

MEGA MILLION'S FIRST MAJOR NATIONAL CONSUMER DATA SUGGESTS A GOOD ROLL (OUT) COULD MAKE IT ROCK.

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LOTTO
RESEARCH



With a last name echoing the Polish Rifle (or Uncle Ron as we call him locally here in New Jersey), Simon Jaworski, Founder and CEO of Lotto Research, decided to poll a large, representative sample of Americans to discover what's happening 'in the huddle' of one of America's favorite pastimes.

Since its relaunch in April 2025, the Mega Millions game has been fighting an uphill battle on various fronts, several of which are outside the games' control. Please don't judge me too harshly for the NFL-inspired puns in the article below. Let's focus on the facts.

1st and 10, calling plays with statistics

As of early July 2025, only half of all Americans (51%) are aware of the changes to the Mega Millions game. That means approximately a quarter of Americans who have played the previous iteration have no idea what to expect the next time they roll into a convenience store on a whim and go to buy Mega. However, men are significantly more likely to be aware of the Mega change than women, and it's not even close. (See Fig.1).

Perhaps more disconcerting is the fact only 37% of Americans are aware there is a bonus multiplier included that increases all non-jackpot wins by either x2, x3, x4,

x5 or x10. (See Fig. 2). However, this is significantly higher (61%) among recent jackpot game players (past month), which means that at least a majority of the core players have seen and understood the new benefits of Mega Millions. Sadly, only 13% of lapsed Powerball or Mega Millions currently know about this play-friendly bonus multiplier feature.

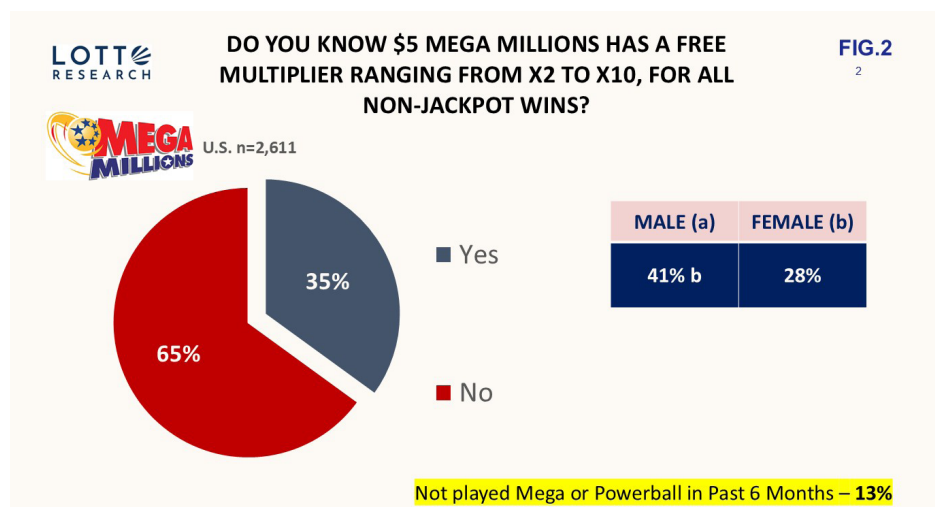
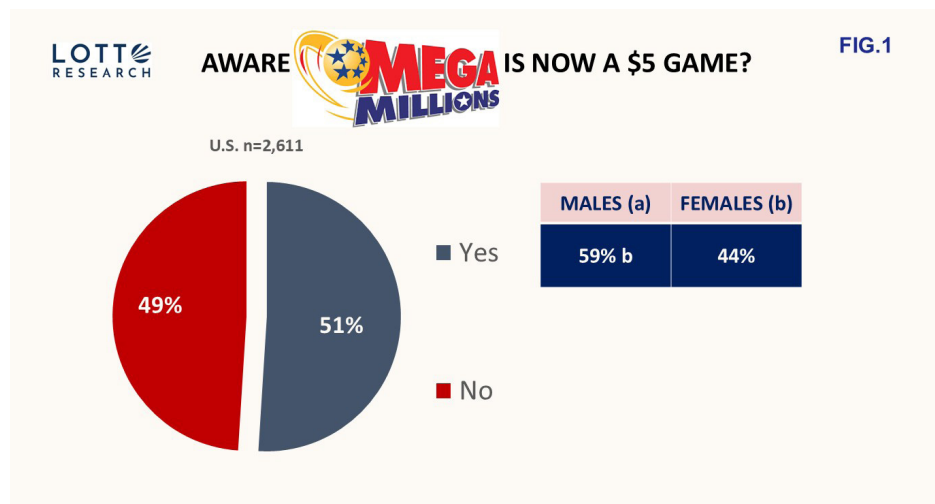
1st and 15. False Start (penalty)

