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FOR IMMEDIATE RELEASE:

Instant Karma is Going to Get You

Chicago, Illinois – April 27, 2006 – Independent Lottery Research (ILR), one of the nation’s foremost lottery market research companies, has discovered that while lottery trial is up across the U.S., with more people saying they have “ever played” their state lottery, core playership and frequency of play are down. The increased participation this past year is likely caused by two huge bloc lotto prizes within a month of the survey.

Especially interesting are that peoples’ reasons for not playing have changed between this year and last. Last year, lapsed players tended to blame their “retirement” from lottery play on the lack of winners and the rising cost of a lottery ticket. In contrast, this year, consumers cite a far wider variety of reasons for not playing, including unreasonably priced tickets, a preference to spend extra money elsewhere, poor odds, and a general dislike of gambling.

Even more telling is the indication of April’s poll that lottery players no longer view the lottery as fun. Even those who play frequently express much less interest in playing games from just one year to the next than the industry might expect. The already low enjoyment levels found in 2005 decline even further in 2006. Only one in ten lottery players completely agree with the statement “I enjoy the lottery.” Based on ILR’s work with more traditional consumer products, this finding is alarming.

“The fragile nature of the relationships was both surprising and alarming. We know that game relevance and fun strike a balance. We just didn’t know it was this uneven,” said Gary Kubo, a director of ILR.

As one may expect, instant game players report the greatest enjoyment playing the lottery. In 2005, over one-third of instant-only players rated their enjoyment a “9” on a scale of 1 to 9 where 9 means “I enjoy it a lot” (36%). This figure dropped by two-thirds to only 12% in 2006.

With more people playing lotto style games, and fewer people actually enjoying the experience, it may be time for lotteries to rethink their approach. Instant games have been the backbone of lottery sales increases for a decade.

The lottery industry will never ultimately succeed in arguing odds and winning. Lotteries are widely supported and at times widely played. Instant games have the potential for far greater appeal than the core that creates most of the sales. The ‘core values’ that are defined as odds,

winning, chances of winning on the ticket, and churn are clearly becoming less relevant to the 'core.'

To find out more, call 312-546-5925 or visit the firm's website: www.ilresearch.net

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