Gambling and the Millennial Generation

Don Feeney
Minnesota Lottery
Finland Awarded 1952 Olympic Games

"BUGSY" SIEGEL MURDERED

Senate Labor Fight Rages on After All-Night Session

EXTRA

THE SATURDAY PICTORIAL HERALD EXPRESS

NIGHT EDITION

Rubbed Out in Beverly Hills in Hail of Bullets

L.A. Fails To Get Games
IT'S THAT "GO-GO" GUY AND THAT "BYE-BYE" GAL IN THE FUN CAPITAL OF THE WORLD!

VIVA LAS VEGAS

ELVIS PRESLEY AND ANN-MARGRET

CESARE DANOV, WILLIAM DEMAREST, NICKY BLAIR, SALLY BENSON, GEORGE SIDNEY

MGM PRESENTS

PANAVISION AND METROCOLOR
The Millennials

• The “Connected” generation
• Born 1982 – 2004
• Also known as
  — Generation Y
  — Generation C
  — Generation Me
  — Generation 9/11
  — Peter Pan Generation
THEY ARE DIVERSE

2014 Diversity Index

- Gen Z: 73
- Millennials: 70
- Gen X: 65
- Boomers: 48
- Silent: 37
THEY FACE ECONOMIC UNCERTAINTY

- No expectation of lifetime employment
- January 2015 unemployment rate for 18-29 year olds was 10%
- The average US student loan debt is estimated at $28,000
“They’ve become the Ben Franklin Generation” – Adam Hanft in the Huffington Post

“I have things I enjoy that are sure bets.”

“What happens if you win $100? Are you going to get the bug that I could win more?”

“I feel guilty spending my money on a long shot.”
ENTITLEMENT AND BIG EXPECTATIONS
“I’m conscious of budgeting, but I don’t want to miss out on something just because of the financial side. It doesn’t really matter to me right now. I can make money later. What’s 10 bucks today?”
–Luke, 22
THEY DON’T WANT TO BE ENTERTAINED
THEY WANT TO BE THE ENTERTAINMENT
THEY WANT IT THEIR WAY

You can ask for a burrito to be wrapped in a cheese quesadilla instead of a normal flour tortilla at Chipotle. THE RESULTS ARE AMAZING!
THEY LOOK FOR COMPANIES THAT CARE

“I’d like to support music education because they cut that at my high school and it's important to me.” – Melissa, 22

“If a cause is more local, I tend to believe in it more. Like a kid from my high school had brain cancer and the local Culver’s did something and the whole town came out—I really believed in that.” – Pete, 23

“Sometimes ignorance is bliss, but I wouldn’t buy any products that are related to violence.” – Pete, 23
BUT DEMAND THAT YOU WALK THE TALK

• “I guess I’m not very trusting. And unfortunately it’s that seeing it yourself or hearing about it from someone or that proof factor that’s important.”

  –Susan, 25

AND DON’T OFTEN ACTIVELY CONTRIBUTE

• “My values should tell me it’s the cause, but when it comes down to it, it’s the price that matters.”

  –Tori, 22
THEY ARE TECH-SAVVY  TECH-DEPENDENT
THEY ARE CONNECTED

“Text me, facebook me, tweet @ me, im me if you wanna reach me.”

Lack of privacy, social pressure, need to be informed

Constant communication

Access to information

Instant gratification

Ipsos Gaming with Millennials Syndicated Study, 2014
DO YOU HAVE A PROFILE ON A SOCIAL NETWORKING SITE?

- **Millennial**: 75%
- **Gen X**: 50%
- **Boomer**: 30%
- **Silent**: 6%

Source: Pew Research Center
SOCIAL NETWORKING SITES

Ipsos Gaming with Millennials Syndicated Study, 2014
AVERAGE NUMBER OF TEXT MESSAGES SENT IN A WEEK – U.S.

2014 National (n=948)  |  MN 18 to 34 (n=778)  |  MN 35+ (n=257)

426.4  |  457.8  |  57.8

Ipsos Gaming with Millennials Syndicated Study, 2014
THEY DISTRUST INSTITUTIONS

% Politically Independent

% Religiously Unaffiliated

Source: 2014 Pew Research Center poll of 1821 U.S. adults
AND PEOPLE

Percent agreeing that most people can be trusted

- Millennials: 19%
- Gen X: 31%
- Boomers: 40%
- Silent: 37%

Source: Pew Research Center, 2012
THEY ARE STRESSED

“I like being by myself, but sometimes I feel like that’s hard to articulate. Like if you don’t want to hang out with people, you always have to have an excuse. You can’t just be like ‘I want to chill out and read.’ I feel like it’s almost not socially acceptable. I know it’s weird.” – Tori, 22

• 24/7 lifestyle can be exhausting
• Nearly half feel their stress level is “very high” or “high”
• Facebook depression → “Instead of connecting, some become more isolated than ever.”

