

Market Landscape Explorer Research

2016 Scratch Games Player
Segmentation Study

- Main Document (draft) -

The logo for 'peopleprinciples' is displayed in a bold, dark blue sans-serif font. A large, light blue checkmark is positioned over the 'e' in 'people' and the 'i' in 'principles', extending from the top of the 'e' down to the bottom of the 'i'.

peopleprinciples

Overview

- Study Overview & Methodology
- Explanation of the Segmentation Approach
- Introduction and Explanation of each Segment
- Segment Comparisons:
 - Gaming Participation
 - Annualized Spending Analysis
 - Relative Size and Importance of each Segment
 - Relative Value (Indexed) per Segment Member
 - Attitudes
 - Opinions

Scratch Games Player Segmentation

Study Overview & Methodology

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About the Survey

- Accessed PY Scratch players from 2 sources:
 1. Oct 3-31 = MVP Club research promotion... (n=1458)
 2. Nov 14-25 = Purchased (Research Now) panel sample... (n=540)
- No 'rigid' sampling quotas were implemented. Instead...
 - **Step 1** = Derived the segments based on all 540 respondents from Research Now sample + 540 randomly selected MVP Club members.
 - **Step 2** = Classified each remaining MVP Club respondents (i.e. not used in Step 1) as one of the segments derived in Step 1.
 - **Step 3** = Weighted the entire sample (n=1998) to reflect the following proportions based on the general population tracking study:
 1. Age (19-29, 30-39, 40-49, 50-59, and 60+) within Gender
 2. Play Style Played Most Often (Extended Play, Quick Play, Play Equally)
 3. Annualized Scratch Spending Groups (Heavy, Moderate, Light, Peripheral)

Respondent Demographic Profile

UNWEIGHTED

	Total
Sample Size	1,998
Female	
Column %	59%
Male	
Column %	41%

	Total
Sample Size	1,998
19-29 years	
Column %	12%
30-39 years	
Column %	17%
40-49 years	
Column %	17%
50-59 years	
Column %	29%
60+ years	
Column %	25%

	Total
Sample Size	1,960
Under \$50,000	
Column %	47%
\$50,000 to \$100,000	
Column %	37%
Over \$100,000	
Column %	16%

WEIGHTED

	Total
Sample Size	1,998
Female	
Column %	52%
Male	
Column %	48%

	Total
Sample Size	1,998
19-29 years	
Column %	21%
30-39 years	
Column %	24%
40-49 years	
Column %	14%
50-59 years	
Column %	18%
60+ years	
Column %	23%

	Total
Sample Size	1,965
Under \$50,000	
Column %	46%
\$50,000 to \$100,000	
Column %	38%
Over \$100,000	
Column %	16%

Respondent Demographic Profile

UNWEIGHTED

	Total
Sample Size	1,998
Employed part-time Column %	9%
Employed full-time Column %	57%
Self-employed Column %	6%
A stay-at-home parent Column %	5%
Retired Column %	18%
Not currently employed Column %	5%

WEIGHTED

	Total
Sample Size	1,998
Employed part-time Column %	11%
Employed full-time Column %	58%
Self-employed Column %	6%
A stay-at-home parent Column %	5%
Retired Column %	16%
Not currently employed Column %	5%

	Total
Sample Size	1,998
Single Column %	18%
Married or living with significant other Column %	69%
Separated or Divorced Column %	10%
Widowed Column %	3%

	Total
Sample Size	1,998
Single Column %	22%
Married or living with significant other Column %	67%
Separated or Divorced Column %	9%
Widowed Column %	2%

Respondent Demographic Profile

UNWEIGHTED

WEIGHTED

	Total
Sample Size	1,998
Valid Cases	1,998
Caucasian or white % Valid Cases	91%
African American or Black % Valid Cases	3%
Asian / Asian American % Valid Cases	2%
Native American % Valid Cases	2%
Other race % Valid Cases	4%

	Total
Sample Size	1,998
Valid Cases	1,998
Caucasian or white % Valid Cases	92%
African American or Black % Valid Cases	3%
Asian / Asian American % Valid Cases	2%
Native American % Valid Cases	1%
Other race % Valid Cases	4%

	Total
Sample Size	1,998
High school or less Column %	23%
Technical/vocational or some college Column %	41%
College grad Column %	29%
Post grad Column %	7%

	Total
Sample Size	1,998
High school or less Column %	19%
Technical/vocational or some college Column %	39%
College grad Column %	33%
Post grad Column %	9%

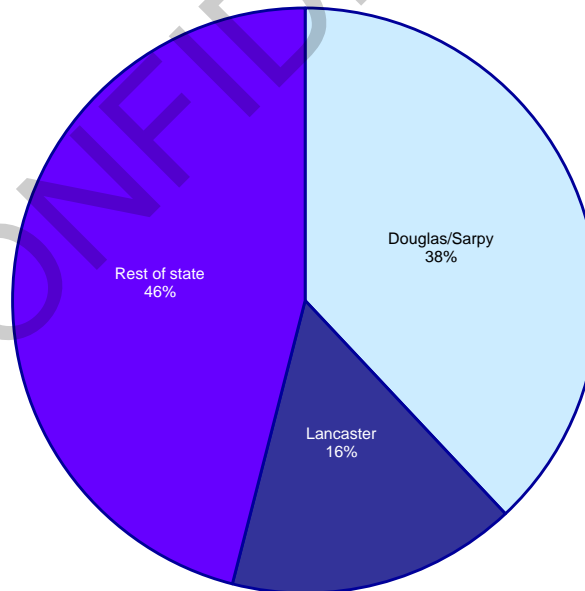
Respondent Demographic Profile

UNWEIGHTED

	Total
Sample Size	1,998
Douglas/Sarpy Column %	40%
Lancaster Column %	19%
Rest of State Column %	41%

WEIGHTED

	Total
Sample Size	1,998
Douglas/Sarpy Column %	41%
Lancaster Column %	20%
Rest of State Column %	39%



Survey Topics

- Screening Questions
- Typical Frequency & Spend, Favorite Form of Gaming
- Specific Scratch Games Questions
- Importance of Specific Purchase Decision Factors
- Importance of Specific Scratch Game Features
- Ad-hoc Questions
- Social Media Usage
- Demographics

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Key Screening Questions (Panel Sample)

- Age
- Gender
- Personal Opposition to state-run Lottery gaming
- Have not played a Nebraska Lottery Scratch Game in past 12 months
- Employed by any of the following:
 - A market research firm
 - The Nebraska Lottery or any of its contractors

Overall Lottery Profile Questions

- Typical frequency of play and spend (during identified frequency) were asked for each form of gaming played in the past 12 months:
 - Casino games
 - Nebraska Lottery Scratch games (note: Spend not asked)
 - Nebraska Lottery Lotto games
 - Powerball
 - Mega Millions
 - Nebraska Pick 5
 - MyDaY
 - Nebraska Pick 3
 - 2by2
 - Use an online poker site (or other online gambling sites)
 - Play poker (or other card games) with friends for money
 - Bet on sports (or make sports wagers with friends) for money
- Favorite form of gaming

Scratch Games Questions

- For each price point:
 - Typical frequency of play
 - Average spend during identified frequency
- For Extended Play games:
 - Typical frequency of play
 - Percent of annual spending on Extended Play games
- How often Scratch games are purchased at the same time as another Nebraska Lottery game
- Price point purchased most often
- Play style played most often (Extended Play, Quick Play, equally)

Likelihood to Purchase: Lower Top Prize Scenarios

- Asked the following series of questions for each price point:

A typical \$X Scratch game offers the chance to win one of 3 top prizes of \$[STANDARD TOP PRIZE]. How likely would you be to purchase a \$X Scratch game that offers the chance to win...?

1. one of 3 top prizes of \$[50% OF STANDARD TOP PRIZE] AND more prizes of \$500 or \$1,000 (than a \$X game with 3 top prizes of \$[STANDARD TOP PRIZE])
2. one of 3 top prizes of \$[50% OF TOP PRIZE] AND more prizes up to \$[80% CHATTER] (than a \$X game with 3 top prizes of \$[STANDARD TOP PRIZE])
3. one of 3 top prizes of \$[25% OF TOP PRIZE] AND even more prizes of \$500 or \$1,000 (than a \$X game with 3 top prizes of \$[50% OF TOP PRIZE])
4. one of 3 top prizes of \$1,250 AND even more prizes up to \$[80% CHATTER] (than a \$X game with 3 top prizes of \$[50% OF TOP PRIZE])

General Questions

- Source used most to stay informed about Scratch games in Nebraska
- Attitudes towards specific Scratch games statements
- 2 hypothetical Lottery game spending scenarios:
 1. Assume you were at a lottery retailer in Nebraska and you decided to purchase lottery games. What game(s) would you be likely to purchase while you were at the store that day?
 2. Assume you were at a lottery retailer in Nebraska and you decided to purchase one or more Scratch games. What price(s) of Scratch game(s) would you be likely to purchase while you were at the store that day?

Social Media & Demographics

- Frequency of use for the following Social Networking sites:
 - Facebook
 - Instagram
 - Snapchat
 - LinkedIn
 - Google+ (i.e. Google Plus)
 - Twitter
 - YouTube
 - Skype
 - Pinterest
 - Reddit
- Standard Demos

'Typical' Play Frequency Groups

	Any price	\$1 Games	\$2 Games	\$3 Games	\$5 Games	\$10 Games	\$20 Games	Extended Play
Regular	17%	11%	6%	6%	4%	3%	2%	9%
Occasional	32%	28%	20%	16%	12%	6%	3%	19%
Infrequent	51%	52%	49%	37%	39%	28%	16%	46%
Non-players	0%	9%	25%	41%	45%	63%	79%	26%
	100%	100%	100%	100%	100%	100%	100%	100%

PLAY FREQUENCY DEFINITIONS

Regular - Every week

Occasional - Every couple of weeks or Every month

Infrequent - Every couple of months, Every 6 months, or Once a year

Non-Players - Less than once a year or Have never played

Avg. Annualized Spend by Play Frequency for that price point

	Played price point in PY	Regular Players	Occasional Players	Infrequent Players
\$1 Games	\$93.00	\$351.08	\$116.92	\$23.73
\$2 Games	\$95.85	\$482.53	\$143.86	\$26.87
\$3 Games	\$153.70	\$755.44	\$202.28	\$29.46
\$5 Games	\$177.19	\$1,208.90	\$278.77	\$38.37
\$10 Games	\$312.01	\$2,464.64	\$493.68	\$50.59
\$20 Games	\$558.02	\$4,717.89	\$939.26	\$80.90
Extended Play	\$333.31	\$1,708.48	\$499.48	\$112.31

PLAY FREQUENCY DEFINITIONS

Regular - Every week

Occasional - Every couple of weeks or Every month

Infrequent - Every couple of months, Every 6 months, or Once a year

Interpretation Example:

- Players of \$5 games, regardless of their typical play frequency, spend an avg. of \$177.19 a year (or the equivalent of \$3.41 a week on \$5 games).
- “Regular” (i.e. Weekly) Players of \$5 games spend an avg. of \$1,208.90 a year (\$23.25 a week).
- “Occasional” Players of \$5 games spend an avg. \$278.77 (\$5.36 a week)
- “Infrequent” Players of \$5 games spend an avg. \$38.37 (\$0.74 a week)

Scratch Games Player Segmentation

Explanation of the
Segmentation Approach

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Segmentation Studies

- Goal is to provide lotteries and vendors with a framework for understanding/conceptualizing the marketplace through the use of identified segments.
- The key to segmentation is incorporating statements that will discriminate the broader audience in question in to like-minded sub-audiences whose behaviors and attitudes are similar within groups but noticeably different, on some elements, across groups.
 - Demographics (Age, Gender)
 - Attitudes
 - Psychographics
 - Behavior
 - Needs-based / Product-based

Attitudinal Segmentation

[Randomize]	Does Not Describe Me At All										Describes Me Very Well
	[0]	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
I play just for fun	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I play when I'm feeling lucky	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Scratch Game games are a special "treat" for me	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I often buy Scratch Game tickets as a gift for friends or family	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I play Scratch Game games because I like the excitement	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I tend to play Scratch Game games when I have some extra money	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I tend to buy Scratch Game games at stores where I know someone has won	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I tend to buy Scratch Game tickets when I see others buying them	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I buy Scratch Game games to make some easy money	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I think Scratch Game games are an inexpensive form of entertainment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Scratch Game games are an escape, or a special break in my day	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I often dream about winning a big Scratch Game prize	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Attitudinal Segmentation

[Randomize]	Does Not Describe Me At All											Describes Me Very Well
	[0]	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	
I try to spend the same amount every time I buy Scratch Game games	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I normally buy Scratch Games with money left over after other purchases	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I tend to buy more Scratch Games on payday	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I tend to spend my winnings on more Scratch Games	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I normally buy Scratch Games with spare money that I have in my wallet/purse	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I tend to spend more on Scratch Games when the Powerball jackpot is large.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I spend more after I see or hear of someone winning a prize	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I tend to spend more on games that I know have top prizes remaining	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I tend to spend more on Scratch Games after I have won a Scratch Game prize	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

The People Principles Segmentation Approach for Scratch Games

- People Principles (formerly Axiom Consumer Research) developed a needs-based/product-based (multi-variable) segmentation model.
 - The model is derived by how groups of PY players actually use Instant Games, based on what they want out of them instead of how they “feel” (attitudinally) about the broad product category.
 - Segments are more “tangible” given they are derived from marketing/product-based variables.
 - Study findings are more “actionable” given these variables are much easier to manipulate (compared to consumer attitudes) within the marketplace.
- People Principles successfully uses responses from 2 key questions to derive the segmentation of Scratch Games players
 - Question #1 pertains to Purchase Decision Factors
 - Question #2 pertains to Scratch Games Attributes

20 Items included in the Purchase Decision Factors Question

1. Top prize
2. Ticket price
3. Another feature of the ticket other than price or top prize (e.g. ticket graphics, name of the game, theme/topic, how to play the game, prize callouts, ticket colors, # of play areas, odds of winning, bonus play area, shape of ticket, etc.)
4. Something about the Scratch game catches my attention in the ticket display unit.
5. The specific Scratch game is advertised in the store.
6. The specific Scratch game is advertised on TV or the radio.
7. The specific Scratch game has a promotion where you can submit your non-winning tickets for a chance to win a pre-determined cash or merchandise prize (i.e. 2nd chance promotion).
8. A newly-released Scratch game.
9. A specific Scratch game that I haven't seen before.
10. A new ticket pack of that Scratch game was just added by the store clerk.
11. A specific Scratch game that I know takes more time to finish playing than most Scratch games at a specific price.
12. A Scratch game that I know is quick and easy to play.
13. A specific Scratch game that I won playing in the past.
14. A Scratch game that was available in the past but I haven't seen for some time.
15. Knowing other players have won money playing a particular Scratch game.
16. Knowing which prizes are remaining for each Scratch game.
17. A suggestion from the store clerk.
18. A suggestion from other players.
19. A popular Scratch game that is sold at most stores across the state throughout the entire year.
20. A Scratch game that is sold at most stores across the state during a specific season/holiday.

Layout of the Purchase Decision Factors Exercise within the Survey

In the next part of the survey, you will be shown a total of 10 sets of 6 items. For each set of 6 items, you will be asked to select which **factor** you feel is the **MOST** and **LEAST** important to you personally when choosing a Scratch game to purchase at the counter.

Next »

Layout of the Purchase Decision Factors Exercise within the Survey

Which FACTOR do you feel is the **MOST** and **LEAST important** to you personally when choosing a Scratch game to purchase at the counter?

MOST Important		LEAST Important
<input type="radio"/>	A new ticket pack of that Scratch game was just added by the store clerk.	<input type="radio"/>
<input type="radio"/>	A popular Scratch game that is sold at most stores across the state throughout the entire year.	<input type="radio"/>
<input type="radio"/>	Knowing which prizes are remaining for each Scratch game.	<input type="radio"/>
<input type="radio"/>	A suggestion from the store clerk.	<input type="radio"/>
<input type="radio"/>	A Scratch game that I know is quick and easy to play.	<input type="radio"/>
<input type="radio"/>	Another feature of the ticket other than price or top prize (e.g. ticket graphics, name of the game, theme/topic, how to play the game, prize callouts, ticket colors, # of play areas, odds of winning, bonus play area, shape of ticket, etc.)	<input type="radio"/>

Next »

(1 of 10)

Layout of the Purchase Decision Factors Exercise within the Survey

Which FACTOR do you feel is the **MOST** and **LEAST important** to you personally when choosing a Scratch game to purchase at the counter?

MOST Important		LEAST Important
<input type="radio"/>	A popular Scratch game that is sold at most stores across the state throughout the entire year.	<input type="radio"/>
<input type="radio"/>	Something about the Scratch game catches my attention in the ticket display unit.	<input type="radio"/>
<input type="radio"/>	A suggestion from the store clerk.	<input type="radio"/>
<input type="radio"/>	The specific Scratch game is advertised on TV or the radio.	<input type="radio"/>
<input type="radio"/>	The specific Scratch game is advertised in the store.	<input type="radio"/>
<input type="radio"/>	Knowing which prizes are remaining for each Scratch game.	<input type="radio"/>

Next »

(2 of 10)

Layout of the Purchase Decision Factors Exercise within the Survey

Which FACTOR do you feel is the **MOST** and **LEAST important** to you personally when choosing a Scratch game to purchase at the counter?

MOST Important		LEAST Important
<input type="radio"/>	A Scratch game that was available in the past but I haven't seen for some time.	<input type="radio"/>
<input type="radio"/>	Ticket price	<input type="radio"/>
<input type="radio"/>	A specific Scratch game that I know takes more time to finish playing than most Scratch games at a specific price.	<input type="radio"/>
<input type="radio"/>	Top prize	<input type="radio"/>
<input type="radio"/>	Knowing other players have won money playing a particular Scratch game.	<input type="radio"/>
<input type="radio"/>	A suggestion from other players.	<input type="radio"/>

Next »

(3 of 10)

Layout of the Purchase Decision Factors Exercise within the Survey

Which FACTOR do you feel is the **MOST** and **LEAST important** to you personally when choosing a Scratch game to purchase at the counter?

MOST Important		LEAST Important
<input type="radio"/>	Ticket price	<input type="radio"/>
<input type="radio"/>	A suggestion from the store clerk.	<input type="radio"/>
<input type="radio"/>	A Scratch game that is sold at most stores across the state during a specific season/holiday.	<input type="radio"/>
<input type="radio"/>	A newly-released Scratch game.	<input type="radio"/>
<input type="radio"/>	Something about the Scratch game catches my attention in the ticket display unit.	<input type="radio"/>
<input type="radio"/>	A popular Scratch game that is sold at most stores across the state throughout the entire year.	<input type="radio"/>

Next »

(4 of 10)

Layout of the Purchase Decision Factors Exercise within the Survey

Which FACTOR do you feel is the **MOST** and **LEAST important** to you personally when choosing a Scratch game to purchase at the counter?

MOST Important		LEAST Important
<input type="radio"/>	Another feature of the ticket other than price or top prize (e.g. ticket graphics, name of the game, theme/topic, how to play the game, prize callouts, ticket colors, # of play areas, odds of winning, bonus play area, shape of ticket, etc.)	<input type="radio"/>
<input type="radio"/>	Top prize	<input type="radio"/>
<input type="radio"/>	A newly-released Scratch game.	<input type="radio"/>
<input type="radio"/>	The specific Scratch game has a promotion where you can submit your non-winning tickets for a chance to win a pre-determined cash or merchandise prize (i.e. 2nd chance promotion).	<input type="radio"/>
<input type="radio"/>	A suggestion from other players.	<input type="radio"/>
<input type="radio"/>	A Scratch game that was available in the past but I haven't seen for some time.	<input type="radio"/>

Next »

(5 of 10)

25 Items included in Ticket Attributes Question

1. Costs \$1 to play.
2. Costs \$2 to play.
3. Costs \$3 to play.
4. Costs \$5 to play.
5. Costs \$10 to play.
6. Costs \$20 to play.
7. Has the typical number of Top Prizes available to be won (i.e. 3 Top Prizes), each with a typical Top Prize amount for that price of ticket.
8. Has 10 Top Prizes (instead of the typical 3 Top Prizes) but... each Top Prize is 10% of the typical Top Prize amount for that price of ticket.
9. Has 3 Top Prizes available to be won but... those Top Prizes are 25% less than the typical Top Prize amount for that price of ticket in order to fund more prizes between \$500 and \$1000.
10. Has 3 Top Prizes available to be won but... those Top Prizes are 25% less than the typical Top Prize amount for that price of ticket in order to fund more prizes up to \$200.
11. The Top Prize is a specific type of vehicle (examples: truck, car, or motorcycle) that is of interest to me.
12. Provides me with the best chance of winning a prize, whatever that prize may be.
13. Has a recognizable brand like Monopoly, Wheel of Fortune, Frogger, Pac Man, or Ghostbusters.
14. Has a feature in the main play area where I could multiply my prize (e.g., Doubler, Tripler, 5X, 10x, etc.).
15. Has a specific theme that is of interest to me.
16. Has a feature in the main play area where I could instantly win cash or a Free ticket.
17. Has a Bonus Box that is separate from the main play area, where I might instantly win cash or a Free ticket.
18. Has a single play area with one set of play instructions.
19. Has more than one play area (excluding any Bonus Boxes), each with its own play instructions.
20. Is more involved and takes more time to finish playing than most Scratch games at a specific price (like "Bingo" and "Crossword").
21. Is quick and easy to play.
22. Has colors that I find appealing or that make it stand out from other tickets.
23. Is NOT standard in shape (i.e. ticket is shaped like the number 7, a horseshoe, a shamrock, a flower, etc.).
24. Has an appealing name.
25. Has cool/appealing graphics.

