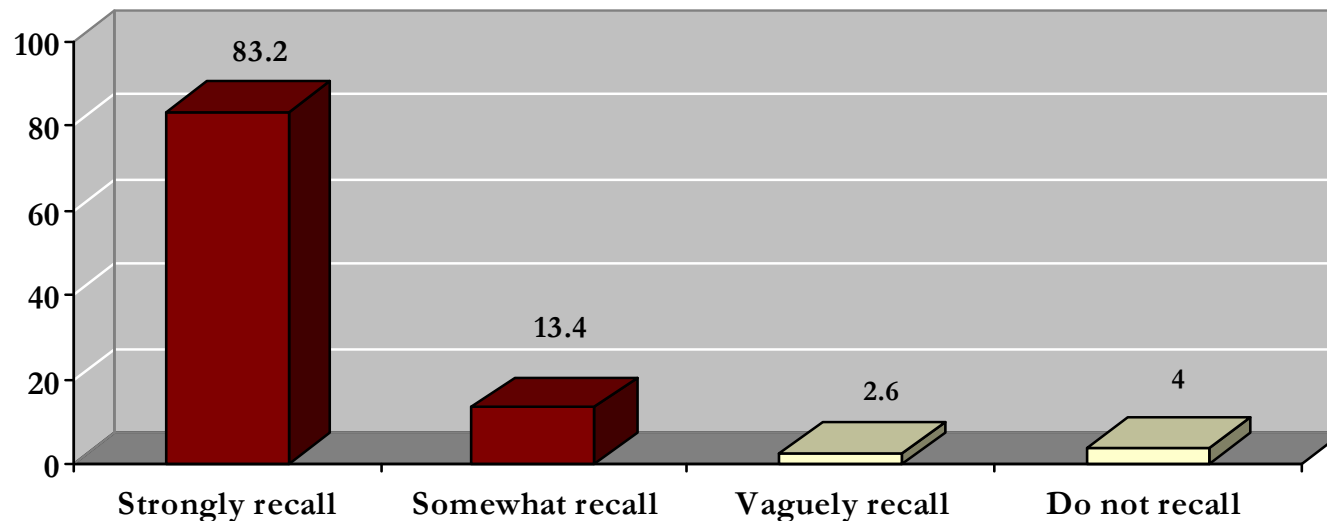


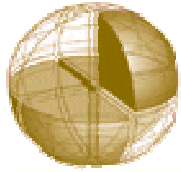


Knowledge

- ❖ A large majority of respondents, 93.1%, reported they strongly or somewhat recall the following message: “Play lottery games responsibly.” In 2004, this percent was 90.8.

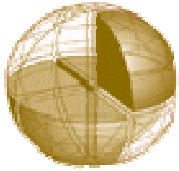
Do you recall the message "Play lottery games responsibly"?





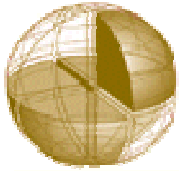
Player Highlights

- ❖ Researchers asked respondents how often they play the Vermont Powerball. The largest percentage groups of respondents reported the following:
 - 1-3 times per week: 42.0%
 - 1-3 times per month: 25.6%
 - 1-3 times per year: 14.1%