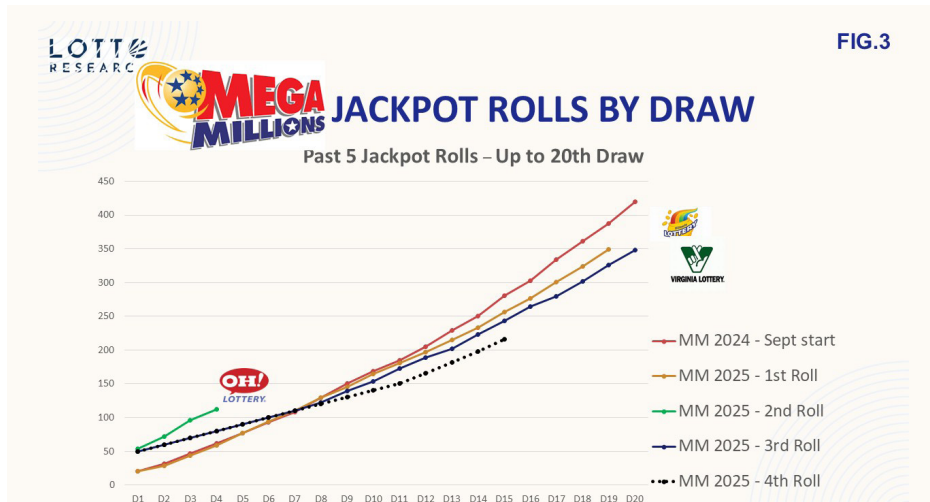
Jackpot growth trends are currently down (See Fig.3), with the latest August jackpot about two rolls behind pre-\$5 Mega levels, so one of the key questions the industry has to answer is ... how

do we attract former players back into Mega Millions before they stop thinking about it altogether and never play again? (I wrote a piece on this for the May/June PGRI magazine that I highly recommend reading as a complimentary piece to this. Spoiler alert of one research finding, older Americans, especially women, are finding other forms of entertainment to replace Lottery).

2nd and 5 reasons to be optimistic

1. Among Americans who have 'ever played' Mega Millions or Powerball, 30% say the changes to Mega Millions are positive, with only 17% saying





negative, a +13% net positive, with more than half remaining neutral. This bodes well for future sales.

2. Younger Americans (18-34 year olds) are significantly more positive about the changes to the new \$5 Mega Millions game, with 39% stating it is a positive and only 9% saying it's negative, yet they have less awareness of the bonus multiplier. This could potentially be an easy, short-term win for state lottery organizations: that is, to raise awareness of this new feature among Gen Z and Millennials.
3. Older Americans (55+) are significantly more aware of the changes to Mega Millions. Great! They have been the lifeblood for Lottery for the past three decades. However, they also have a more negative view of the cost increase of 150%, even though the cost increase itself isn't the focal point of why they might not play Mega Millions (that's a teaser for later!).
4. When asked to choose their favorite jackpot game, Powerball edges out Mega Millions by 7% (46% v 39%). However, this means only 15% of Americans state they would choose neither of the Lottery behemoths, again showing the power of the combination of both national draw games for all forty-five U.S states (and D.C.).
5. Powerball's current jackpot is over \$600m. A high jackpot in Mega's sister game should bring additional traffic and sales for both games. Can lotteries ensure signage and information in-store and online is active and enticing during jackpot runs?