Layout of the Scratch Games Ticket Attributes Exercise within the Survey

You have reached the final section of the survey!

You will now be shown another 12 sets of 6 items. For each set of 6 items, you will be asked to select which Scratch game attribute you feel is the **MOST** and **LEAST** important to you personally.

Next »

Layout of the Scratch Games Ticket Attributes Exercise within the Survey

Which Scratch game attribute do you feel is the **MOST** and **LEAST important** to you personally?

MOST Important		LEAST Important
<input type="radio"/>	Has 3 Top Prizes available to be won but... those Top Prizes are 25% less than the typical Top Prize amount for that price of ticket in order to fund more prizes up to \$200.	<input type="radio"/>
<input type="radio"/>	Costs \$10 to play.	<input type="radio"/>
<input type="radio"/>	Has a recognizable brand like Monopoly, Wheel of Fortune, Frogger, Pac Man, or Ghostbusters.	<input type="radio"/>
<input type="radio"/>	Has a single play area with one set of play instructions.	<input type="radio"/>
<input type="radio"/>	Has a feature in the main play area where I could instantly win cash or a Free ticket.	<input type="radio"/>
<input type="radio"/>	Has more than one play area (excluding any Bonus Boxes), each with its own play instructions.	<input type="radio"/>

Next »

(1 of 12)

Layout of the Scratch Games Ticket Attributes Exercise within the Survey

Which Scratch game attribute do you feel is the **MOST** and **LEAST important** to you personally?

MOST Important		LEAST Important
<input type="radio"/>	The Top Prize is a specific type of vehicle (examples: truck, car, or motorcycle) that is of interest to me.	<input type="radio"/>
<input type="radio"/>	Has a Bonus Box that is separate from the main play area, where I might instantly win cash or a Free ticket.	<input type="radio"/>
<input type="radio"/>	Is NOT standard in shape (i.e. ticket is shaped like the number 7, a horseshoe, a shamrock, a flower, etc.).	<input type="radio"/>
<input type="radio"/>	Is more involved and takes more time to finish playing than most Scratch games at a specific price (like "Bingo" and "Crossword").	<input type="radio"/>
<input type="radio"/>	Has a single play area with one set of play instructions.	<input type="radio"/>
<input type="radio"/>	Has a feature in the main play area where I could multiply my prize (e.g., Doubler, Tripler, 5X, 10x, etc.).	<input type="radio"/>

Next »

(2 of 12)

Layout of the Scratch Games Ticket Attributes Exercise within the Survey

Which Scratch game attribute do you feel is the **MOST** and **LEAST important** to you personally?

MOST Important		LEAST Important
<input type="radio"/>	Has a recognizable brand like Monopoly, Wheel of Fortune, Frogger, Pac Man, or Ghostbusters.	<input type="radio"/>
<input type="radio"/>	Has 10 Top Prizes (instead of the typical 3 Top Prizes) but... each Top Prize is 10% of the typical Top Prize amount for that price of ticket.	<input type="radio"/>
<input type="radio"/>	Has the typical number of Top Prizes available to be won (i.e. 3 Top Prizes), each with a typical Top Prize amount for that price of ticket.	<input type="radio"/>
<input type="radio"/>	Is NOT standard in shape (i.e. ticket is shaped like the number 7, a horseshoe, a shamrock, a flower, etc.).	<input type="radio"/>
<input type="radio"/>	Is more involved and takes more time to finish playing than most Scratch games at a specific price (like "Bingo" and "Crossword").	<input type="radio"/>
<input type="radio"/>	Has an appealing name.	<input type="radio"/>

Next »

(3 of 12)

Layout of the Scratch Games Ticket Attributes Exercise within the Survey

Which Scratch game attribute do you feel is the **MOST** and **LEAST important** to you personally?

MOST Important		LEAST Important
<input type="radio"/>	Has a Bonus Box that is separate from the main play area, where I might instantly win cash or a Free ticket.	<input type="radio"/>
<input type="radio"/>	Has 3 Top Prizes available to be won but... those Top Prizes are 25% less than the typical Top Prize amount for that price of ticket in order to fund more prizes between \$500 and \$1000.	<input type="radio"/>
<input type="radio"/>	Costs \$1 to play.	<input type="radio"/>
<input type="radio"/>	Has a feature in the main play area where I could instantly win cash or a Free ticket.	<input type="radio"/>
<input type="radio"/>	Costs \$20 to play.	<input type="radio"/>
<input type="radio"/>	Costs \$2 to play.	<input type="radio"/>

Next »

(4 of 12)

Layout of the Scratch Games Ticket Attributes Exercise within the Survey

Which Scratch game attribute do you feel is the **MOST** and **LEAST important** to you personally?

MOST Important		LEAST Important
<input type="radio"/>	Has 3 Top Prizes available to be won but... those Top Prizes are 25% less than the typical Top Prize amount for that price of ticket in order to fund more prizes between \$500 and \$1000.	<input type="radio"/>
<input type="radio"/>	Is quick and easy to play.	<input type="radio"/>
<input type="radio"/>	Has an appealing name.	<input type="radio"/>
<input type="radio"/>	The Top Prize is a specific type of vehicle (examples: truck, car, or motorcycle) that is of interest to me.	<input type="radio"/>
<input type="radio"/>	Has colors that I find appealing or that make it stand out from other tickets.	<input type="radio"/>
<input type="radio"/>	Has cool/appealing graphics.	<input type="radio"/>

Next »

(5 of 12)

Actionability Comparison: Attitudinal vs. Needs-based / Product-based



7 Most Important Purchase Decision Factors Among All Respondents

Which FACTOR do you feel is the **MOST** and **LEAST important** to you personally when choosing a Scratch game to purchase at the counter?

MOST Important		LEAST Important
<input type="radio"/>	A new ticket pack of that Scratch game was just added by the store clerk.	<input type="radio"/>
<input type="radio"/>	A popular Scratch game that is sold at most stores across the state throughout the entire year.	<input type="radio"/>
<input type="radio"/>	Knowing which prizes are remaining for each Scratch game.	<input type="radio"/>
<input type="radio"/>	A suggestion from the store clerk.	<input type="radio"/>
<input type="radio"/>	A Scratch game that I know is quick and easy to play.	<input type="radio"/>
<input type="radio"/>	Another feature of the ticket other than price or top prize (e.g. ticket graphics, name of the game, theme/topic, how to play the game, prize callouts, ticket colors, # of play areas, odds of winning, bonus play area, shape of ticket, etc.)	<input type="radio"/>

Next »

(1 of 10)

7 Most Important Purchase Decision Factors Among All Respondents

MOST IMPORTANT PURCHASE DECISION FACTORS	
Ticket price	(20.66%)
Knowing which prizes are remaining for each Scratch game	(15.22%)
Top prize	(11.04%)
A specific Scratch game that I won playing in the past	(8.49%)
The specific Scratch game has a promotion where you can submit your non-winning tickets for a chance to win a pre-determined cash or merchandise prize	(8.26%)
Something about the Scratch game catches my attention in the ticket display unit	(7.86%)
A Scratch game that I know is quick and easy to play	(6.20%)
7 (out of 20) most important purchase decision factors account for 77.73% of choice share.	

At #8... A specific Scratch game that I know takes more time to finish playing than most Scratch games at a specific price (4.93%).

8 Most Important Ticket Attributes Among All Respondents

Which Scratch game attribute do you feel is the **MOST** and **LEAST important** to you personally?

MOST Important		LEAST Important
<input type="radio"/>	Has 3 Top Prizes available to be won but... those Top Prizes are 25% less than the typical Top Prize amount for that price of ticket in order to fund more prizes up to \$200.	<input type="radio"/>
<input type="radio"/>	Costs \$10 to play.	<input type="radio"/>
<input type="radio"/>	Has a recognizable brand like Monopoly, Wheel of Fortune, Frogger, Pac Man, or Ghostbusters.	<input type="radio"/>
<input type="radio"/>	Has a single play area with one set of play instructions.	<input type="radio"/>
<input type="radio"/>	Has a feature in the main play area where I could instantly win cash or a Free ticket.	<input type="radio"/>
<input type="radio"/>	Has more than one play area (excluding any Bonus Boxes), each with its own play instructions.	<input type="radio"/>

Next »

(1 of 12)

8 Most Important Ticket Attributes Among All Respondents

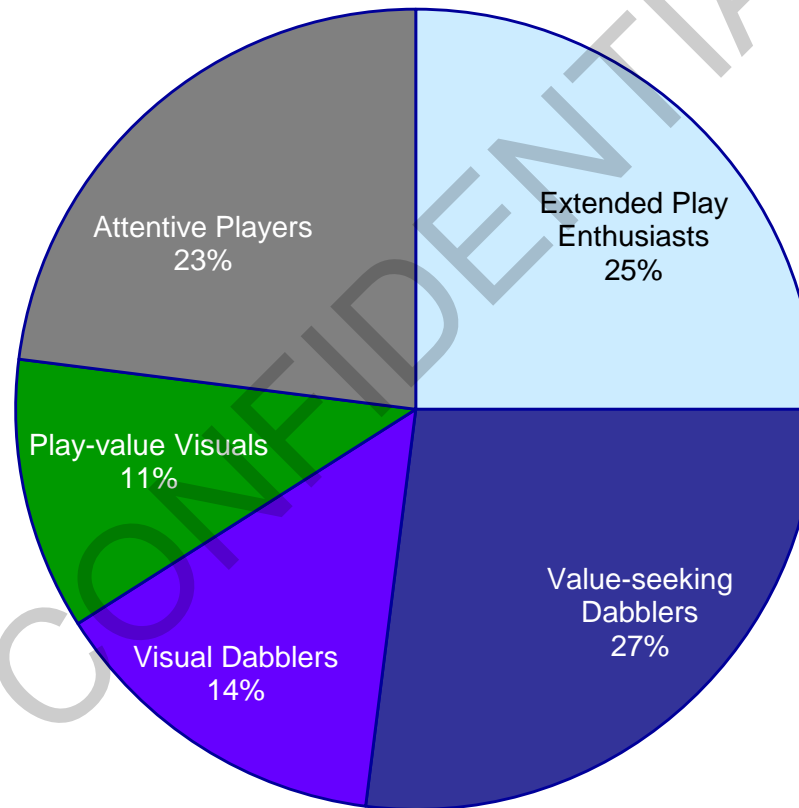
MOST IMPORTANT SCRATCH GAME ATTRIBUTES	
Provides me with the best chance of winning a prize, whatever that prize may be	(24.31%)
Costs \$1 to play	(13.74%)
Is more involved and takes more time to finish playing than most Scratch games at a specific price	(8.94%)
Is quick and easy to play	(8.80%)
Has a feature in the main play area where I could multiply my prize	(6.32%)
Has a Bonus Box that is separate from the main play area, where I might instantly win cash or a Free ticket	(5.92%)
Has a feature in the main play area where I could instantly win cash or a Free ticket	(4.10%)
The Top Prize is a specific type of vehicle that is of interest to me	(3.89%)
8 (out of 25) most important Scratch Game attributes account for 76.02% of choice share.	

2016 Scratch Games Player Segmentation

Introduction and Explanation
of each Segment

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Scratch Games Player Segments (2016)



7 Most Important (Overall) Purchase Decision Factors

PURCHASE DECISION FACTORS	Extended Play Enthusiasts (25%)	Value-seeking Dabblers (27%)	Visual Dabblers (14%)	Play-value Visuals (11%)	Attentive Players (22%)
Ticket price (20.66%)	15.69%	32.59%	25.91%	9.70%	13.85%
Knowing which prizes are remaining for each Scratch game (15.22%)	19.69%	11.40%	8.54%	9.39%	22.16%
Top prize (11.04%)	10.79%	12.18%	8.88%	6.78%	13.48%
A specific Scratch game that I won playing in the past (8.49%)	8.07%	8.61%	8.12%	12.71%	6.83%
The specific Scratch game has a promotion where you can submit your non-winning tickets for a chance to win a pre-determined cash or merchandise prize (8.26%)	9.16%	7.18%	4.07%	5.41%	12.72%
Something about the Scratch game catches my attention in the ticket display unit (7.86%)	6.69%	4.52%	12.24%	15.60%	6.57%
A Scratch game that I know is quick and easy to play (6.20%)	0.53%	11.10%	12.41%	1.24%	5.28%
7 (out of 20) most important purchase decision factors account for 77.73% of choice share.	70.62%	87.58%	80.17%	60.82%	80.89%

Other Important Purchase Decision Factor(s) for Specific Segments

- Extended Play Enthusiasts
 - A specific Scratch game that I know takes more time to finish playing than most Scratch games at a specific price. (12.91%)
- Play-value Visuals
 - A specific Scratch game that I know takes more time to finish playing than most Scratch games at a specific price. (11.36%)
 - A newly-released Scratch game (6.37%)
 - Another feature of the ticket other than price or top prize (5.85%)

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8 Most Important (Overall) Scratch Game Ticket Attributes

SCRATCH GAME TICKET ATTRIBUTES	Extended Play Enthusiasts (25%)	Value-seeking Dabblers (27%)	Visual Dabblers (14%)	Play-value Visuals (11%)	Attentive Players (22%)
Provides me with the best chance of winning a prize, whatever that prize may be (24.31%)	25.54%	26.52	10.81	14.40%	33.88%
Costs \$1 to play (13.74%)	4.56%	29.77%	22.96%	3.67%	3.68%
Is more involved and takes more time to finish playing than most Scratch games at a specific price (8.94%)	23.79%	0.35%	1.32%	22.34%	0.39%
Is quick and easy to play (8.80%)	0.15%	16.23%	20.68%	0.81%	6.12%
Has a feature in the main play area where I could multiply my prize (6.32%)	8.39%	4.02%	2.46%	4.79%	10.07%
Has a Bonus Box that is separate from the main play area, where I might instantly win cash or a Free ticket (5.92%)	7.68%	4.20%	3.06%	5.45%	8.13%
Has a feature in the main play area where I could instantly win cash or a Free ticket (4.10%)	3.79%	4.54%	3.17%	3.63%	4.73%
The Top Prize is a specific type of vehicle that is of interest to me (3.89%)	3.53%	2.44%	3.02%	4.42%	6.38%
8 (out of 25) most important Scratch Game attributes account for 76.02% of choice share.	77.44%	88.07%	67.48%	59.50%	73.37%

Additional Important Scratch Game Ticket Attribute(s) for Specific Segments

- Extended Play Enthusiasts
 - Has more than one play area, each with its own play instructions (6.10%)
- Value-seeking Dabblers
 - Cost \$2 to play (3.57%)
- Visual Dabblers
 - Has a specific theme that is of interest to me (5.85%)
 - Costs \$2 to play (3.61%)
- Play-value Visuals
 - Has a specific theme that is of interest to me (7.42%)
 - Has a recognizable brand like Monopoly, Wheel of Fortune, Frogger, Pac Man, or Ghostbusters (6.46%)
 - Has more than one play area, each with its own play instructions (6.36%)
- Attentive Players
 - Has more than one play area, each with its own play instructions (4.10%)
 - Has 10 Top Prizes but... each Top Prize is 10% of the typical Top Prize amount for that price of ticket (4.06%)

2016 Scratch Games Player Segmentation

Segment Comparisons

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Segment Comparisons

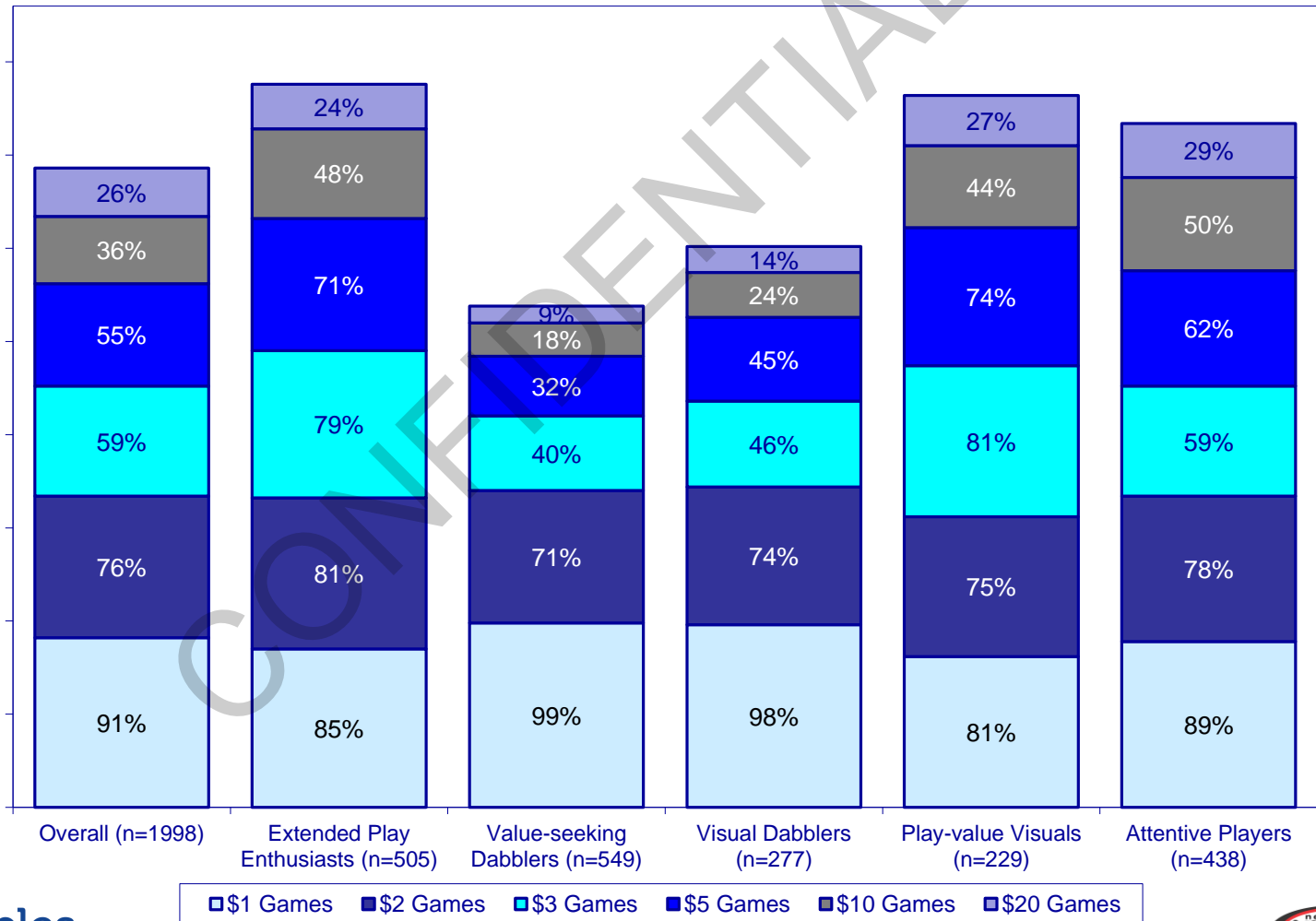
Gaming Participation

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Past Year Gaming Participation