Powerball

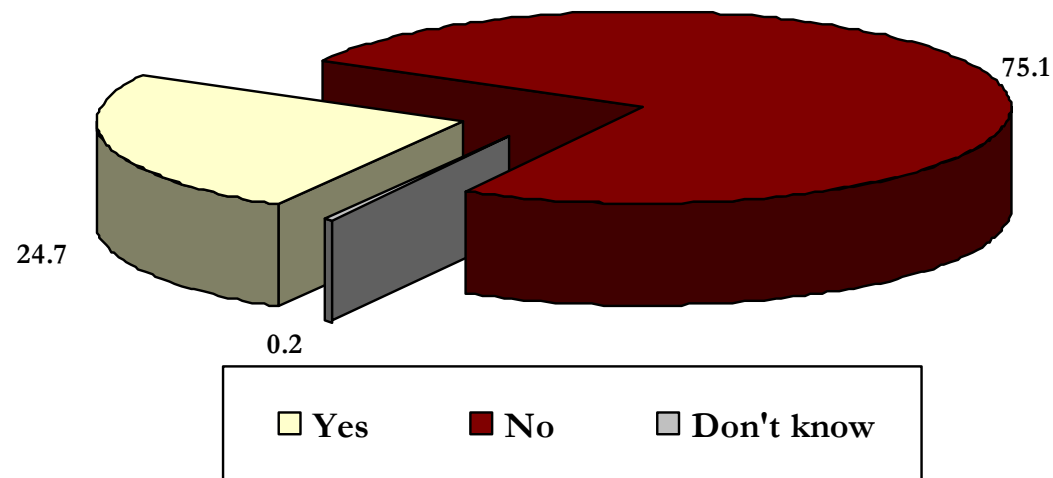
How frequently do you play the Vermont Powerball?	2008 Players
1-3 times per week	42.0%
4-6 times per week	1.6
7-10 times per week	0.2
Over 10 times per week	0.8
1-3 times per month	25.6
4-6 times per month	1.0
7-10 times per month	0.2
1-3 times per year	14.1
4-6 times per year	8.2
7-10 times per year	2.2
11-20 times per year	0.6
Never	0.2
Don't know/unsure	1.8

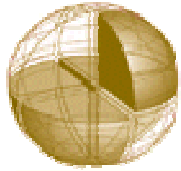


Powerball

- ❖ Three-quarters of respondents (75.1%) reported that the Powerball pot does not have to reach a certain dollar figure before they would begin to play.

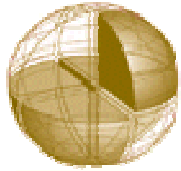
Does the pot have to be a certain dollar figure before you play?





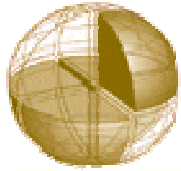
Communication

- ❖ **Over one-quarter (29.3%) of players reported going to a store to receive information on Powerball or MegaBucks. This was followed by “TV advertising” (26.9%), “Internet” (13.8%), “Newspapers ads” (12.7%), and “TV news” (11.7%).**



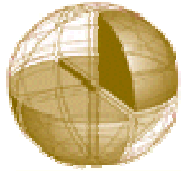
Communication

Where do you go for information on MegaBucks or Powerball?	2008 Players
Store	29.3%
TV advertising	26.9
Internet	13.8
Newspaper ads	12.7
TV news	11.7
Radio advertising	6.7
Newspaper stories	5.6
VT Lottery website	4.6
Newspaper inserts	3.6
Friends/neighbors/relatives	2.6
Don't know	2.3
Radio news	2.2
Powerball website	1.9
Brochures	1.0
Call 800 number	0.9
Email	0.2
Co-workers	0.2
Employer/school	0.2
Government agency	0.1



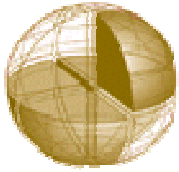
Communication

- ❖ “TV advertising” was reported (44.4%) as the best way for the Vermont Lottery Commission to reach respondents with communication about the Lottery. This was followed by “TV news” (20.8%), “Newspaper ads” (19.7%), “Radio advertising” (13.6%), and “Store” (12.6%).