GAMBLING BEHAVIOR
GENERATIONAL ATTITUDES THAT AFFECT GAMBLING BEHAVIOR

• Economy
  • Would rather exchange skills/control for monetary risks (e.g., bet on a sports team they’re knowledgeable about)
  • Want immediate tangible or emotional takeaway for time/money spent
  • Not strongly motivated by money
  • Risk-averse
GENERATIONAL ATTITUDES THAT AFFECT GAMBLING BEHAVIOR

• **Spaces & Places**
  • Value social experiences
  • Do not believe they frequent gambling venues
  • Comfortable with use of technology, but don’t require it
  • They distrust institutions

• **Rituals & Ceremonies**
  • Rarely carry cash
  • Spend entertainment money when with others
  • Customize the experience!
MINNESOTA PAST YEAR GAMBLING BY AGE

Source: MN Gambling Survey
GAMBLING AT ALL, ON ANY GAME, FOR ALL STUDENTS, AND FOR BOYS AND GIRLS

Source: Stinchfield (2011)
GAMBLING AT ALL BY GAME 9TH GRADE BOYS

Source: Stinchfield (2011)
2014 MILLENNIAL GAMBLING PARTICIPATION

% Participated in past year

- Lottery: 58%
- Bingo: 31%
- Played card games such as Poker or Hold’em: 30%
- Poker outside of a casino or card club (played...): 30%
- Raffles: 28%
- Fantasy sports: 25%
- Sports pools: 22%
- Purchased pull-tabs or break opens: 19%
- Purchased lottery tickets for real money on the Internet: 18%
- Bet on live horse or dog racing: 17%

Source: Ipsos Gaming with Millennials Syndicated Study, 2014
% Participated in past year

- **Lottery**: 63% (35+) / 56% (18-34)
- **Bingo**: 23% (35+) / 41% (18-34)
- **Played card games such as Poker or Hold'em**: 15% (35+) / 32% (18-34)
- **Poker outside of a casino or card club (played in-person, not on the Internet)**: 29% (35+) / 32% (18-34)
- **Raffles**: 29% (35+) / 32% (18-34)
- **Fantasy sports**: 13% (35+) / 31% (18-34)
- **Sports pools**: 14% (35+) / 26% (18-34)
- **Purchased pull-tabs or break opens**: 27% (35+) / 35% (18-34)
- **Bet on live horse or dog racing**: 12% (35+) / 17% (18-34)

*Source: Ipsos Gaming with Millennials Syndicated Study, 2014*
2014 PAST YEAR LOTTERY PARTICIPATION

- Any Game (Net): 58%
- Multi-state: 46%
- Scratch Games: 43%
- Pick 6 Lotto: 28%
- Cash Lotto: 31%
- Daily Game: 27%

Source: Ipsos Gaming with Millennials Syndicated Study, 2014
TRACKING PARTICIPATION IN GAMING ACTIVITIES AT CASINO

- Any gaming activity: 81%
- Play slots: 53%
- Any table game: 48%
- Play Blackjack: 30%
- Play Roulette: 20%
- Play other table games: 15%
- Play Craps: 12%
- Play Baccarat: 8%

Source: Ipsos Gaming with Millennials Syndicated Study, 2014
PARTICIPATION IN GAMING ACTIVITIES AT CASINO MINNESOTA

Any gaming activity
- MN 18 to 34: 84%
- MN 35+: 92%

Played slots
- MN 18 to 34: 62%
- MN 35+: 80%

Any table game
- MN 18 to 34: 48%
- MN 35+: 33%

Source: Ipsos Gaming with Millennials Syndicated Study, 2014
• Games more likely to be played by younger adults than older adults
  – Bingo
  – Card games
  – Sports pools
  – Fantasy sports
  – Pull tabs
• Games less likely to be played by younger adults than older adults
  – Lottery
  – Raffles
• No difference
  – Casinos
  – Racing
E-SPORTS
School bets video game scholarship can draw talent

Jason Keyser, Associated Press 6:55 p.m. EDT October 6, 2014

Chicago university offers discounts to ‘League of Legends’ student-players as varsity sport

Chicago

As a teenager, holed up in his bedroom, illuminated by the glow of his laptop, Youngbin Chung became addicted to video games. Ten-hours-a-day addicted.

His grades tanked. His parents fretted.

A few years later, the 20-year-old from the San Francisco area leads a team of headset-wearing players into virtual battle in a darkened room at a small private university in Chicago. He’s studying computer networking there on a nearly $15,000-a-year athletic scholarship — for playing “League of Legends,” the video game that once jeopardized his high school diploma.

“I never thought in my life I’m going to get a scholarship playing a game,” said Chung, one of 35 students attending Robert Morris University on the school’s first-in-the-nation video game scholarship.

Once regarded as anti-social slackers or nerds in a basement, gamers have become megastars in what are now called esports. In professional leagues, they compete for millions of dollars in prizes and pull in six-figure incomes for vanquishing their enemies in what have become huge spectator events packing tens of thousands into sports stadiums around the world.

Games have evolved from the days of Pac-Man and Donkey Kong into something
# INTERNET GAMBLING PARTICIPATION

## B4. Overall in the past year, have you played any of the following games on the Internet for fun without betting money?