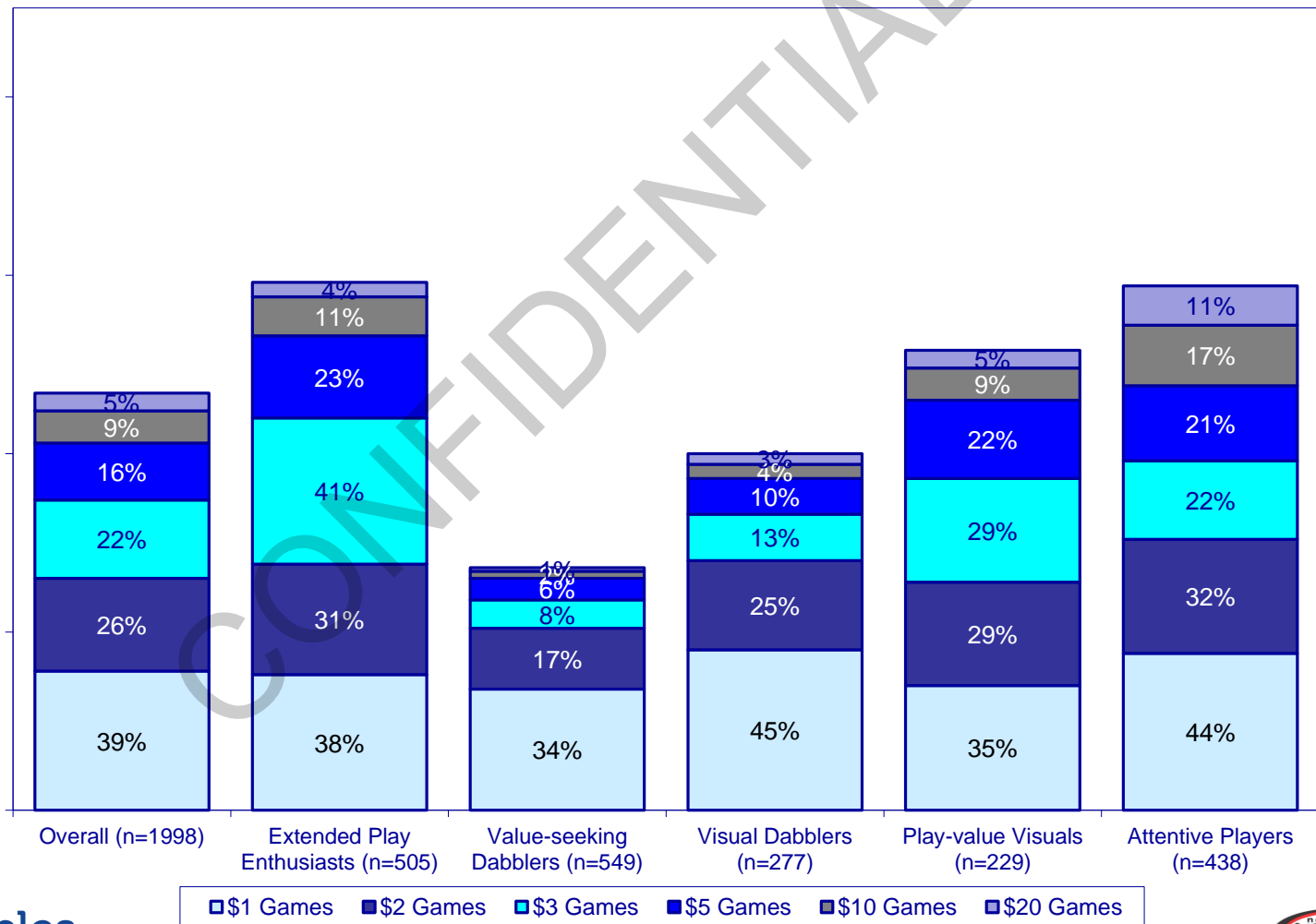
	ALL RESPONDENTS	Extended Play Enthusiasts (25%)	Value-seeking Dabblers (27%)	Visual Dabblers (14%)	Play-value Visuals (11%)	Attentive Players (22%)
Casino Games	44%	45%	42%	42%	48%	47%
Pickle Cards	30%	32%	27%	28%	36%	30%
Keno	40%	40%	35%	42%	45%	40%
Bingo (at a Bingo Hall)	8%	8%	7%	9%	11%	8%
Lotto Games	93%	94%	92%	86%	90%	97%
Online gambling sites	5%	3%	3%	6%	3%	8%
Cards for money with friends	12%	9%	11%	13%	17%	15%
Sports betting for money	16%	13%	16%	16%	19%	18%

Price Points Played in Past Year



Base: All Respondents (n=1998)

Price Points Played in Past Month



Base: All Respondents (n=1998)

% of Regular Players at each Price Point

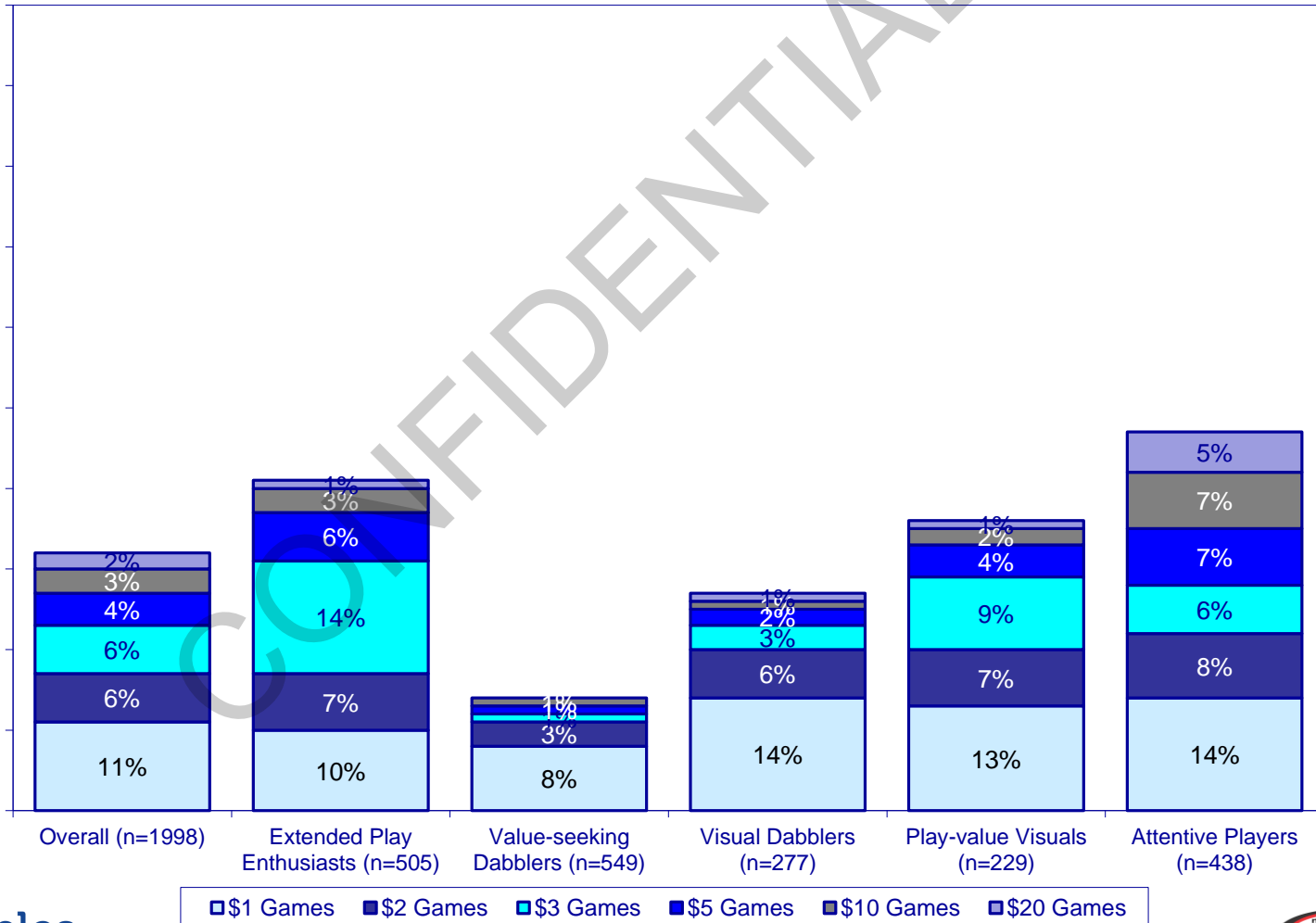
PLAY FREQUENCY DEFINITIONS

Regular - Every week

Occasional - Every couple of weeks or Every month

Infrequent - Every couple of months, Every 6 months, or Once a year

Non-Players - Less than once a year or Have never played



Base: All Respondents (n=1998)

% of Occasional Players at each Price Point

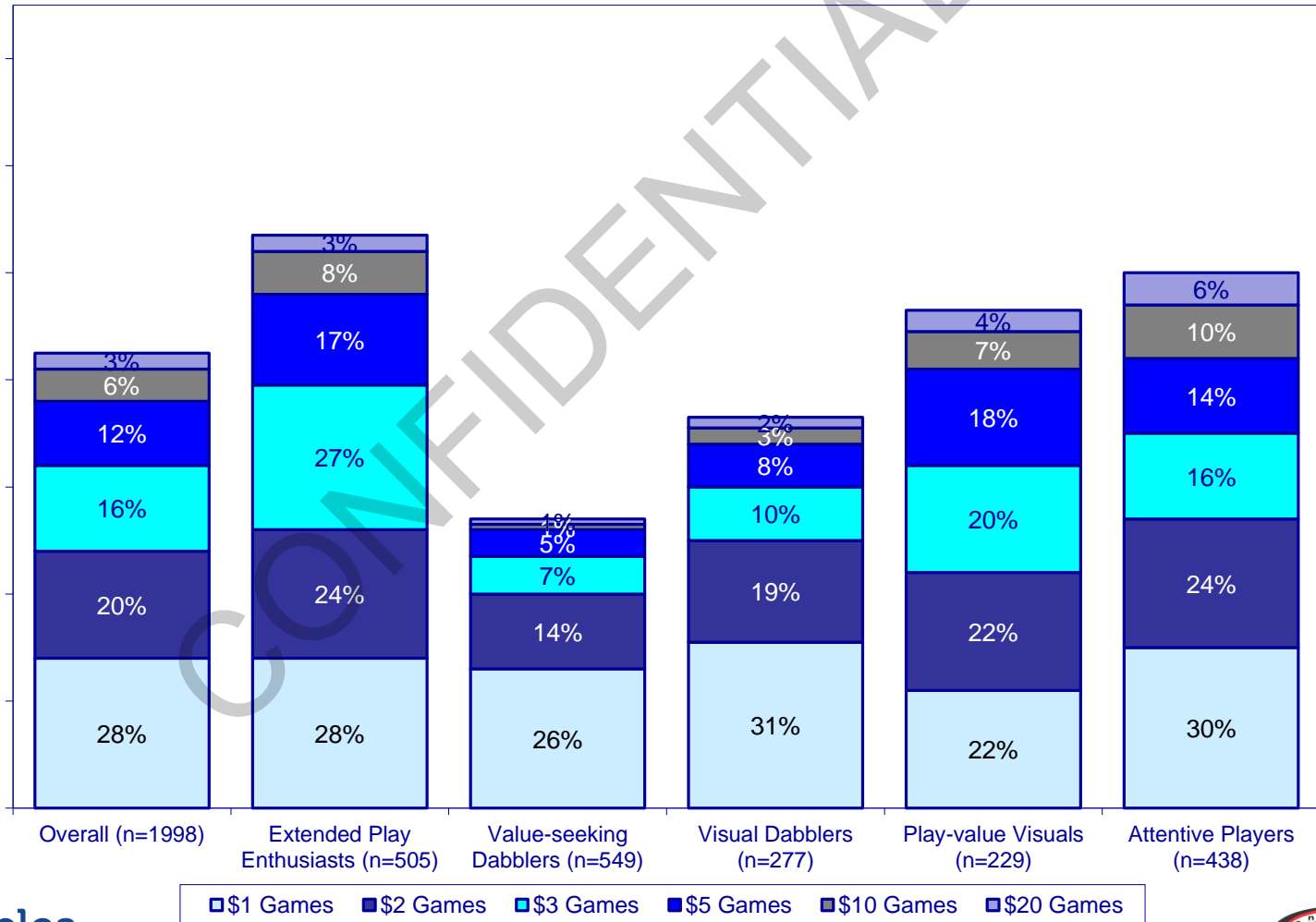
PLAY FREQUENCY DEFINITIONS

Regular - Every week

Occasional - Every couple of weeks or Every month

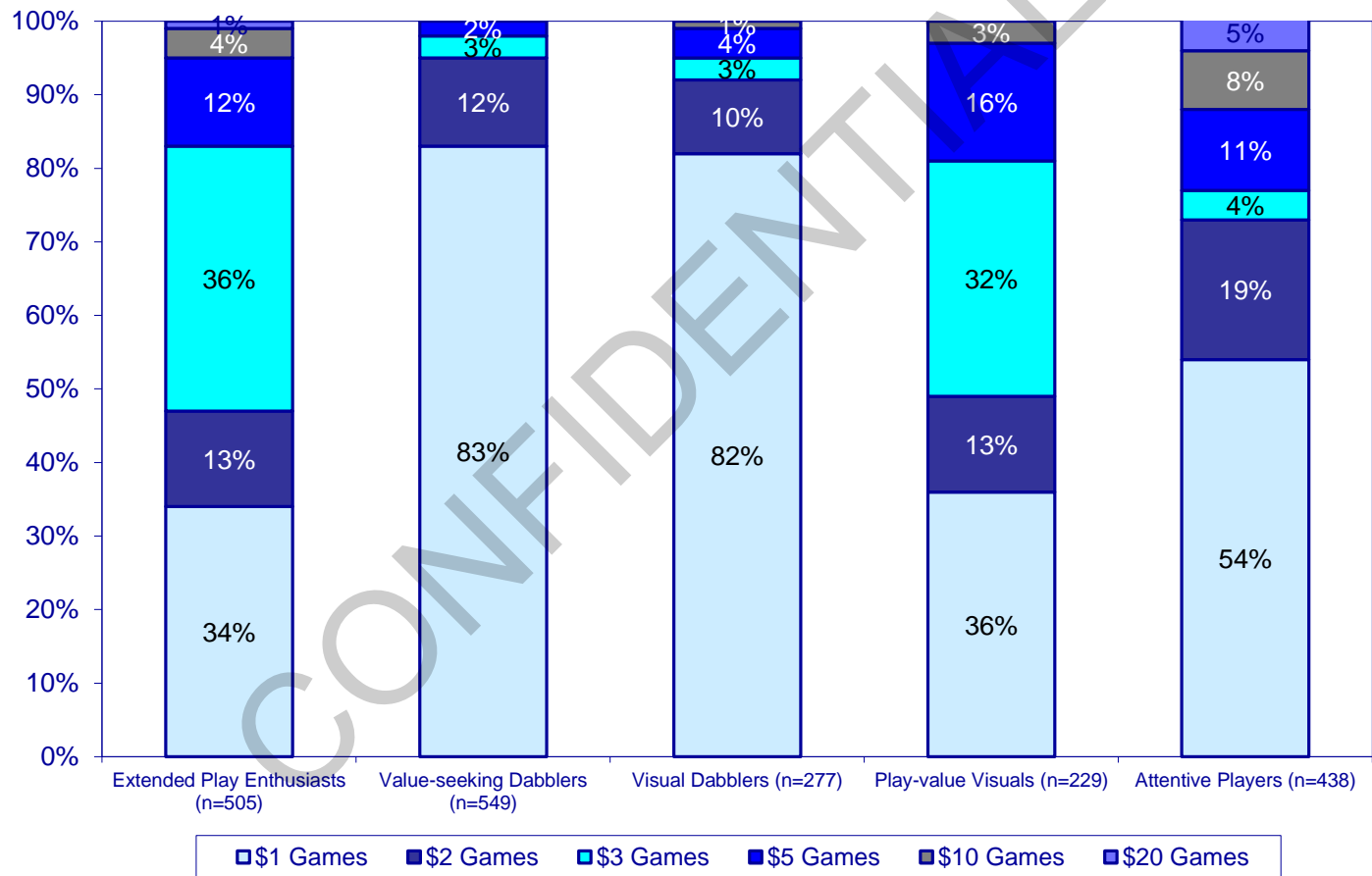
Infrequent - Every couple of months, Every 6 months, or Once a year

Non-Players - Less than once a year or Have never played



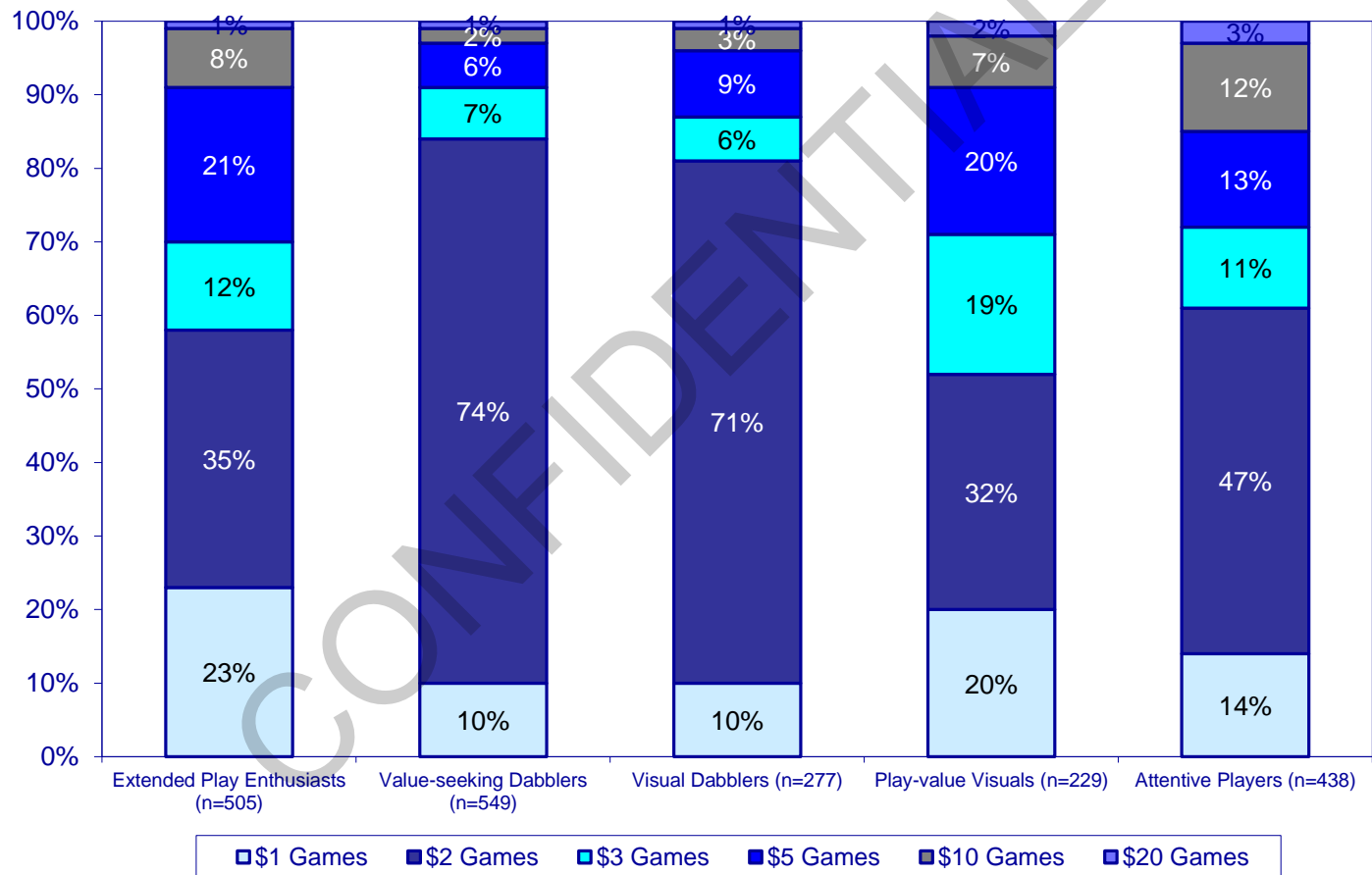
Base: All Respondents (n=1998)

Price Point Purchased Most Often (First Mention)

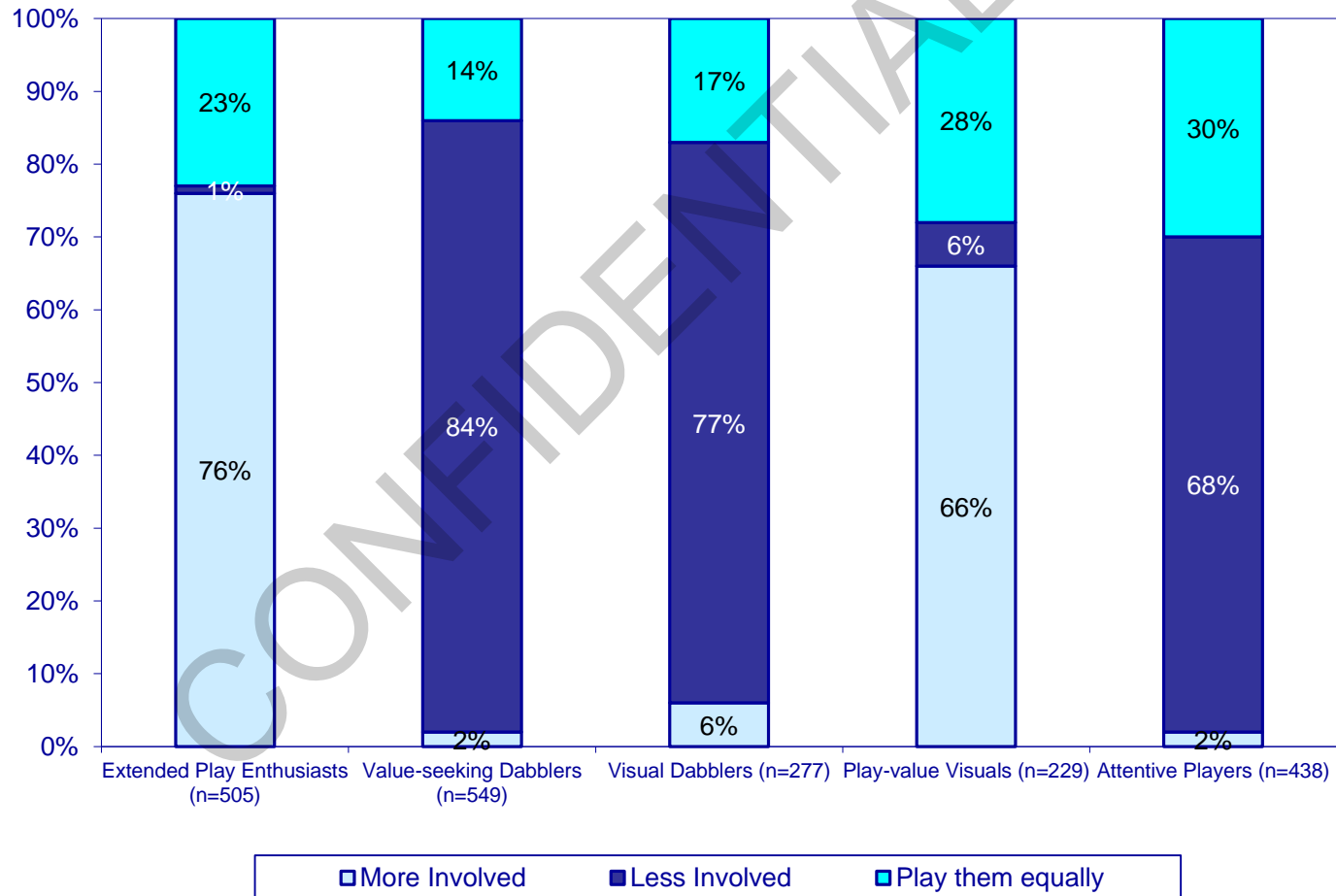


Base: All Respondents (n=1998)

