

Connecting with Millennials:

Why the future business model of lotteries depends on standing for more than just winning



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Every night at bedtime, I settle down next to my kids and read them a bedtime story. Together, we take a journey together to worlds of adventure, or fantasy, with naughty children and ghoulish characters, or small houses on prairies.

But why do we do this? Why do we attach such importance to the ability to disappear down the rabbit hole?

Stories offer a unique moment of connection between us. They give us the chance to become absorbed in worlds with no boundaries and dream about what might be.

And so as children, we can learn about life through the (often exaggerated) characters in the books we are read by our loved ones. We can explore our own personalities through the eyes of the characters we journey with, and we can develop and hone what is arguably the most important human skill of all – the ability to empathise with others – through the safety of the imagination.

Empathy (or the awareness of the feelings and emotions of other people) is where our reptilian instincts of childhood meet modern day emotional intelligence. It is how we work out what others stand for and whether we want to stand with them, and as such is as important to a six year old as it is to a sixty year old.

The professions of marketing and advertising have been built on this simple insight: build empathy and people will take action.

“ Me, Me, Me has been replaced by MeToo. It is not about me. It is about us. ”

And so have lotteries.

You've been asking people to stand with you by buying lottery tickets.

But what is it that you stand for?

The answer is simple: getting rich.

And this has been a remarkably effective thing to stand for: in 2015, lotteries in Europe generated combined income of \$86.4bn. To put that number in some context, it is more than the GDP of Kenya, Luxembourg or Tunisia.

But herein lies the problem.

The average lottery player in Ontario, Canada is 50 years old and only a paltry 20% of those who play are under 35.

Rich is a pitch that works for baby boomers, and to a lesser extent Gen Xers (who are now in their forties and early fifties), but it doesn't resonate with Millennials.

The Millennial generation (those born between 1980 and 2000) is the largest generation pool in US history. According to Goldman Sachs, “they have come of age during a time of technological change, globalization and economic disruption and have a different set of behaviors and experiences than their parents”.

These different behaviours and experiences include taking longer to marry, a greater focus on health and wellness and a natural affinity to the digital world, which shapes how they communicate and make purchasing decisions. It also includes lower wages than at any time in the last 50 years and unprecedented levels of debt.

And these factors all contribute to a fundamental shift in values.

Millennials are choosing to leave the Me, Me, Me world, with its trappings of wealth and ownership behind. They know that for most of them, owning a house is out of reach, so they are happy to rent and be mobile. With the advent of ride-sharing, they don't need their own car (only 30% consider car ownership a priority). Their entertainment comes not from racks of CDs and DVDs but from streaming services, paid for by monthly subscriptions. And anyone who has tried to retain millennial talent will affirm that they care more about making a difference than building a firm's bottom line.

Me, Me, Me has been replaced by MeToo.

And lotteries haven't kept up. What lotteries stand for is yesterday's dream.

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In 2015, Andy received The North American Association of State and Provincial Lotteries (NASPL) Powers Award, given in recognition for outstanding performance by a lottery or vendor employee.

He received his Bachelor of Business Administration Degree with a major in Accounting from Mercer University's School of Business in Macon, Georgia. He is a licensed Certified Public Accountant. 

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the resulting tenant improvements, space reallocation and an entire remodel of Lottery offices in Boise.

In 2013, Ms. Schroeder was honored to be nominated and selected as a Women and Children's Alliance (WCA) sponsored Tribute to Women and Industry (TWIN) recipient.

The Idaho Lottery Team is proud to be nimble enough to pursue cutting edge initiatives, and brave enough to go for them!

Becky is proud to be a part of that team. 

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Tomorrow's dream is not about one person getting rich - it is about strengthening community. It is not about the McMansion and Swarovski encrusted swimming pool tiles - it is about the massive social and environmental issues (overlaid with huge amounts of personal debt) that our societies are facing. It is not about me. It is about us.

And while the full impact of this transformation hasn't yet hit lottery bottom lines, let's not forget how quickly seismic shifts can and do happen in today's world (remember Kodak, anyone?).

Lotteries can and should see the growing power of millennials as an opportunity to stand for something else. Something bigger.

Some in the private sector have already started gently embracing this.

The Postcode lotteries give 50% of their ticket price to charities, which is almost double what national lotteries in Europe give. But their key-differentiating factor is not that higher figure. Rather it is that neighbourhoods win together. So Postcode lotteries stand for community and growing together. And they are expanding, with revenue growing every year. In the Nether-



lands, nearly 20% of the population play the Postcode lottery regularly, a very respectable number for a non-state lottery.

For a generation that needs to feel firmly connected to the world around them and their influence upon it, lotteries need to offer something more than a quick win. And part of the answer may come from technology.

New, socially driven cryptocurrencies are emerging that deploy fully transparent blockchain technology to enable funds to be transferred directly to those in need, with no risk of corruption, no fees and no technical requirements above those of the ubiquitous cellphone with a data connection.

Instead of sitting on your couch feeling helpless as you watch the desperation of those living in Syria, imagine you could safely and securely send \$50 to a family hiding in a basement in East Ghota, so they can buy the food they need, and maybe even a spot on a bus or taxi out of there at the next cease-fire. Supporting others through a digital currency means we can not only give quickly and easily, but track how and when those funds are used in real time.

Donations are already being made via bitcoin, litecoin and Ethereum, and the world's first charitable giving cryptocurrency, Giftcoin - which enables an end-to-end transparent donation facility - launches

just next month. It will become a central hub for digital donations, bringing like-minded people, grass roots organisations and beneficiaries together to create change.

Social change as we know it is about to be revolutionised, as technology disintermediates the non profit sector in the same way as it has done with hotels, airlines, taxis and more.

The need for lotteries to stand for stronger communities has never been stronger.

The future is collective. And the opportunity is huge.

What if playing the lottery was not about one's own personal gain, but a way to leave a legacy in the community? What if lotteries began to seek out people who play because they know that their few seconds of dopamine hit is actually a by-product of a much more meaningful way of impact those in need?

What if lotteries began to inspire people to be losers, rather than winners?

For at the end of the day, when we sit back with our children and open up the storybooks, we invite them to a world where everything is possible, and where the only true winners are those with the strength to recognise that we is more important than me. 