Sports Betting and State Lotteries – A Positive Coexistence

- Some policymakers have expressed concern that state lotteries will see reduced revenue as sports betting becomes legal, but this has not proven true in states that have embraced sports betting.
- In New Jersey in Fiscal Year 2021, the NJ Lottery set all-time revenue records alongside the most successful sports betting year to date:

  - The NJ Lottery’s sales rose 14.6% to $3.68 billion
  - New Jersey sports bettors placed $10.9 billion in bets in 2021
  - 95% of Sports Bettors also play the lottery

As New Jersey illustrates, there is plenty of room for Lotteries and Sports Betting to coexist.

A Survey of U.S. Lottery Players asked how Sports Betting would Impact their Lottery Play:

- 21% said they would spend more on Lotteries
- 73% said they would spend the same
- 6% said they would spend less on Lotteries (and of this group, 50% said they would spend only 25% or less of current lottery spend on sports betting)

Sports Betting and Lotteries in the Millennial Market

- Sports betting attracts younger, more affluent, highly educated users
- Millennials’ interest in lotteries was already declining prior to the US legalization of sports betting, reflecting changing trends in how younger generations seek entertainment
  - Sports betting caters to people with knowledge and interest in sports, challenging them to use their skill to predict an outcome
  - Sports Betting has the potential to mobilize this new demographic for lottery cross-sell

NASPL (the North American Association of State and Provincial Lotteries) concludes:

There is no evidence of cannibalization of lottery play from sports betting!