Price Point Purchased Most Often (Second Mention)

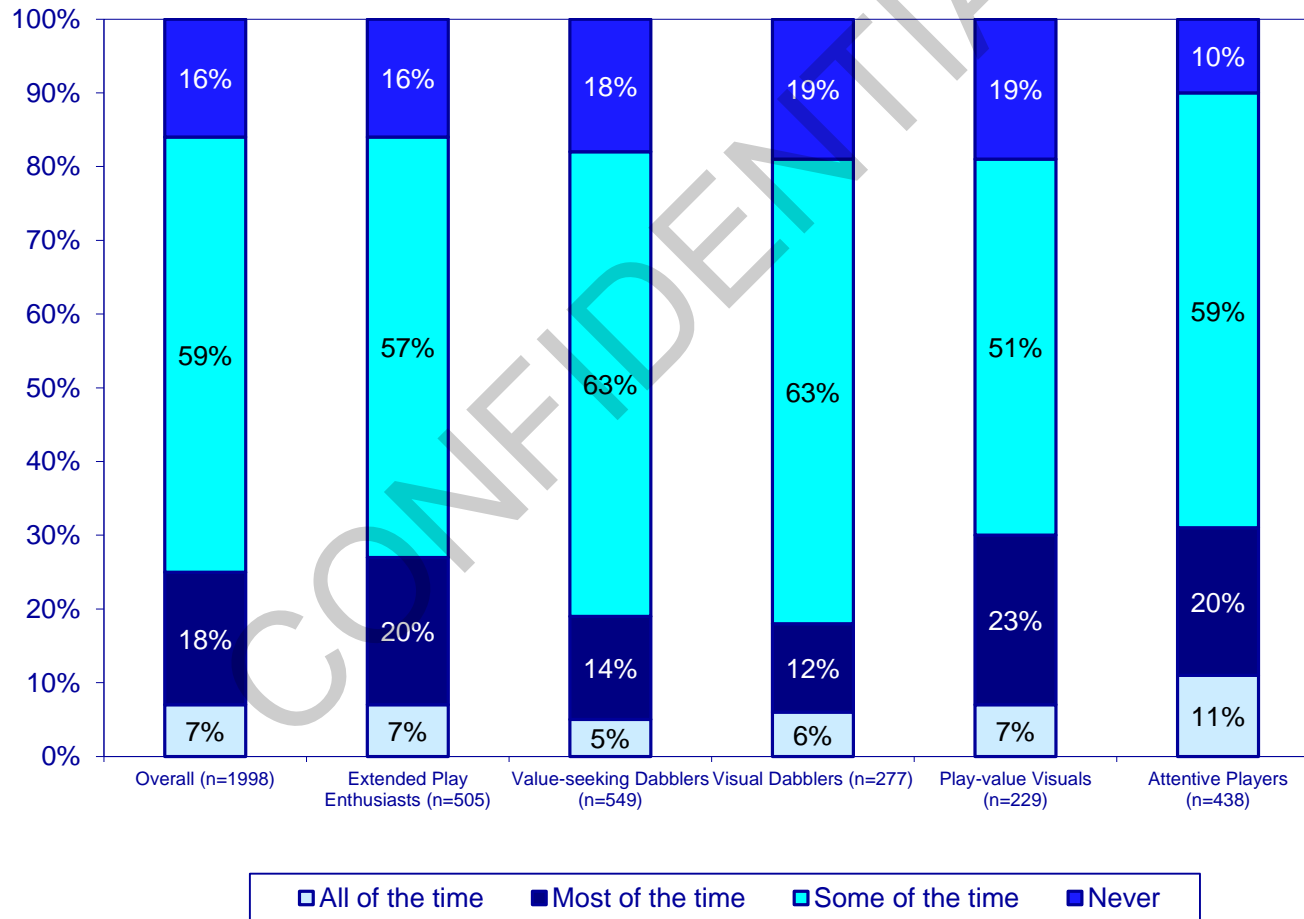


Play Style Played Most Often



Crossplay

How often do you purchase a Scratch Game at the same time as another Nebraska Lottery game (Powerball, Mega Millions, Nebraska Pick 5, MyDaY, Nebraska Pick 3, 2by2)?



Base: All Respondents (n=1998)

Segment Comparisons

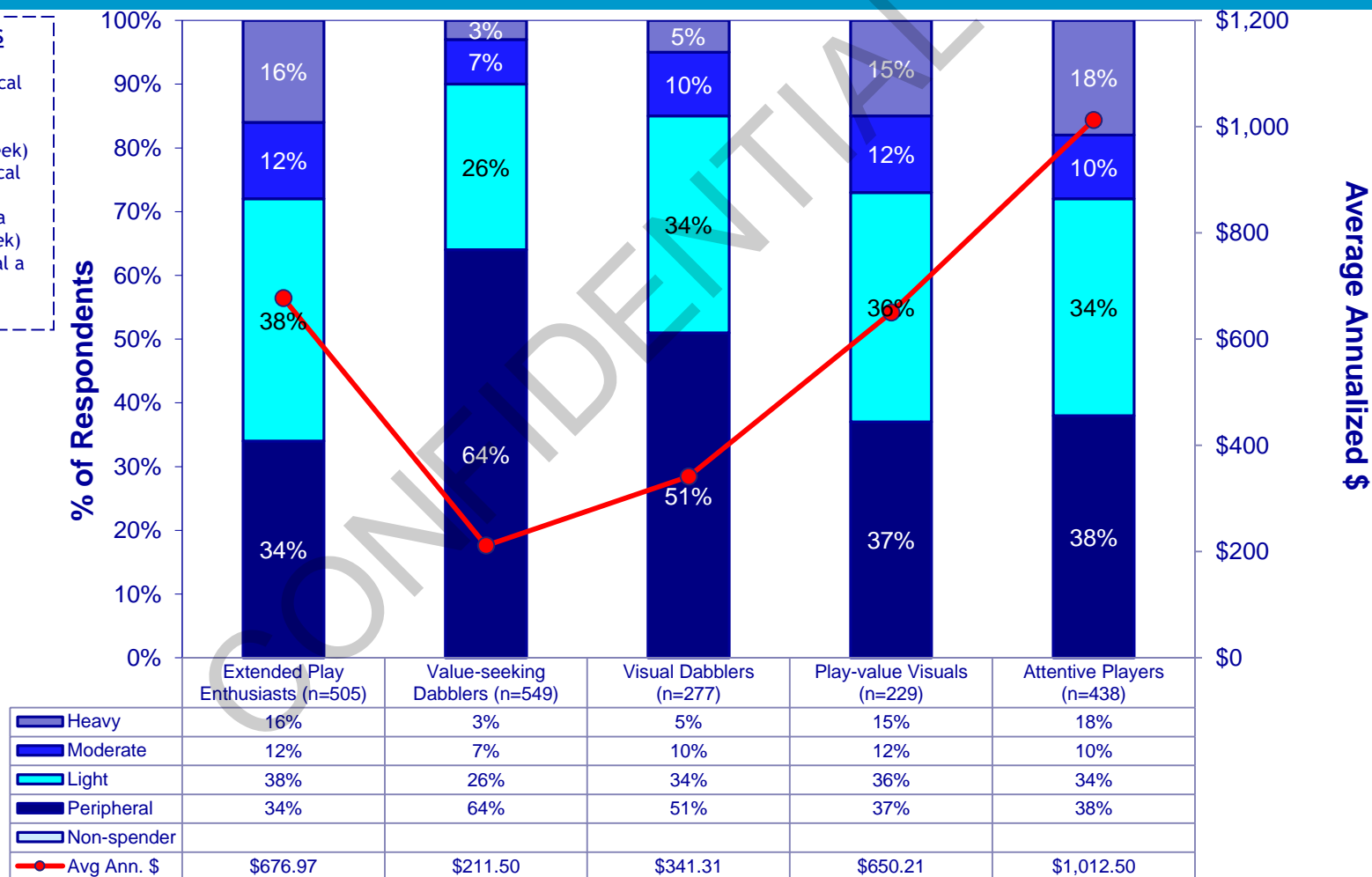
Annualized Spending Analysis

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Overall Scratch Games Spending

SPENDING DEFINITIONS

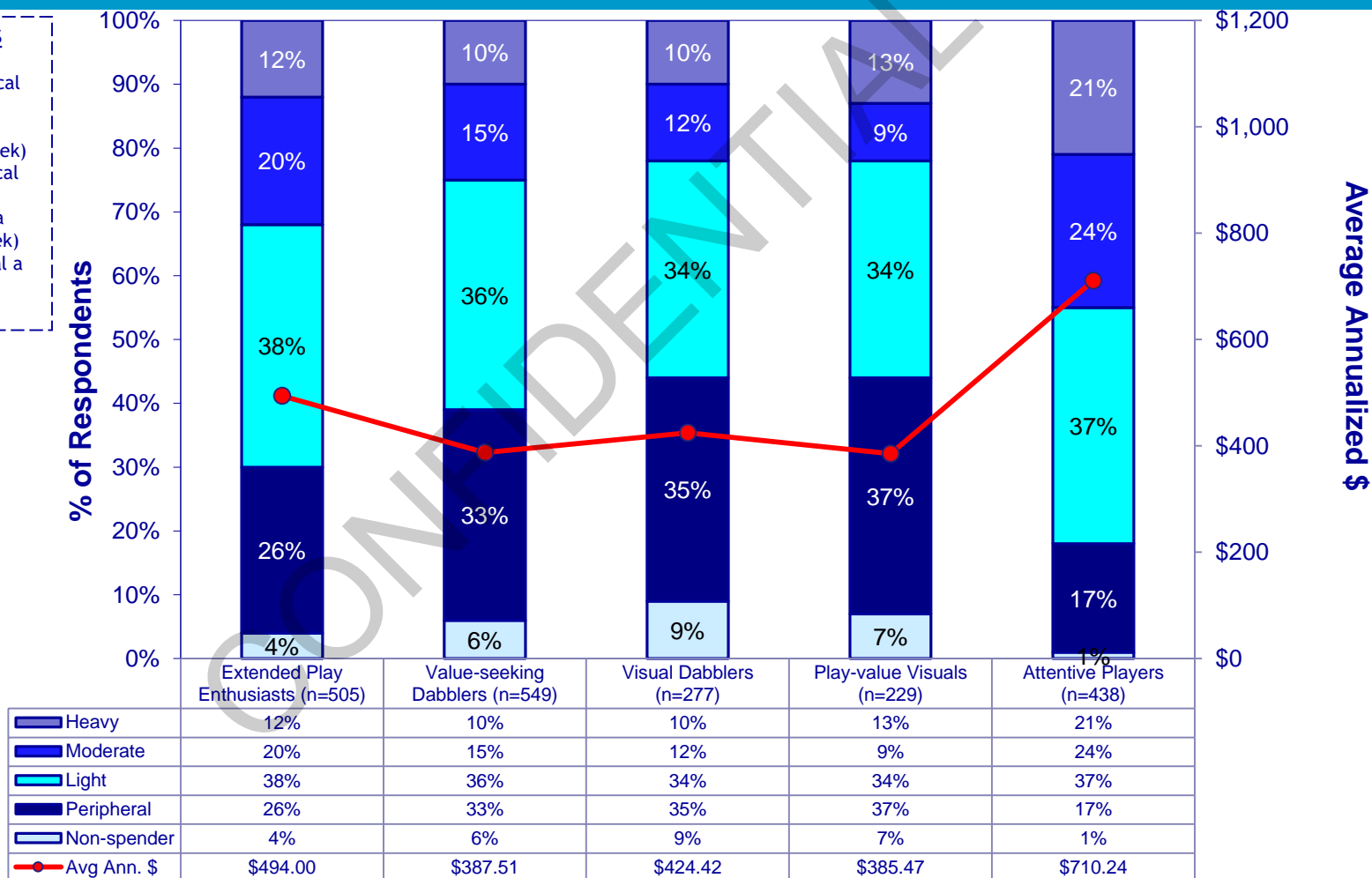
Non-spender = \$0 in a typical year
Peripheral = \$1-\$103 in a typical year (under \$2 a week)
Light = \$104-\$519 in a typical year (\$2-\$9 a week)
Moderate = \$520-\$1039 in a typical year (\$10-\$19 a week)
Heavy = \$1040+ in a typical year (\$20+ a week)



Overall Lotto Games Spending

SPENDING DEFINITIONS

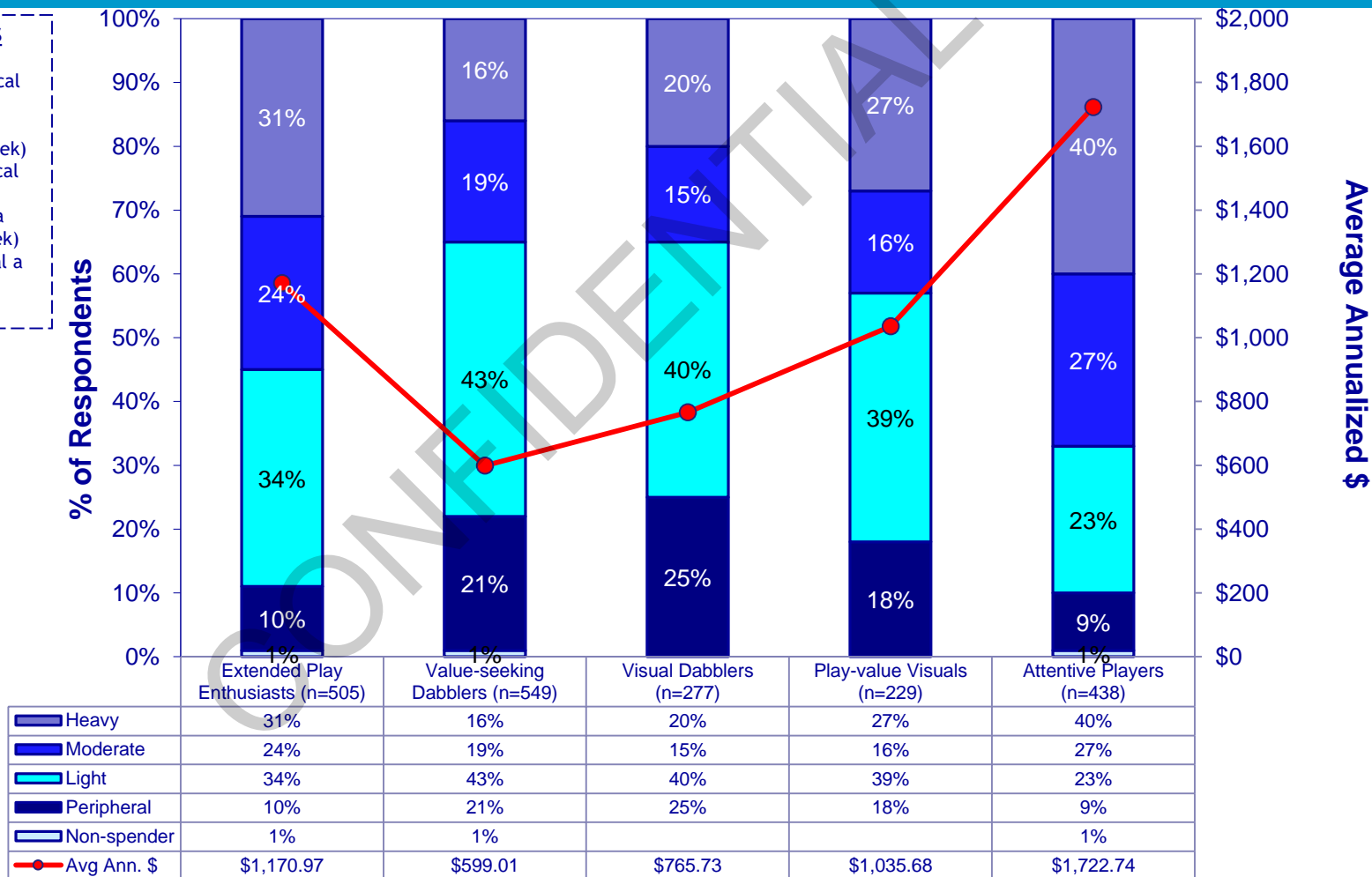
Non-spender = \$0 in a typical year
Peripheral = \$1-\$103 in a typical year (under \$2 a week)
Light = \$104-\$519 in a typical year (\$2-\$9 a week)
Moderate = \$520-\$1039 in a typical year (\$10-\$19 a week)
Heavy = \$1040+ in a typical year (\$20+ a week)



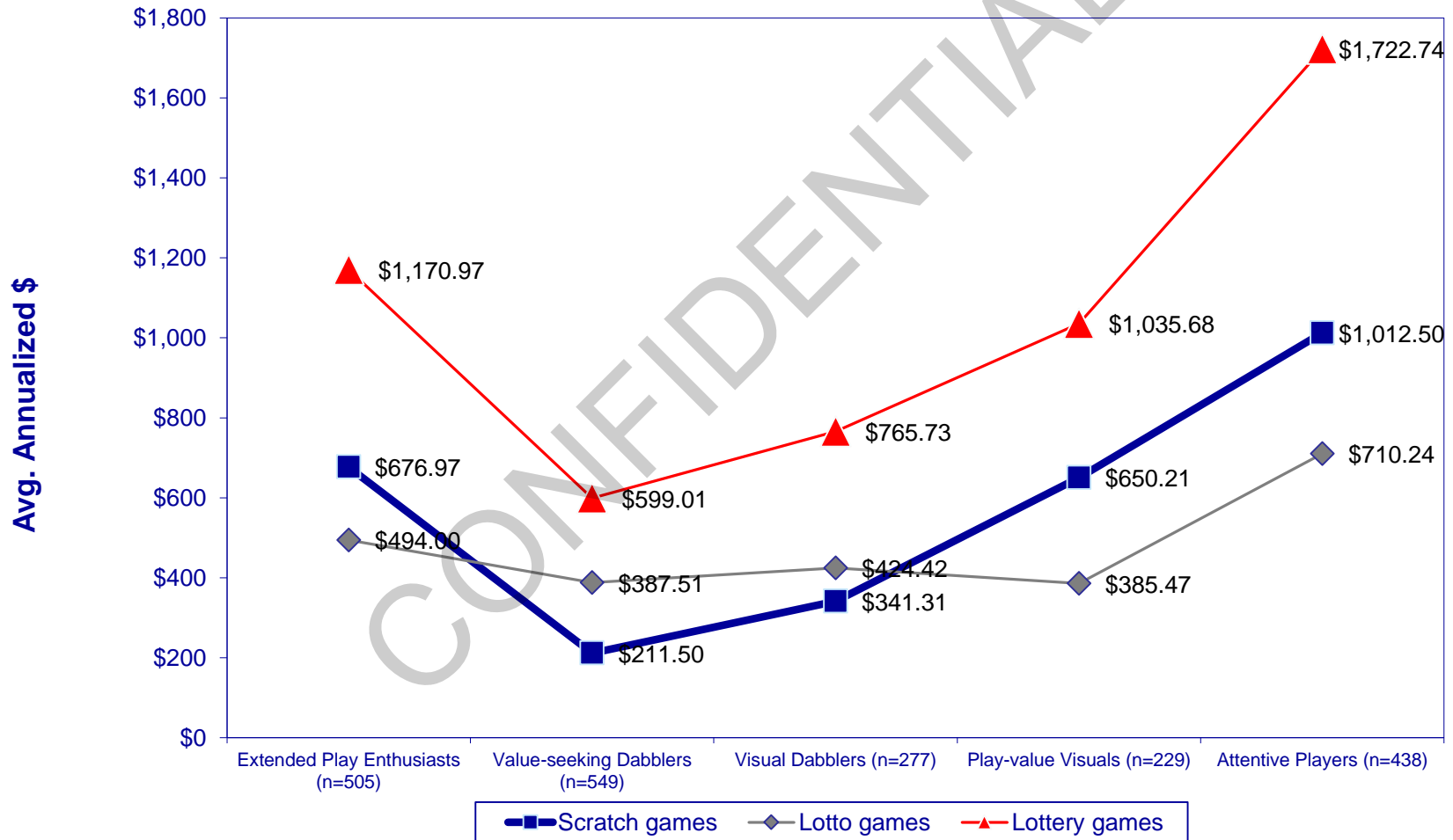
Overall Lottery Game Spending

SPENDING DEFINITIONS

Non-spender = \$0 in a typical year
Peripheral = \$1-\$103 in a typical year (under \$2 a week)
Light = \$104-\$519 in a typical year (\$2-\$9 a week)
Moderate = \$520-\$1039 in a typical year (\$10-\$19 a week)
Heavy = \$1040+ in a typical year (\$20+ a week)