Communication

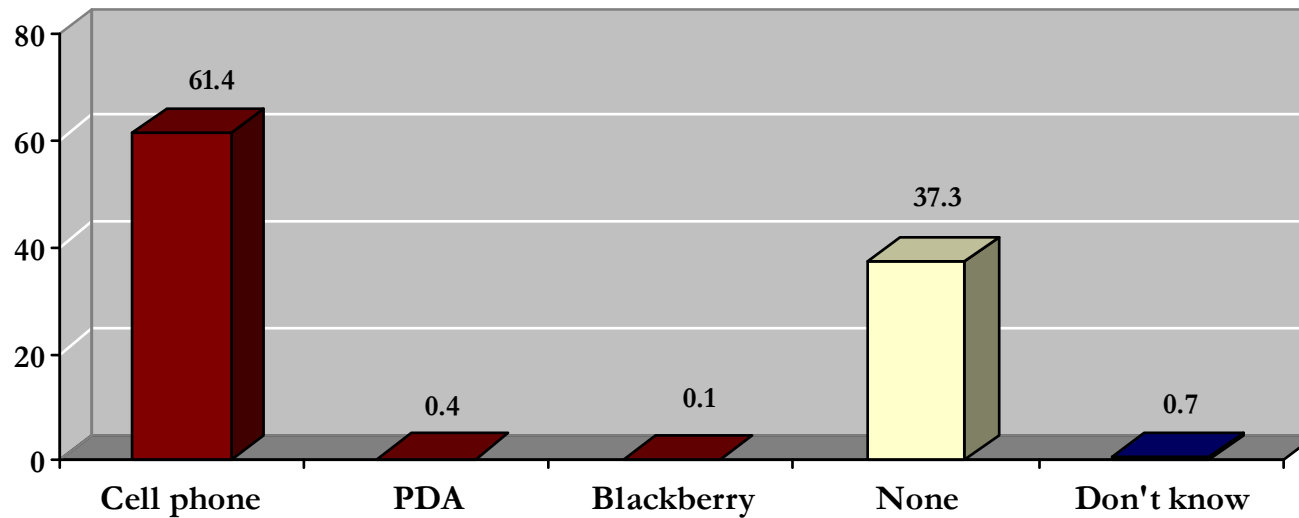
What is the best way for the VT Lottery Commission to reach you with communication about the Lottery?	2008 Players
TV advertising	44.4%
TV news	20.8
Newspaper ads	19.7
Radio advertising	13.6
Store	12.6
Internet	8.7
Newspaper stories	8.2
Radio news	6.1
Newspaper inserts	5.8
Brochures	2.6
VT Lottery website	2.1
Friends/neighbors/relatives	1.5
Don't know	1.4
Powerball website	0.6
Email	0.2
Employer/school	0.2
Call 800 number	0.2
Co-workers	0.1
Mail	0.1

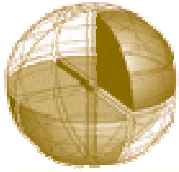


Communication

- ❖ A majority of respondents, 61.9%, reported owning a cell phone, PDA or Blackberry.

Do you own a cell phone, PDA or Blackberry?

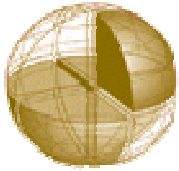




Communication

- ❖ A large majority (90.6%) of respondents owning a cell phone, PDA or Blackberry reported only using their cell phone to make calls. An additional 11.2% reported using their cell phone for text messaging.

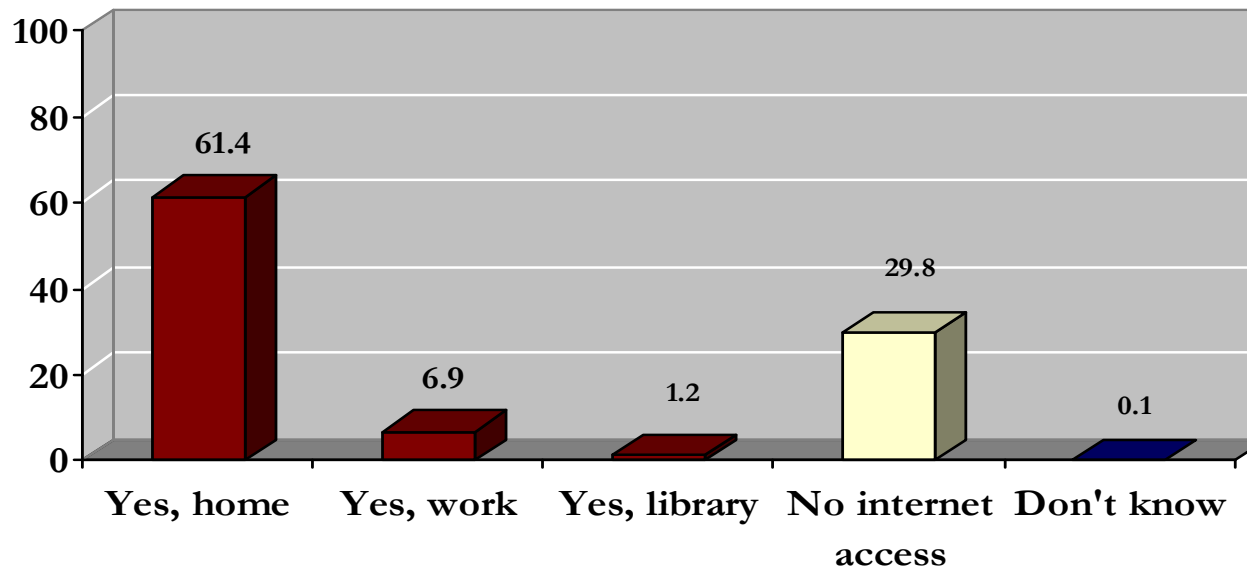
Additional phone services used...	2008 Players
Only use for calls	90.6%
Text messaging	11.2
Email	3.0
Other	1.4
Don't know	0.6
Stocks	0.4
Directions	0.4
Instant messaging	0.4
Sports information	---
Weather	---

