

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:

↑ **14.6%**



The NJ Lottery's sales rose 14.6% to \$3.68 billion¹

↑ **104%**



New Jersey sports bettors placed \$10.9 billion in bets in 2021²

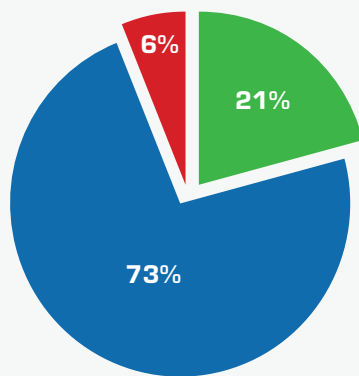
95%



95% of Sports Bettors also play the lottery³

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

A Survey of U.S. Lottery Players⁴ 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 users⁵
- ▶ Millennials' interest in lotteries was already declining prior to the US legalization of sports betting, reflecting changing trends in how younger generations seek entertainment⁶
 - ▶ 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!³