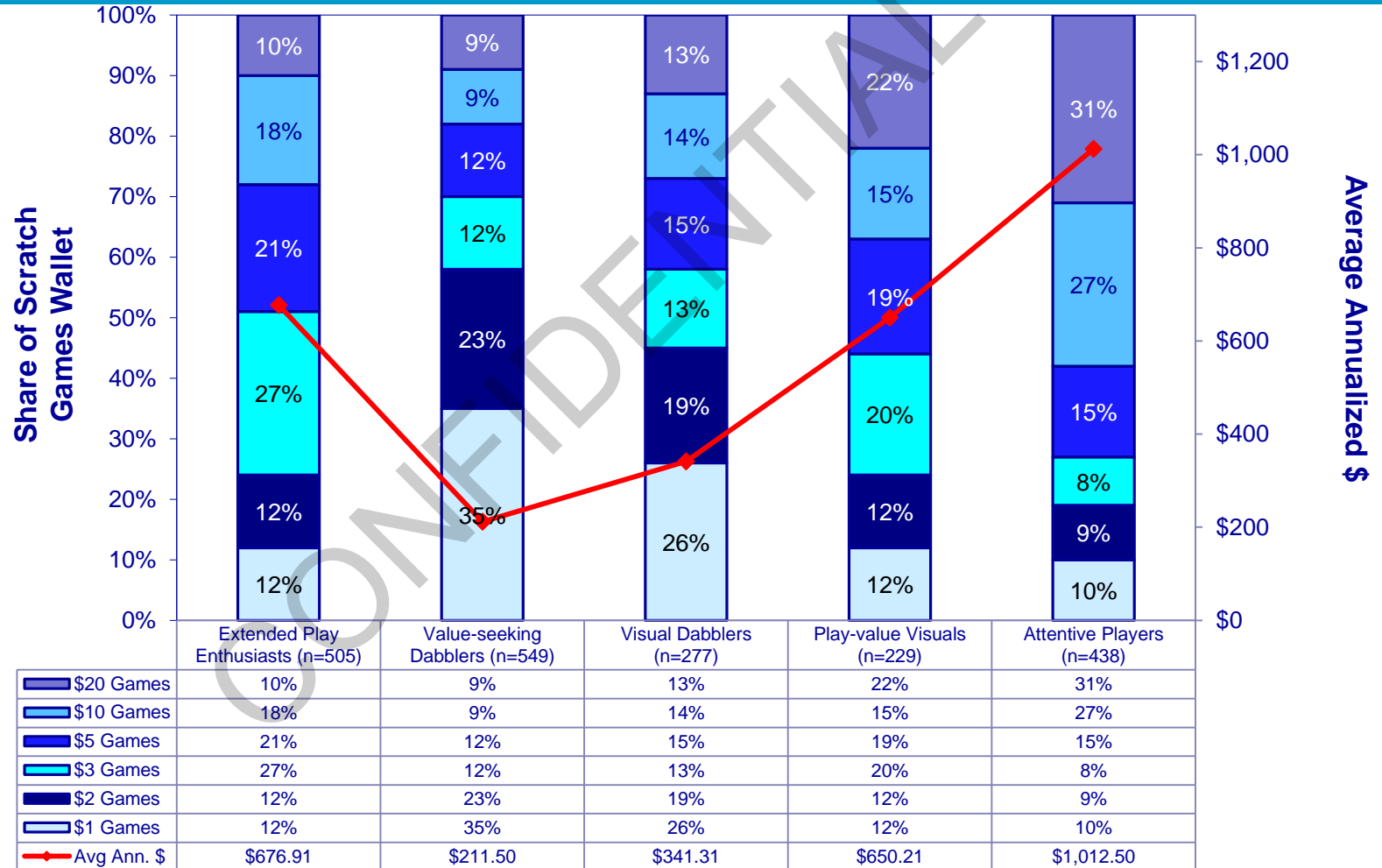


Lottery Game Spending Analysis in Nebraska

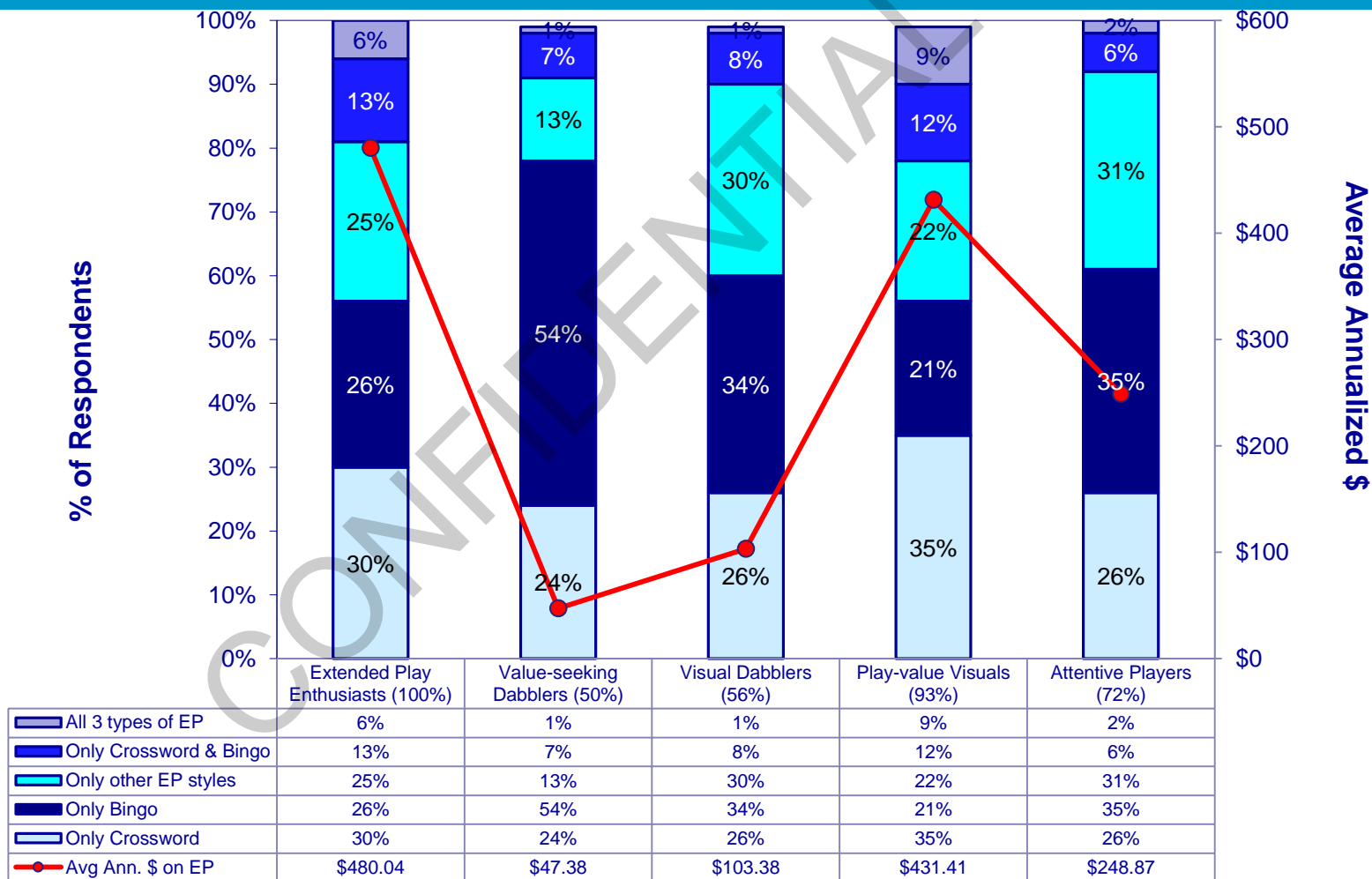


Base: All Respondents (n=1998)

Share of Wallet on Scratch Games



Types of Extended Play Players



Type of Extended Play Players (by EP Frequency)

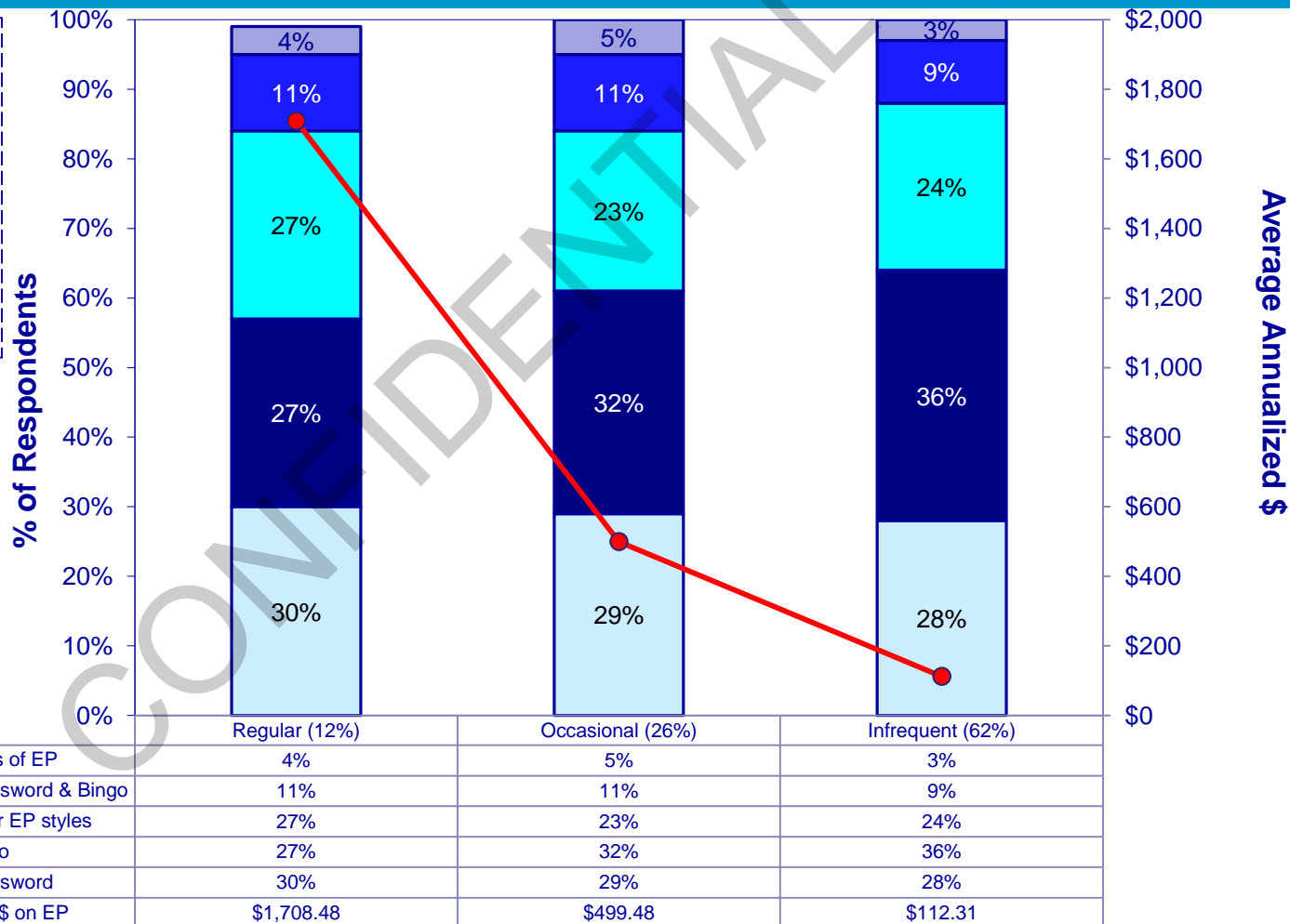
PLAY FREQUENCY DEFINITIONS

Regular - Every week

Occasional - Every couple of weeks
or Every month

Infrequent - Every couple of months,
Every 6 months, or Once a year

Non-Players - Less than once a year
or Have never played



Extended Play Segment Analysis

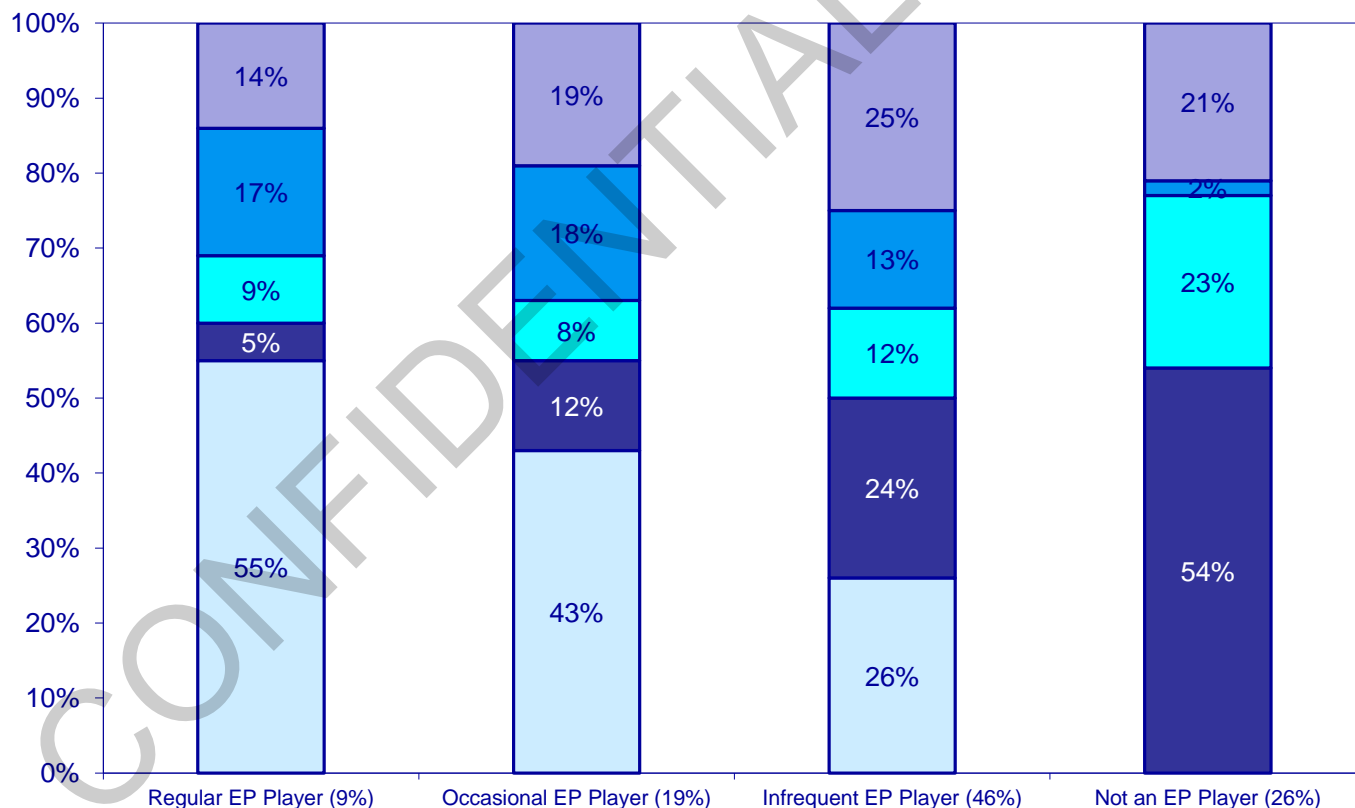
PLAY FREQUENCY DEFINITIONS

Regular - Every week

Occasional - Every couple of weeks or Every month

Infrequent - Every couple of months, Every 6 months, or Once a year

Non-Players - Less than once a year or Have never played



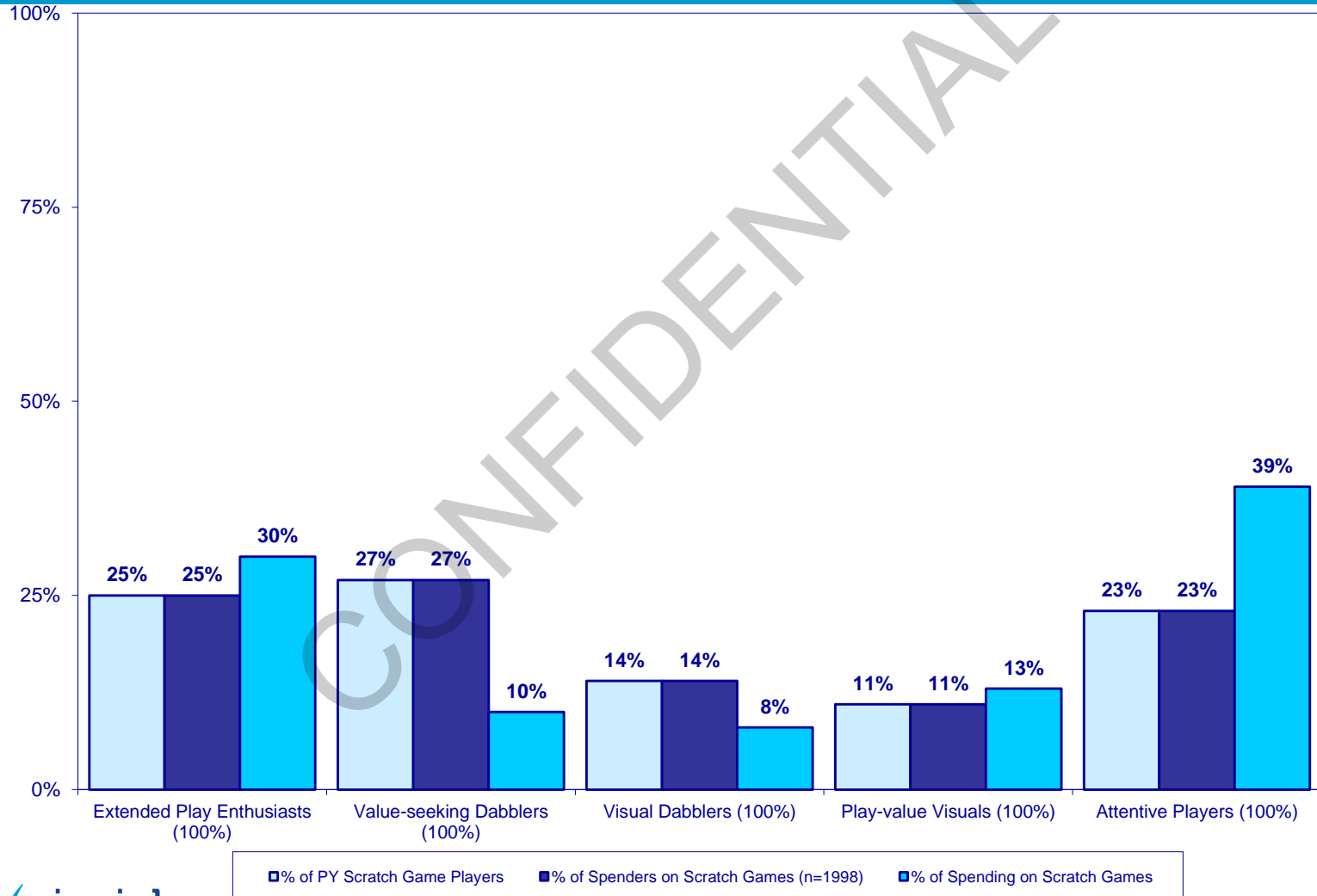
Extended Play Enthusiasts Value-seeking Dabblers Visual Dabblers Play-value Visuals Attentive Players