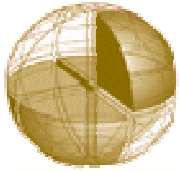


The Web

- ❖ Over two-thirds of respondents, 69.6%, reported having internet access either at their home, work or library.

Do you have internet access?

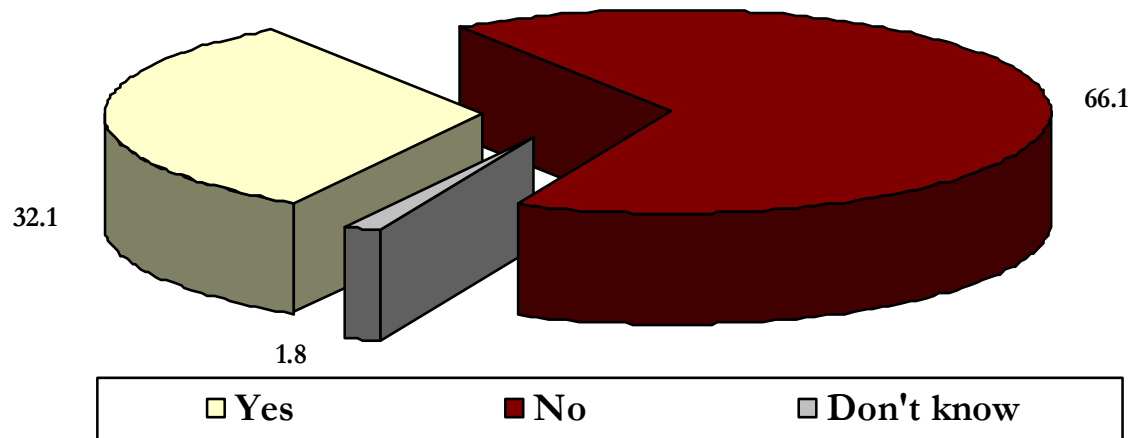


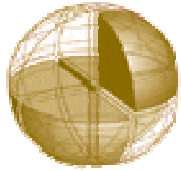


The Web

- ❖ Nearly one-third of respondents (32.1%) with internet access have visited the Vermont Lottery Website. The largest percent (90.7%) of visitors reported “look up winning numbers” as the reason for their visit.

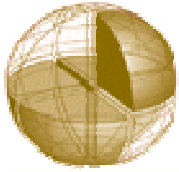
Have you ever visited the Vermont Lottery website?