<table>
<thead>
<tr>
<th>Game</th>
<th>National (n=1001)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any game (Net)</td>
<td>58%</td>
</tr>
<tr>
<td>Played skill games and card games</td>
<td>31%</td>
</tr>
<tr>
<td>Played games online through your mobile device</td>
<td>27%</td>
</tr>
<tr>
<td>Played Poker</td>
<td>19%</td>
</tr>
<tr>
<td>Played slot machines or spinning wheel games</td>
<td>19%</td>
</tr>
<tr>
<td>Played Bingo against other players or versus a computer</td>
<td>17%</td>
</tr>
<tr>
<td>Played Blackjack</td>
<td>16%</td>
</tr>
<tr>
<td>Entered fantasy sports pools</td>
<td>9%</td>
</tr>
<tr>
<td>Entered sports pools</td>
<td>6%</td>
</tr>
<tr>
<td>Wagering on the outcome of events (such as the outcome of elections or reality shows)</td>
<td>6%</td>
</tr>
<tr>
<td>Played Roulette or Craps</td>
<td>6%</td>
</tr>
<tr>
<td>Placed sports wagers or bet on sports outcomes</td>
<td>5%</td>
</tr>
<tr>
<td>Played games like Caribbean Stud or Pai Gow</td>
<td>4%</td>
</tr>
<tr>
<td>Bet on horse or dog racing</td>
<td>3%</td>
</tr>
</tbody>
</table>

## B4a. Overall in the past year, have you played any of the following games on the Internet for money?

<table>
<thead>
<tr>
<th>Game</th>
<th>National (n=1001)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Play any of the following games</td>
<td>21%</td>
</tr>
<tr>
<td>Played skill games and card games</td>
<td>5%</td>
</tr>
<tr>
<td>Played games online through your mobile device</td>
<td>5%</td>
</tr>
<tr>
<td>Played Poker</td>
<td>8%</td>
</tr>
<tr>
<td>Played slot machines or spinning wheel games</td>
<td>6%</td>
</tr>
<tr>
<td>Played Bingo against other players or versus a computer</td>
<td>5%</td>
</tr>
<tr>
<td>Played Blackjack</td>
<td>5%</td>
</tr>
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<td>Entered fantasy sports pools</td>
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<tr>
<td>Played Roulette or Craps</td>
<td>4%</td>
</tr>
<tr>
<td>Placed sports wagers or bet on sports outcomes</td>
<td>3%</td>
</tr>
<tr>
<td>Played games like Caribbean Stud or Pai Gow</td>
<td>2%</td>
</tr>
<tr>
<td>Bet on horse or dog racing</td>
<td>3%</td>
</tr>
</tbody>
</table>

Base: All respondents
ONLINE GAMBLING SPENDING

AVERAGE spend in a typical session:

2011: $109.50
2014: $222.70

Source: Ipsos Gaming with Millennials Syndicated Study, 2014
U.S. ONLINE AND CONSOLE GAMING PARTICIPATION

<table>
<thead>
<tr>
<th>Activity</th>
<th>% Participated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Played video games such as Nintendo, Wii, Sony Play Station, or Microsoft Xbox 360</td>
<td>73%</td>
</tr>
<tr>
<td>Played puzzle-type games such as word games or board games on the internet</td>
<td>51%</td>
</tr>
<tr>
<td>Played arcade-style games such as pinball or Pac-Man on the Internet</td>
<td>37%</td>
</tr>
<tr>
<td>Played massive multiplayer online games like World of Warcraft, Dark Age of Camelot, Everquest, or Guild Wars on the Internet</td>
<td>26%</td>
</tr>
<tr>
<td>Played multiple player actions games such as Grand Theft Auto or Moto GP 09/10 on the Internet</td>
<td>24%</td>
</tr>
</tbody>
</table>

Source: Ipsos Gaming with Millennials Syndicated Study, 2014
SO ... HOW DO WE REACH THEM?

IF MILLENNIALS IGNORE TRADITIONAL ADVERTISING, THEN HOW ELSE CAN WE ANNOY THE CRAP OUT OF THEM WITH OUR MARKETING MESSAGE?

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THINGS TO KEEP IN MIND ...

• There is no “mass” media
THERE IS NO “MASS” MEDIA

% reading a daily newspaper yesterday

- 65+
- 45-54
- 25-34

% of total TV time by method

- Real time
- Streamed
- Recorded
- Downloaded

0% 20% 40% 60% 80%

0% 50% 100%
THINGS TO KEEP IN MIND ...

• There is no mass media
• They distrust institutions
• They are social
• They don’t shock easily
SPECIAL YOUTH SPEAKER
TOPIC: ABSTINENCE
APRIL 9TH
7:00 PM
You're out of money. You've lost your friends. Now, the bad news.

College students develop gambling addictions at nearly twice the rate of other adults. And as if losing everything wasn't enough, it has a higher rate of suicide than any other addiction.

So pay attention. Know your limits. And if you need help, visit GetGamblingHelp.com or call 1-800-333-HOPE.

Minnesota Department of Human Services
THANK YOU!

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