Segment Comparisons

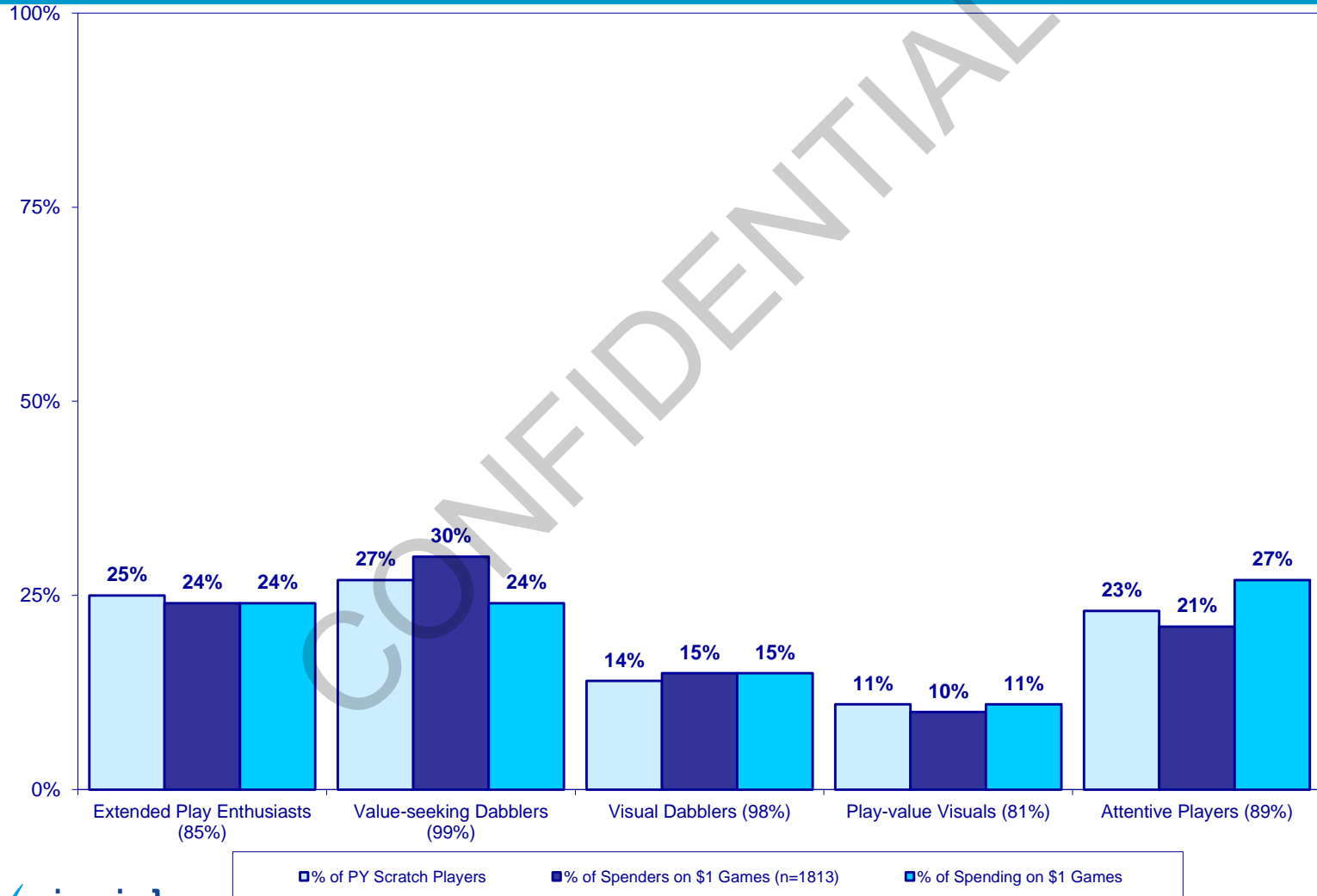
Relative Size and Importance
of each Segment

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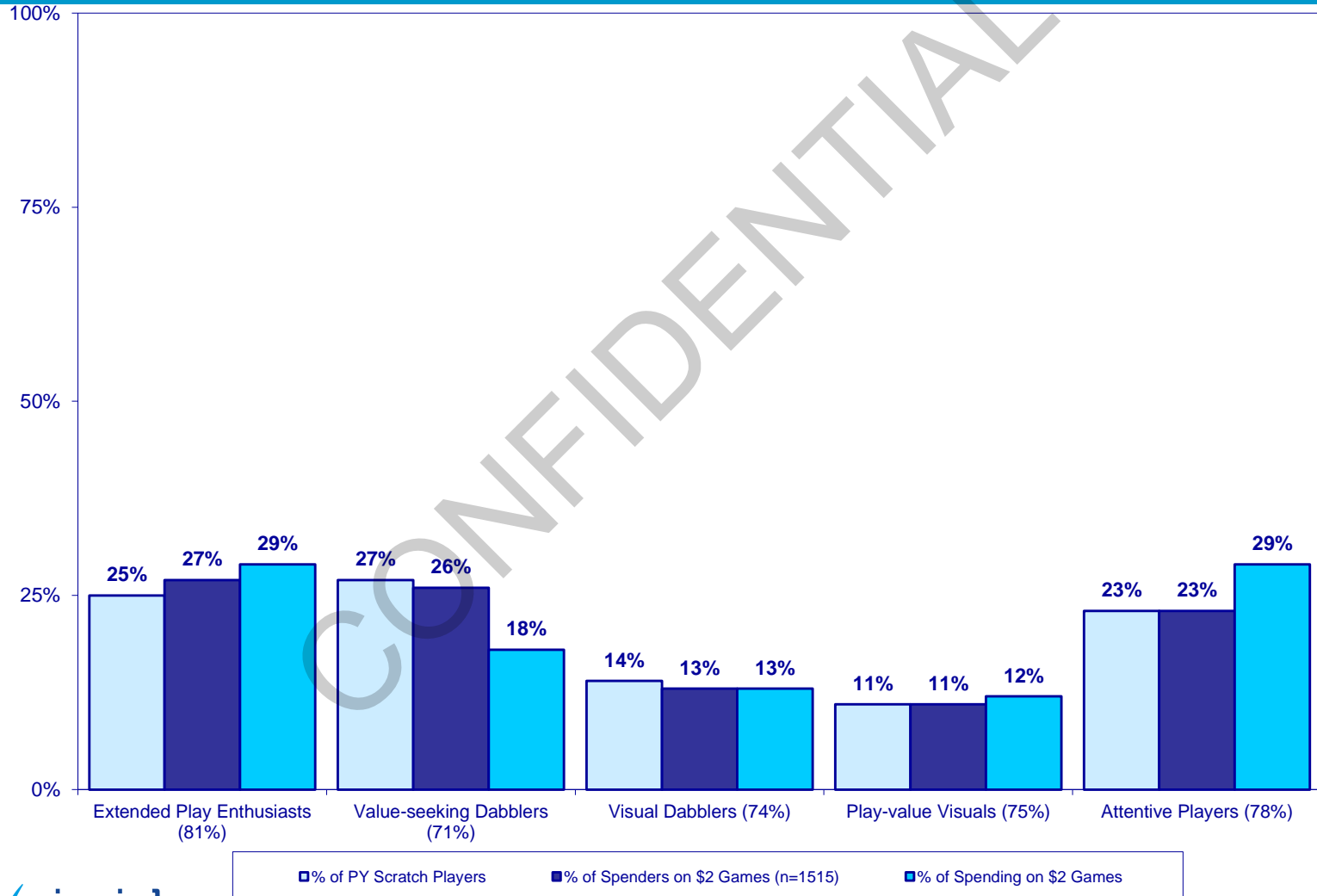
Relative Sizes and Importance: Scratch Games



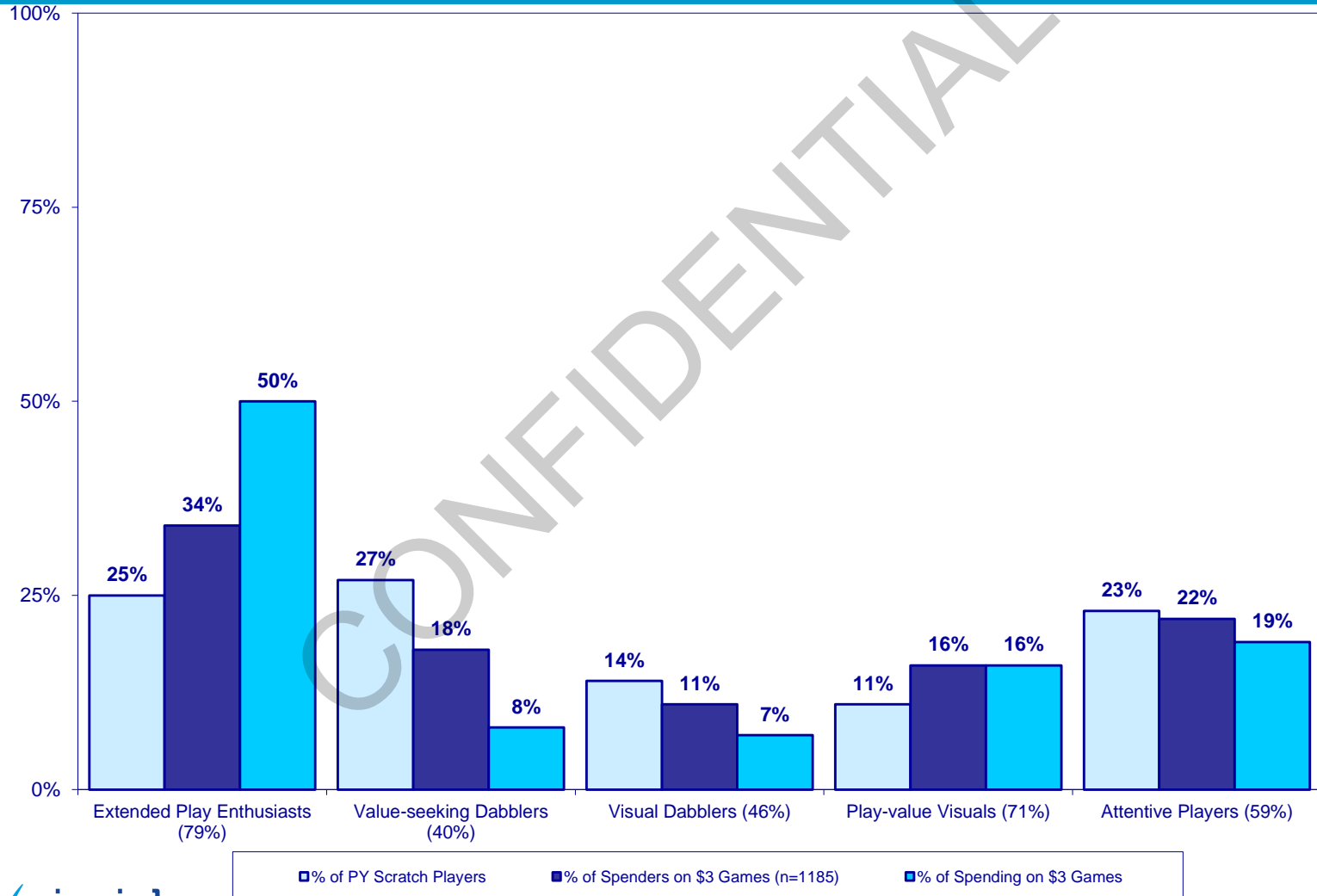
Relative Sizes and Importance: \$1 Scratch Games



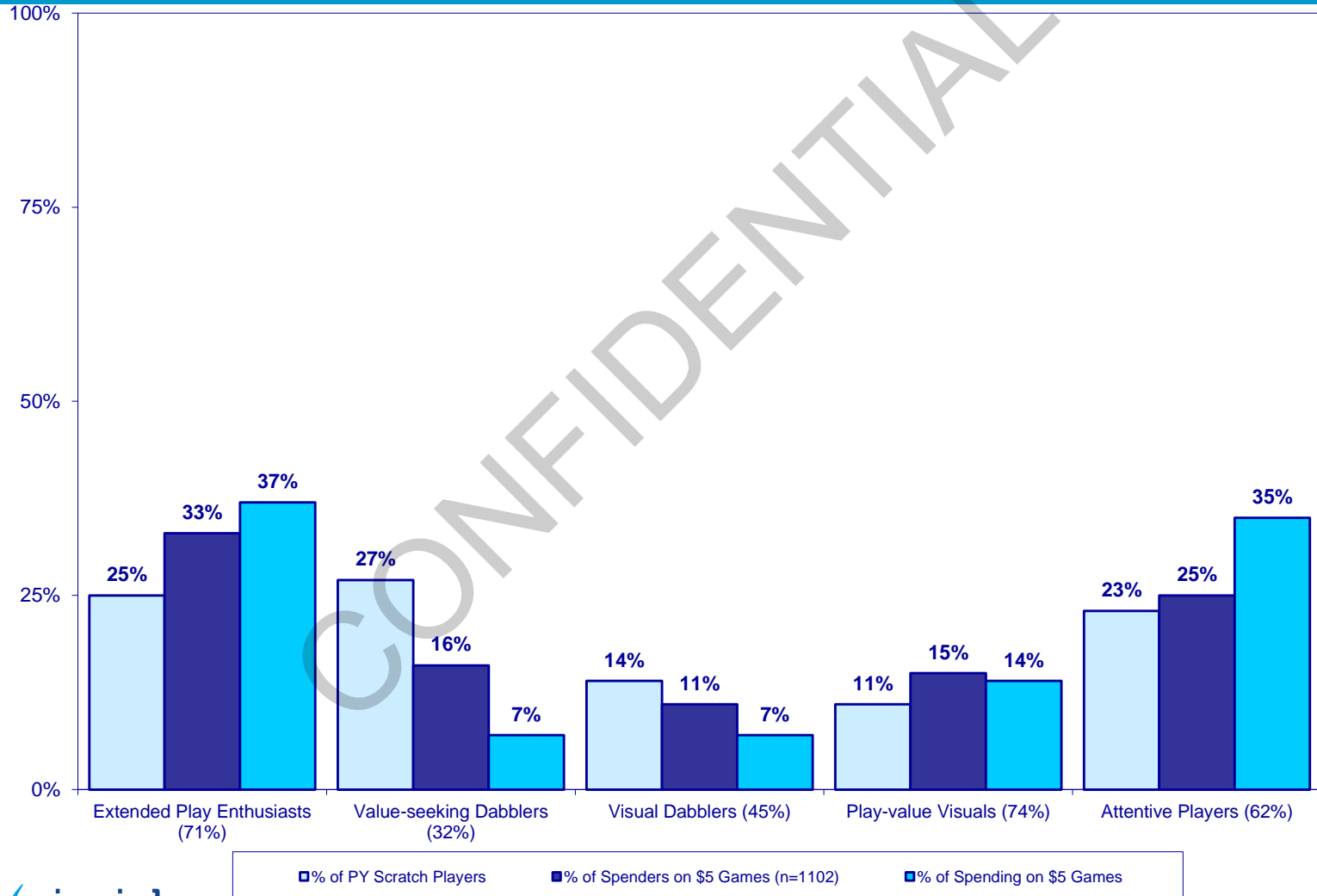
Relative Sizes and Importance: \$2 Scratch Games



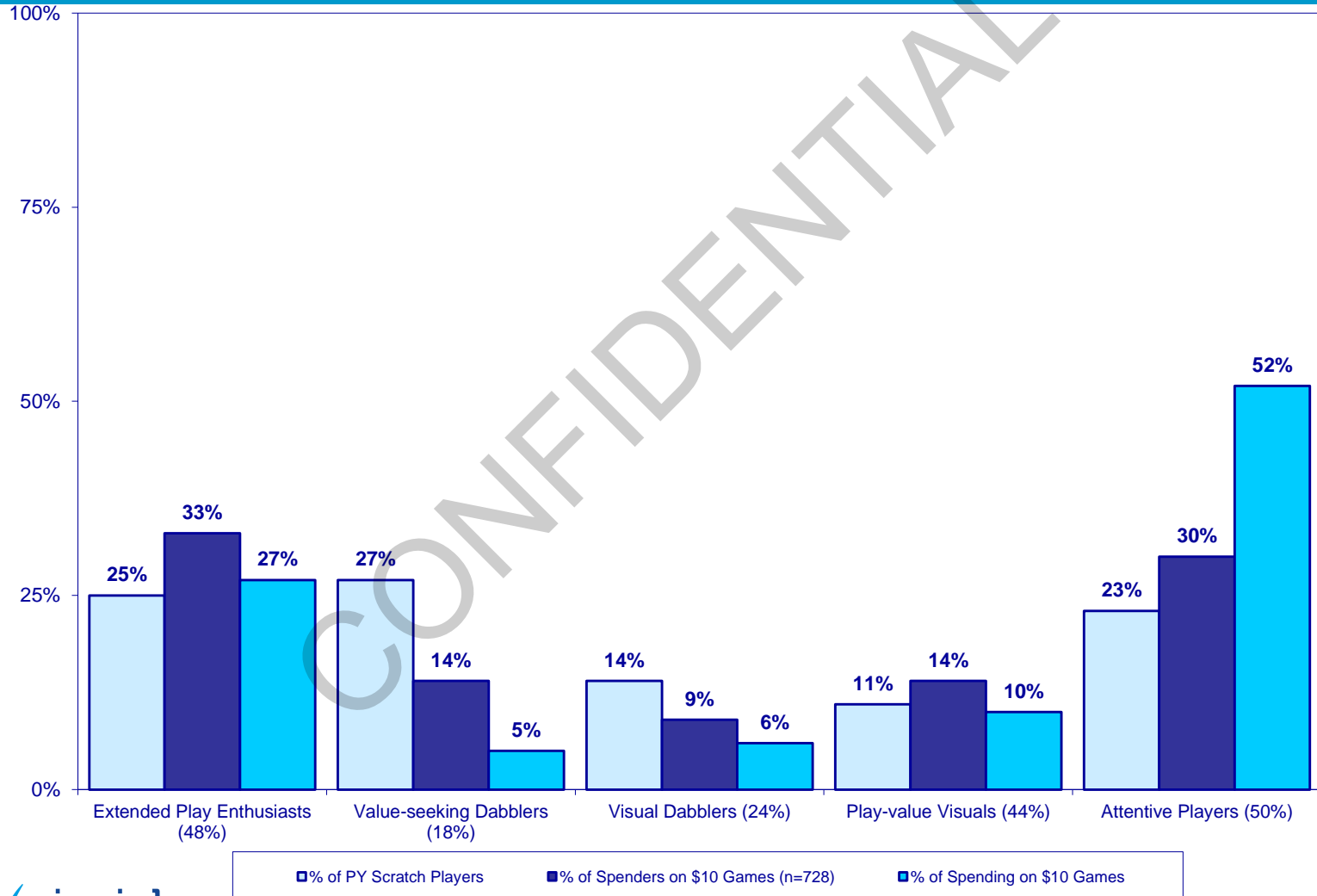
Relative Sizes and Importance: \$3 Scratch Games



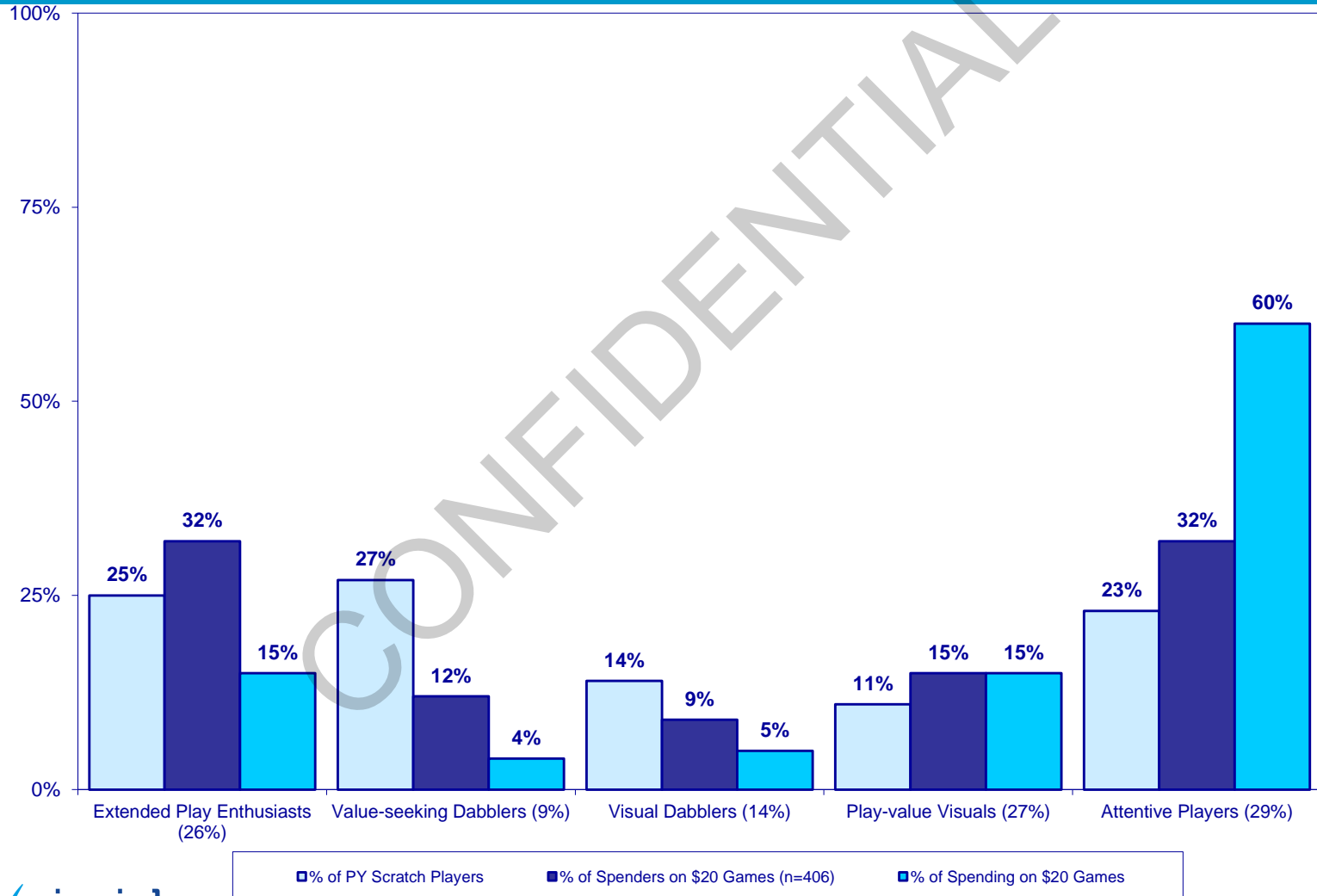
Relative Sizes and Importance: \$5 Scratch Games