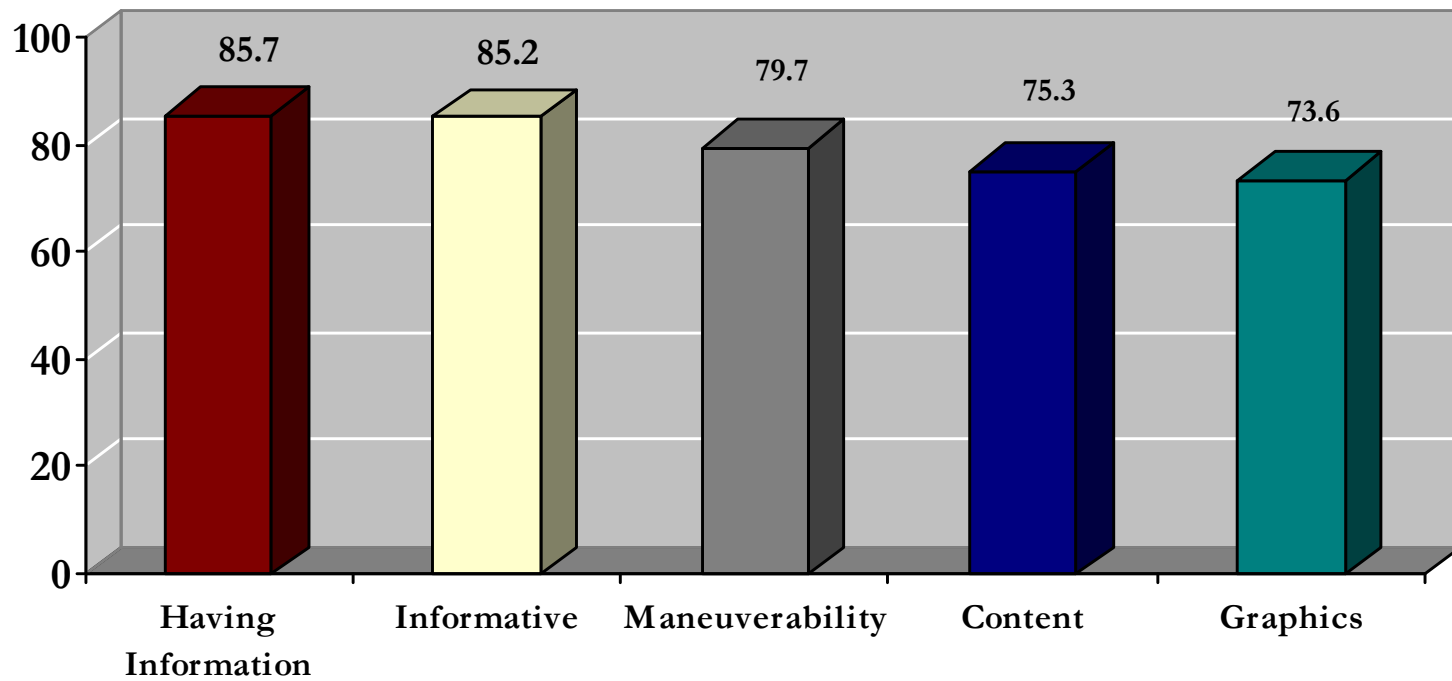
The Web

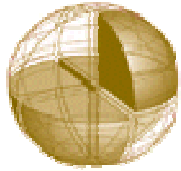
- ❖ An overall positive rating of 79.9% was reported by visitors for the following five website characteristics.
 - § On having the information you looked for
 - § Informative overall
 - § Ease of navigation/maneuverability
 - § Content or message
 - § Graphically appealing



The Web

Positive Ratings on Website Characteristics

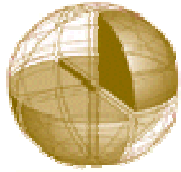




The Web

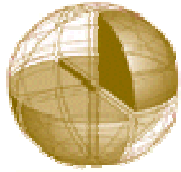
- ❖ One-fifth of respondents (19.7%) would be very or somewhat likely to purchase Lottery tickets online if the option were offered. When extrapolated on the total population of players, this number is significant.

How likely would you be to purchase Lottery tickets online?	2008 Players
Very likely	7.2%
Somewhat likely	12.5
Somewhat unlikely	5.8
Not at all likely	70.1
Don't know/unsure	4.4
<i>Total likely</i>	<i>19.7</i>
<i>Total unlikely</i>	<i>75.9</i>



Demographics

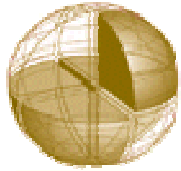
- ❖ **Based on the surveys of 809 adult Vermont Lottery players, a number of Demographic observations are made.**
 - § **Average years of living in Vermont: 42.5**
 - § **Average age: 54.8**
 - § **Average Education: Falls between Technical School Graduate and Some College**
 - § **Average annual household income: Falls just short of \$50,000.00**