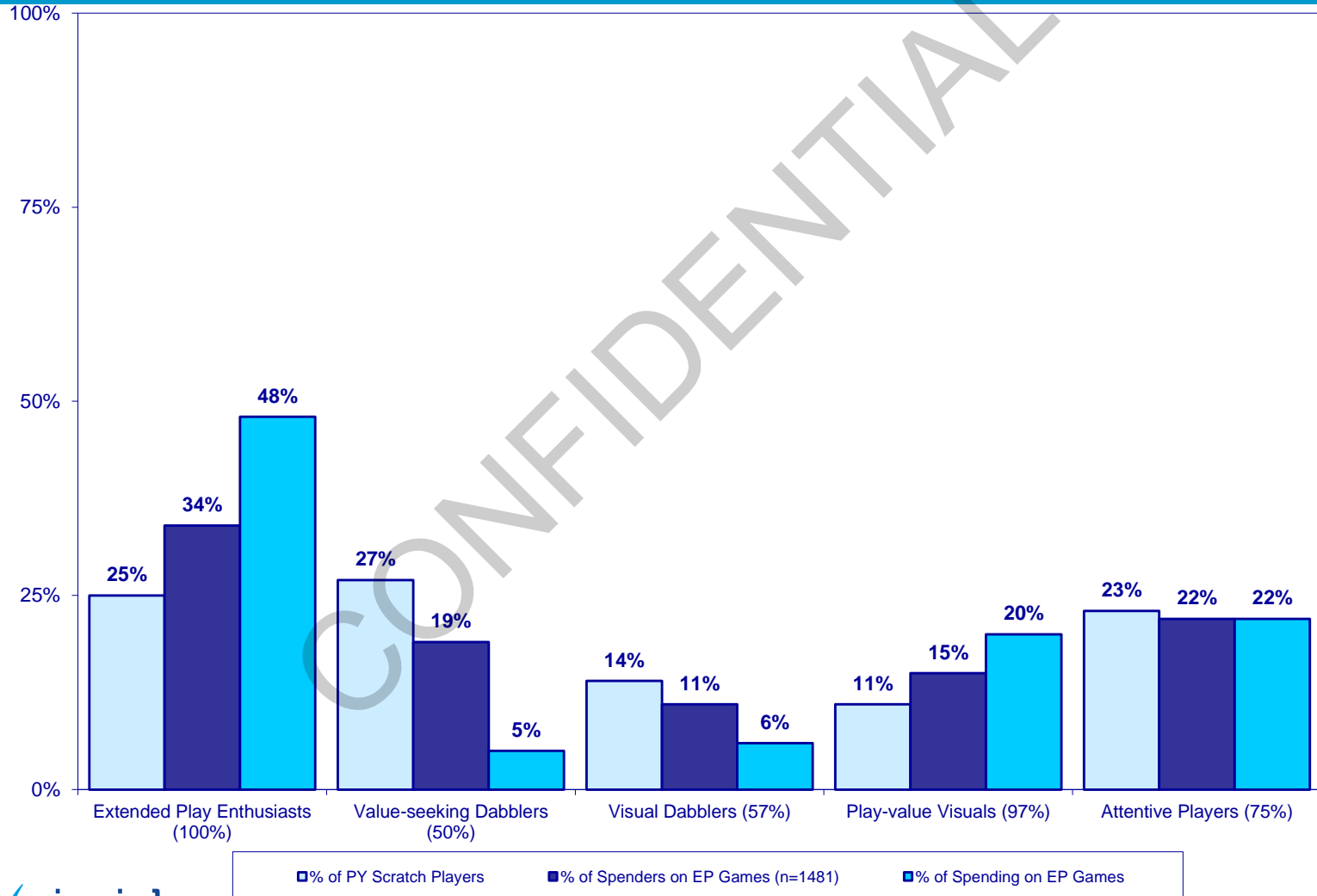
Relative Sizes and Importance: \$10 Scratch Games



Relative Sizes and Importance: \$20 Scratch Games



Relative Sizes and Importance: Extended Play Games

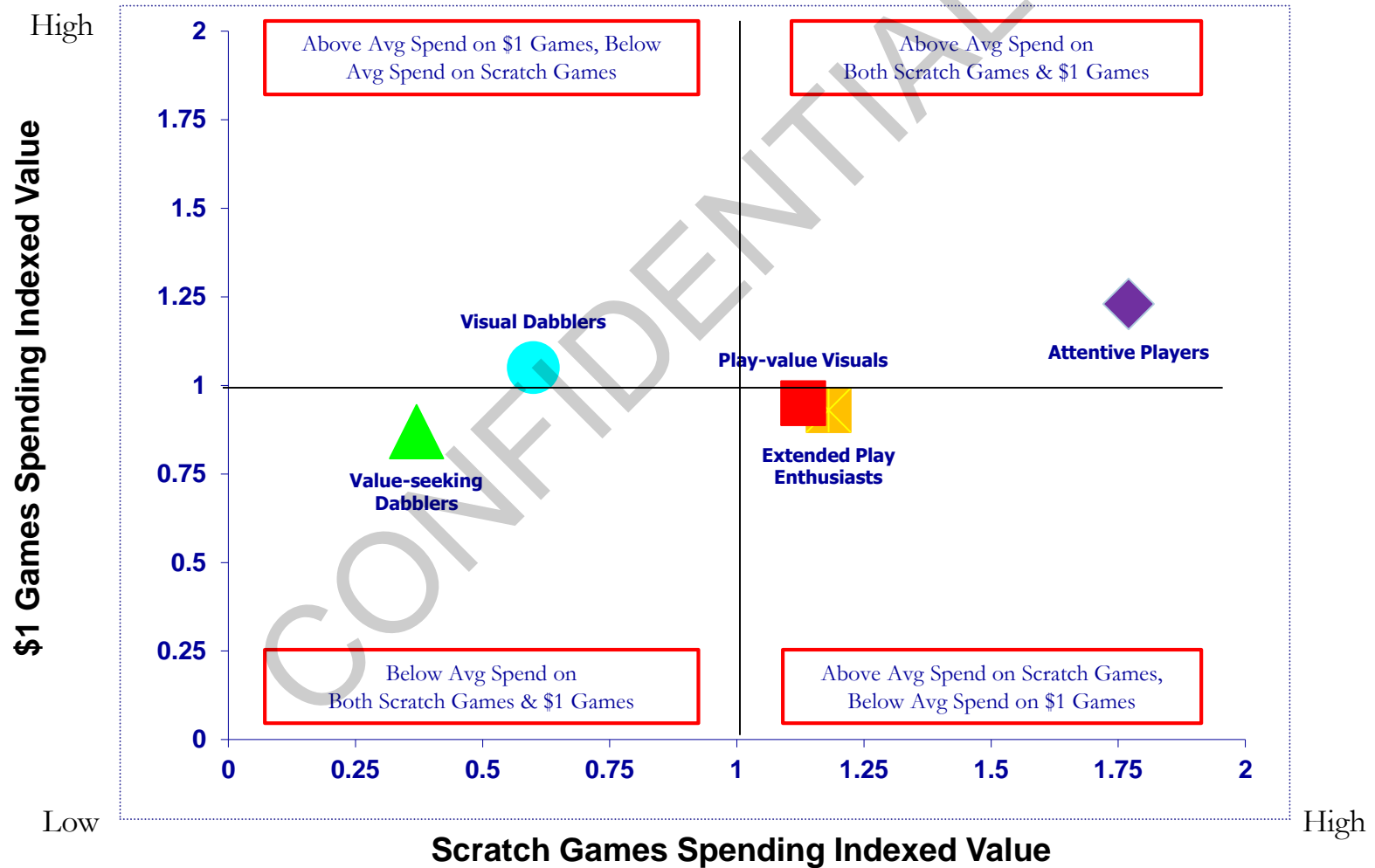


Segment Comparisons

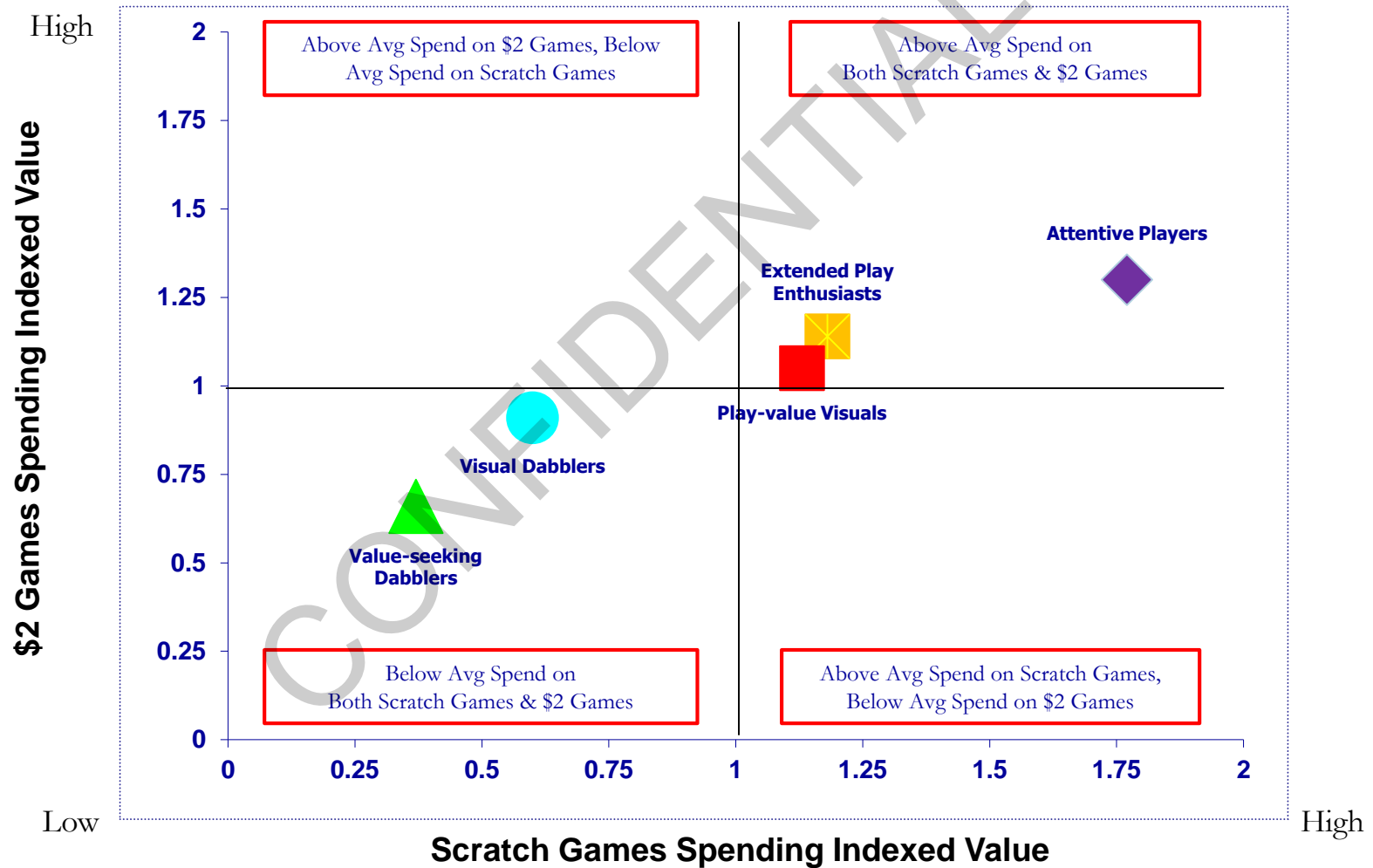
Indexed Value of Each
Segment Member

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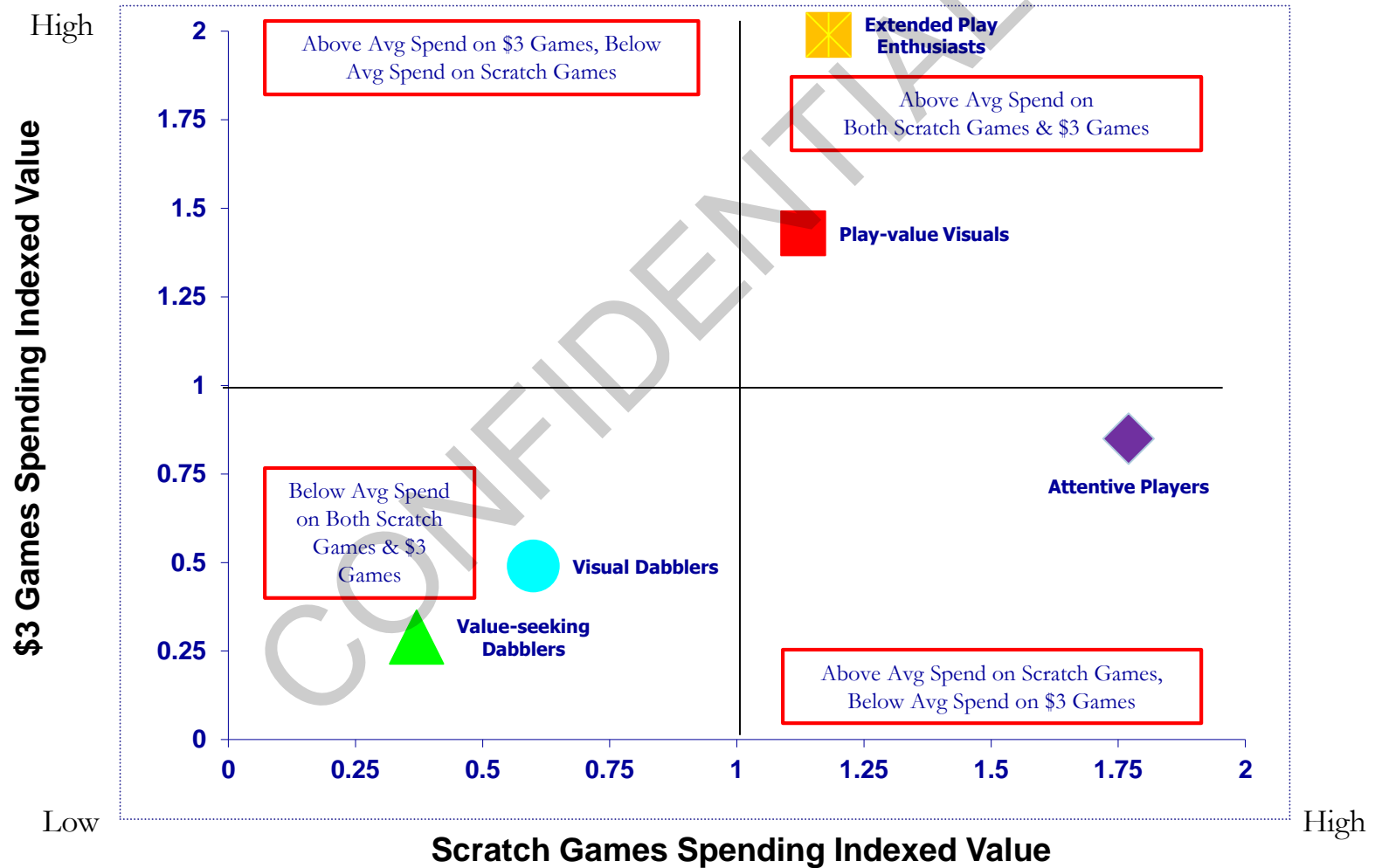
Indexed value of \$1 Scratch Games



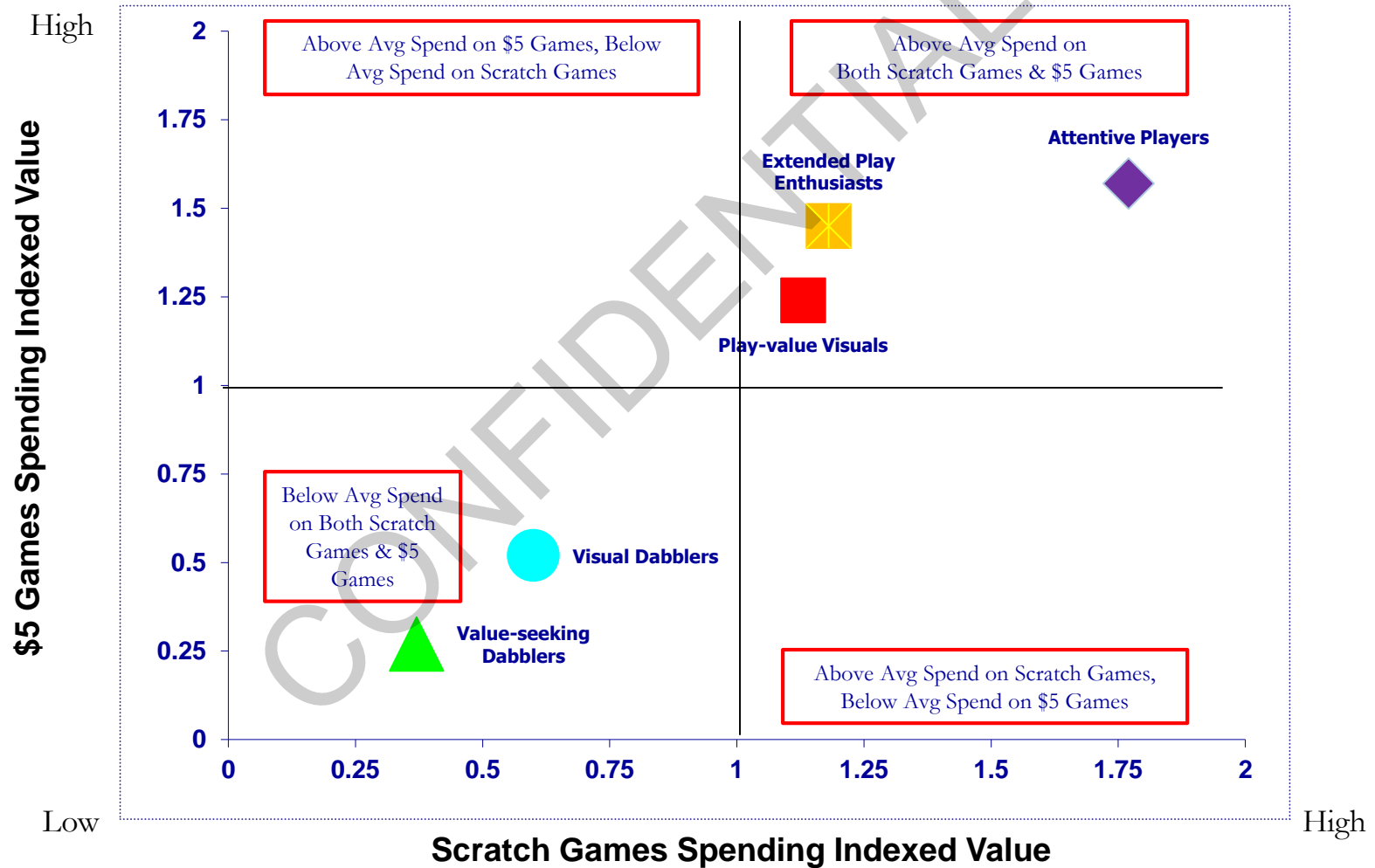
Indexed value of \$2 Scratch Games



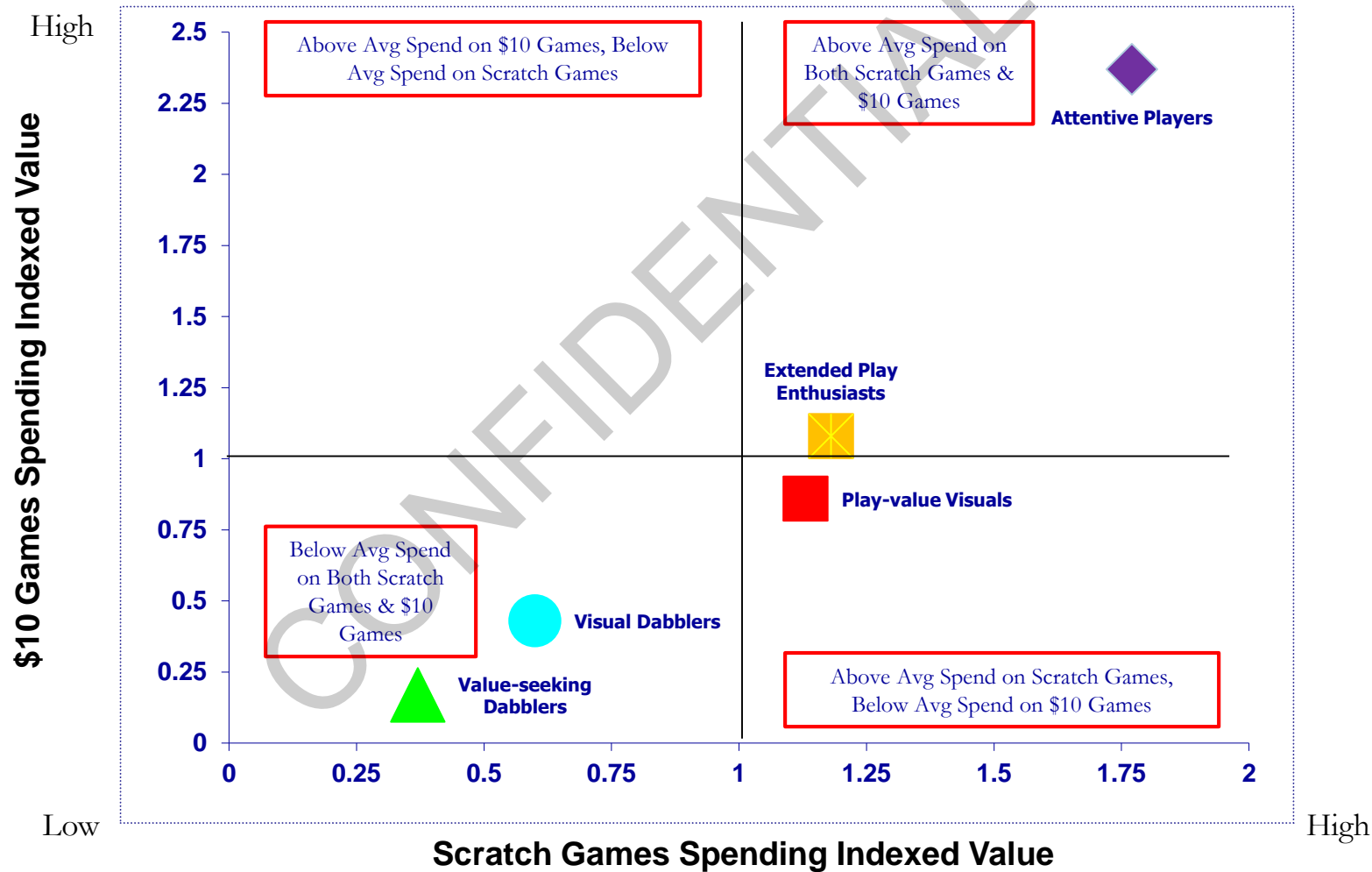
Indexed value of \$3 Scratch Games



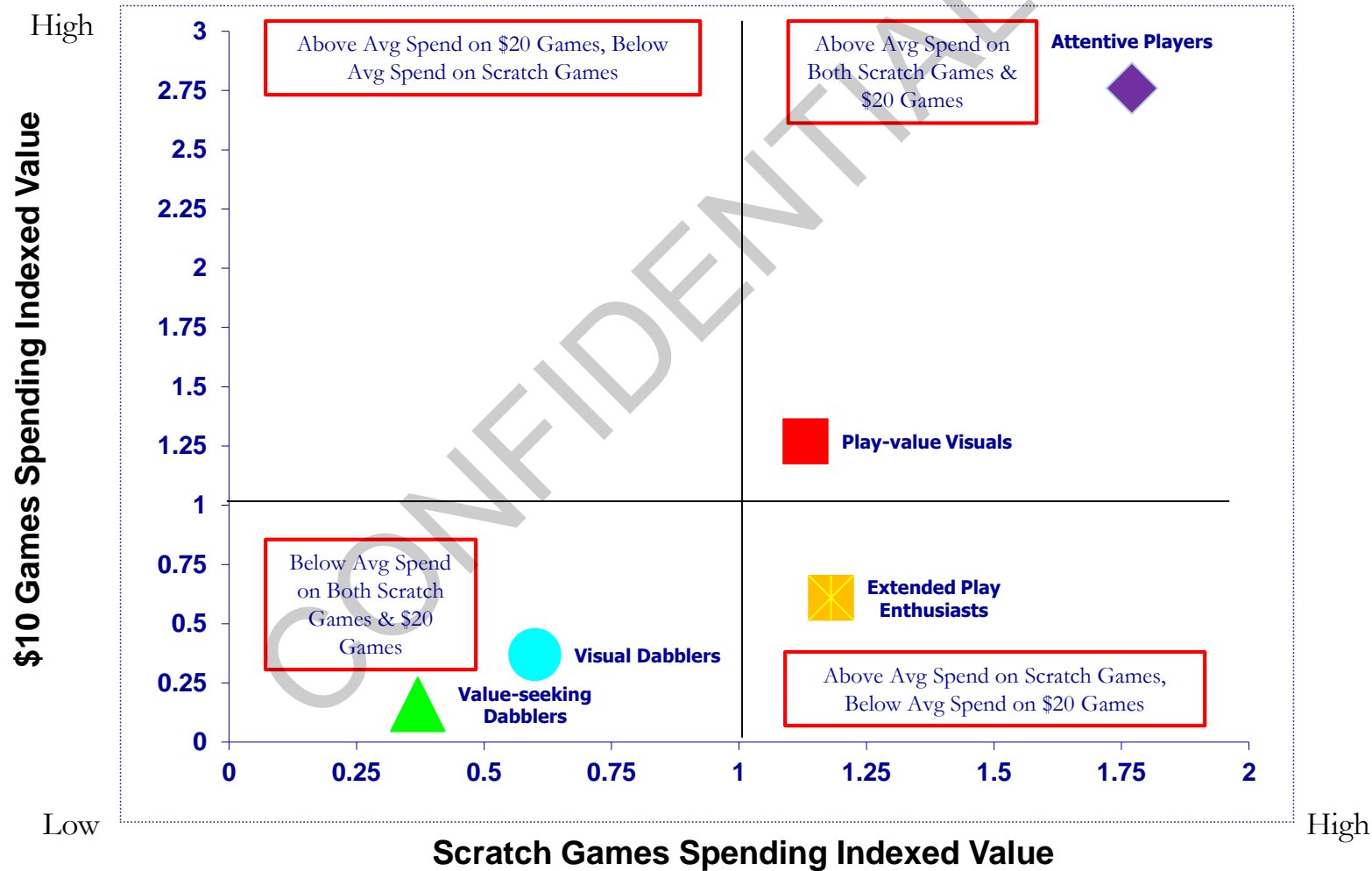
Indexed value of \$5 Scratch Games



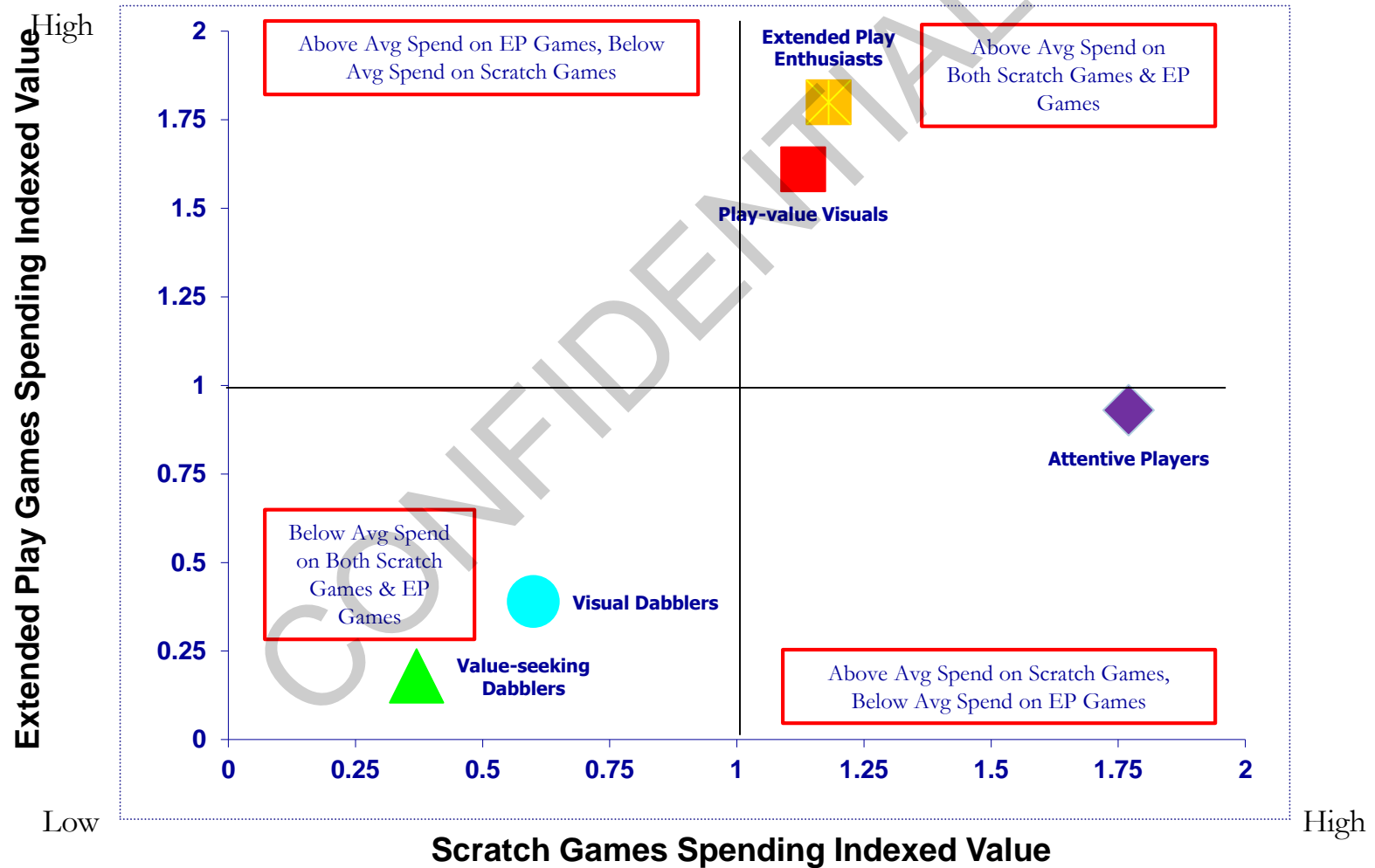
Indexed value of \$10 Scratch Games



Indexed value of \$20 Scratch Games



Indexed value of Extended Play Games

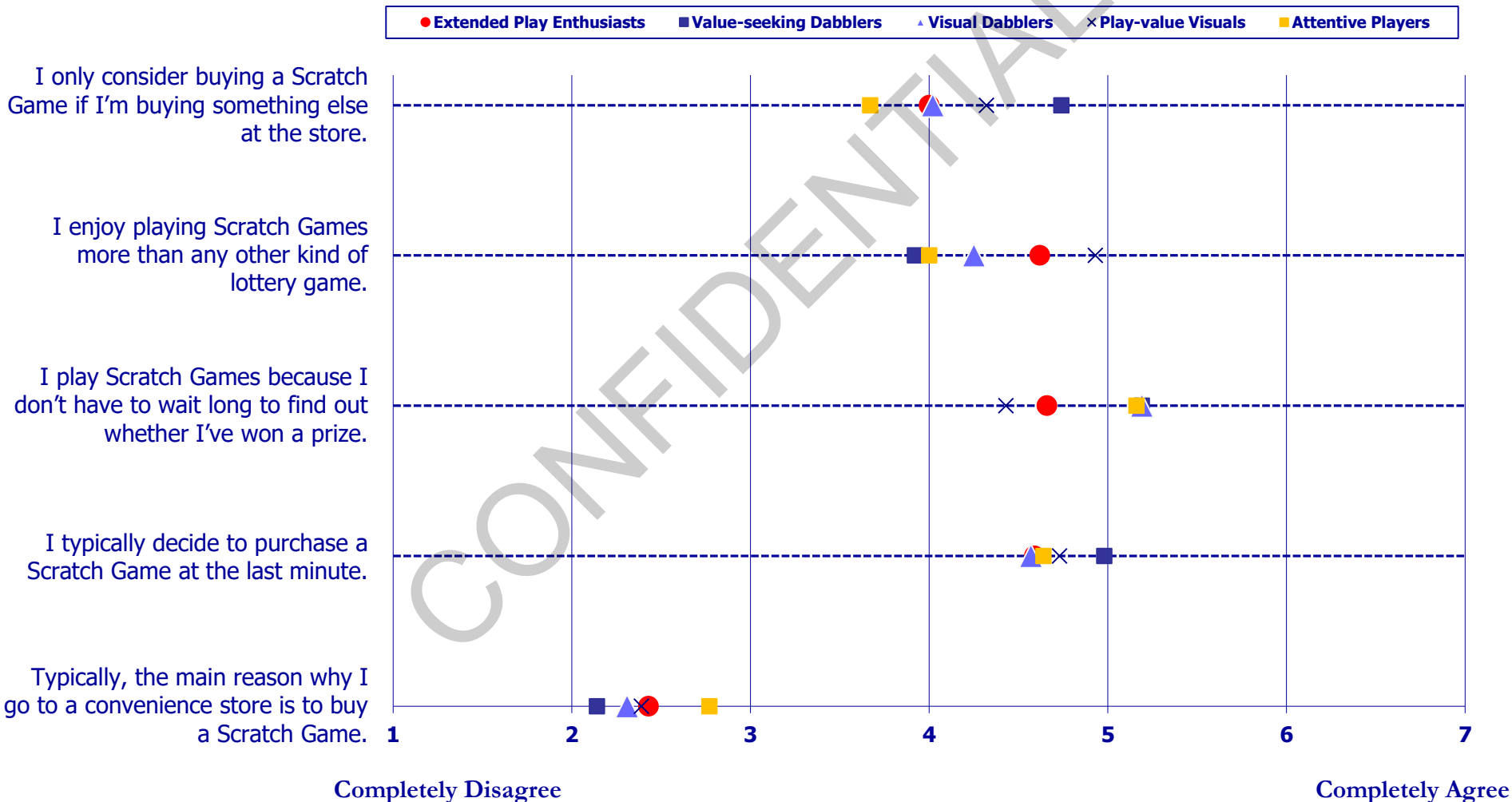


Segment Comparisons

Attitudes

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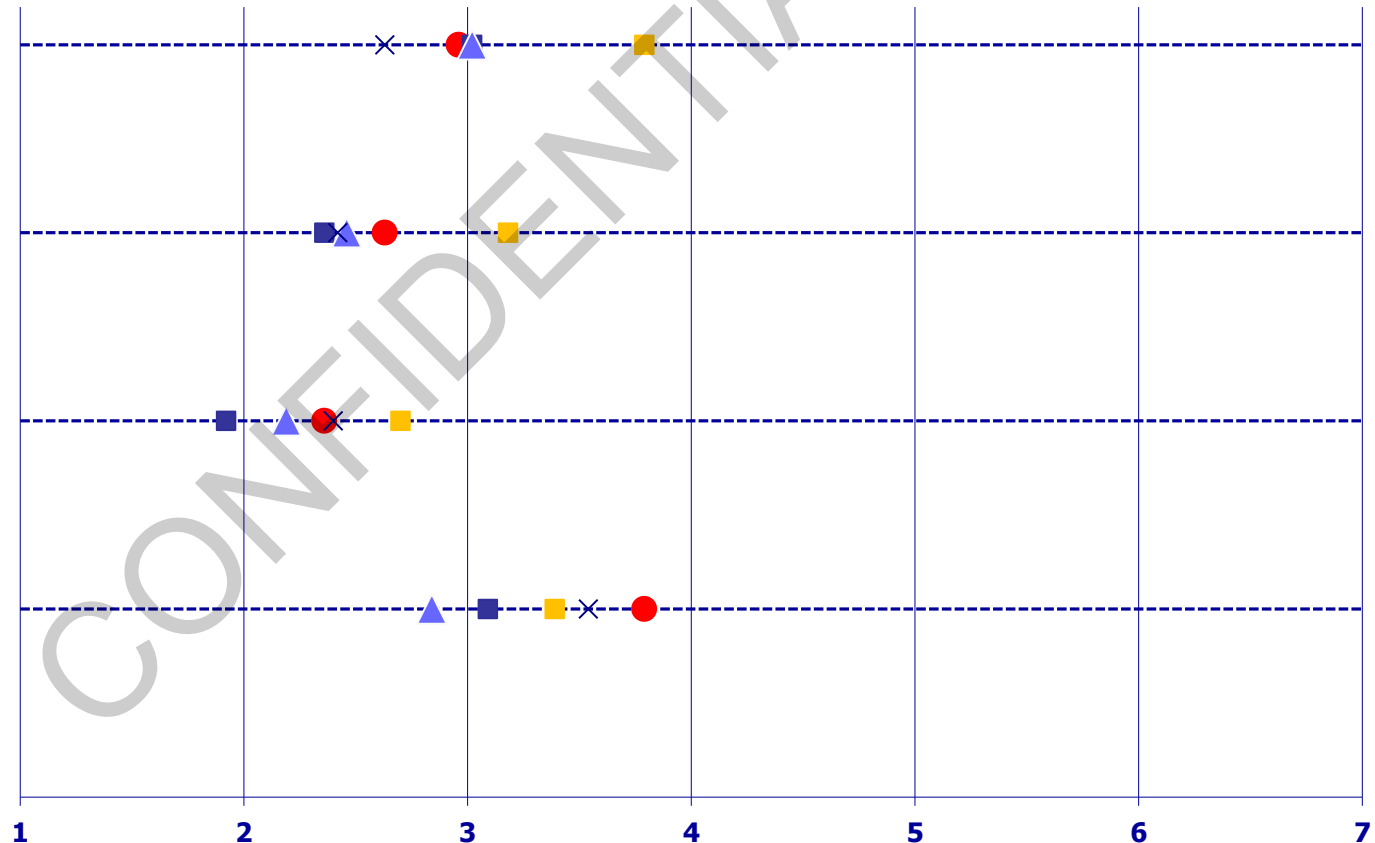
Attitudes Towards Scratch Games



Attitudes Towards Scratch Games

● Extended Play Enthusiasts ■ Value-seeking Dabblers ▲ Visual Dabblers × Play-value Visuals ■ Attentive Players

Typically, the main reason why I go to a convenience store is to buy a Lotto Game.



Completely Disagree

Completely Agree

Segment Comparisons

Favorite Form of Gaming

people✓principles

Favorite Form of Gaming (First Mention)

	ALL RESPONDENTS	Extended Play Enthusiasts (25%)	Value-seeking Dabblers (27%)	Visual Dabblers (14%)	Play-value Visuals (11%)	Attentive Players (23%)
Scratch games	31%	38%	24%	37%	41%	24%
Casino Games (at a casino)	22%	21%	22%	21%	30%	20%
Powerball	15%	12%	20%	10%	7%	18%
Nebraska Pick 5	9%	8%	9%	6%	4%	16%
Mega Millions	6%	7%	8%	7%	3%	6%
Keno	5%	5%	5%	4%	3%	4%

Reporting forms of gaming with 5% or greater mentions

Favorite Form of Gaming (Second Mention)

	ALL RESPONDENTS	Extended Play Enthusiasts (25%)	Value-seeking Dabblers (27%)	Visual Dabblers (14%)	Play-value Visuals (11%)	Attentive Players (23%)
Powerball	25%	25%	29%	24%	24%	23%
Scratch games	19%	23%	17%	17%	22%	18%
Mega Millions	13%	12%	15%	10%	7%	18%
Casino Games (at a casino)	10%	11%	8%	14%	10%	10%
Keno	10%	11%	10%	7%	15%	7%
Nebraska Pick 5	8%	8%	9%	6%	3%	9%
Pickle cards (at a bar or restaurant)	3%	2%	3%	6%	5%	3%

Reporting forms of gaming with 5% or greater mentions

Favorite Form of Gaming (Total Mentions)

	ALL RESPONDENTS	Extended Play Enthusiasts (25%)	Value-seeking Dabblers (27%)	Visual Dabblers (14%)	Play-value Visuals (11%)	Attentive Players (23%)
Scratch games	25%	30%	21%	27%	32%	21%
Powerball	20%	19%	24%	17%	16%	21%
Casino Games (at a casino)	16%	16%	15%	17%	20%	15%
Mega Millions	10%	9%	11%	8%	5%	12%
Nebraska Pick 5	9%	8%	9%	6%	3%	12%
Keno	7%	8%	8%	5%	9%	6%
Pickle cards (at a bar or restaurant)	3%	1%	3%	5%	2%	2%

Reporting forms of gaming with 5% or greater mentions