Demographics

Years living in Vermont	Players (N = 809)
Average among adults surveyed	42.5%

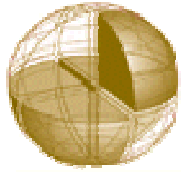
Age	Players (N = 809)
18-19 years	0.3%
20-24 years	2.2
25-29 years	2.9
30-34 years	3.6
35-39 years	4.5
40-44 years	8.1
45-49 years	10.3
50-54 years	13.0
55-59 years	11.9
60-64 years	10.6
65-69 years	9.7
70-74 years	5.8
75-79 years	3.0
80-84 years	4.0
85 years and over	1.7
Average	54.8 years



Demographics

Education	Players (N=809)
Eight grade or less	1.1%
Some high school	3.7
High school graduate	32.3
Some technical school	1.2
Technical school graduate	2.0
Some college	19.0
College graduate	25.8
Post graduate or professional degree	10.8
Refused	3.5
Don't know/unsure	0.6

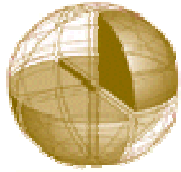
Do you visit casinos in other states?	Players (N=809)
Yes	32.0%
No	67.0
Don't know/unsure	1.0



Demographics

How much do you spend on entertainment weekly?	Players (N=809)
Average	\$32.72

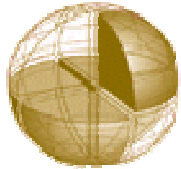
Occupation	Players (N=809)
Retired	26.8%
Professional/Technical	19.2
Other	12.0
Tradesman/Machine Operator/Laborer	8.2
Clerical/Service Worker	6.8
Homemaker	6.7
Self-Employed/Business Owner	5.6
Middle Management	5.1
Sales/Marketing	4.4
Upper Management/Executive	2.3
Federal Employee/Government Employee	1.9
Student	0.6
Military	0.5



Demographics

Total family income before taxes	Players (N=809)
Less than \$19,999	12.2%
\$20,000 < \$35,000	14.8
\$35,000 < \$50,000	23.1
\$50,000 < \$65,000	14.6
\$65,000 < \$80,000	15.6
\$80,000 < \$95,000	7.1
\$95,000 or more	12.6

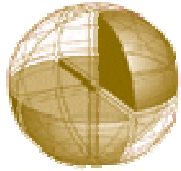
Gender	Players (N=809)
Male	45.4%
Female	54.5



Demographic Comparison with 2006 VT Census data

Age	2006 VT Census	2008 Players
15-19 years	0.3%	---
20-24 years	6.8	2.2
25-29 years	5.9	2.9
30-34 years	5.4	3.6
35-39 years	6.4	4.5
40-44 years	8.1	8.1
45-49 years	8.6	10.3
50-54 years	8.2	13.0
55-59 years	7.2	11.9
60-64 years	5.5	10.6
65-69 years	4.0	9.7
70-74 years	2.9	5.8
75-79 years	2.7	3.0
80-84 years	2.1	4.0
85 years and over	1.7	1.7

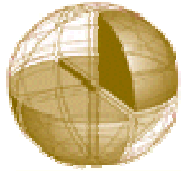
Gender	2006 VT Census	2008 Players
Male	49.1%	45.4%
Female	50.9	54.5



Demographic Comparison with 2006 VT Census data

Education	2006 VT Census	2008 Players
Population 18-24		
Less than high school	11.5%	4.2
High school graduate (includes equivalency)	34.2	33.3
Some college or associate's degree	45.9	20.8
Bachelor's degree or higher	8.3	37.5
Population 25 years and over		
Less than 9 th grade	3.5	1.0
9 th to 12 th grade, no diploma	6.6	4.1
High school graduate (includes equivalency)	62.4	33.6
Some college, no degree	16.4	19.1
Associate's degree	8.6	---
Bachelor's degree	19.7	25.9
Graduate or professional degree	12.8	10.7

Total household income	2006 VT Census	2008 Players
Less than \$50,000	52.1%	50.1
More than \$50,000	47.9	49.9



Any Questions?