3rd and long (game)

Players just want to win. When lapsed Mega Millions players were asked why they have not played in the past 6 months, the #1 reason they chose was that they "never seem to win" (36%), followed by "the economy" (29%) and "I am sick of losing" (19%). The least mentioned reason was the price increase to a \$5 ticket (only 15% of lapsed players).

4th and forever...

More than half of all Americans have not engaged with the revamped \$5 Mega Millions, but around 12% of Americans say they plan on playing once the Mega jackpot hits \$500m, with another 10% waiting until it hits \$1bn, which accounts for 22% of potential players who have yet to experience the new multiplier and the significant increase in prizes (See Fig.4). Is there a way we can tempt these procrastinators to add a \$5 Mega Millions to their next convenience

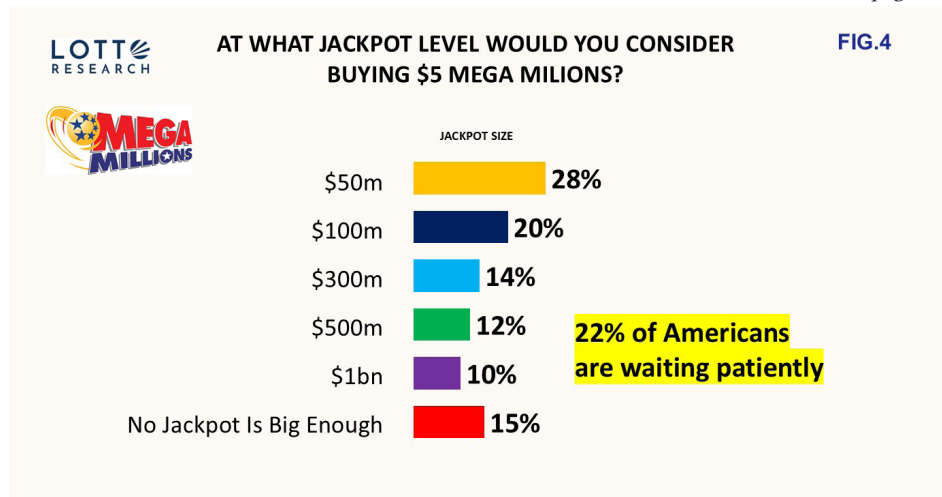
store trip, or gas fill up, before the jackpot hits half a billion?

...or a Powerball punt

A majority of draw game lottery players who have stopped playing Mega Millions, have switched their Mega spend into other games, including Powerball, State Lotto games and other regional draw games that are state based (Lotto America), which offer value at either \$1 or \$2 price point per draw.

1. Future intent to play \$5 Mega Millions is now at 40%, but it is significantly higher among men and 25-44 year olds. This is key for developing the future lottery pipeline.
2. Future Intent to play Powerball (47%) is significantly higher than Mega Millions right now, especially among older Americans. Among recent players, 83% say they will definitely or probably purchase Powerball in the next month. That's a BIG number.
3. Boomers have switched their allegiance to Powerball en masse. 49% prefer Powerball versus just 30% for Mega Millions.
4. Anecdotally, from in-person player research in New Mexico Lottery: players have been switching their spend into more local-based games such as the \$1 Lotto America, and the increasingly popular Roadrunner Cash (also a \$1 game). Ensuring other lottery options are visible and affordable can give players reasons to continue to support good causes through their continued lottery play.

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Play some defense (it wins championships I hear)...

One forward thinking subject matter that Lotto Research asked Americans was a very simple question: If you had \$5 to play one of the following, which are you most likely to play? The answers were clustered so tight, it looks like a whole bunch of defensive backs crowded in one area protecting the 'Hail Mary' pass. However, the top two answers both had one thing in common – they were both Scratch ticket related.

The #1 answer was a tie between a \$5 Scratcher (1 ticket) and 5 x \$1 Scratchers (5 tickets), both with 24% of the vote. (And we know the NFL doesn't like ties, that's strictly for silly games like soccer). The \$5 Mega Millions ticket came in a strong 3rd place with 19% of the vote, followed by a Powerball option (1 x \$2 and 1 x \$3 tickets) with 15% of the vote. A \$5 sports bet achieved 6% of the total, although this was 10% among men. Competition for the American disposable dollar is at an all-time high in gaming.

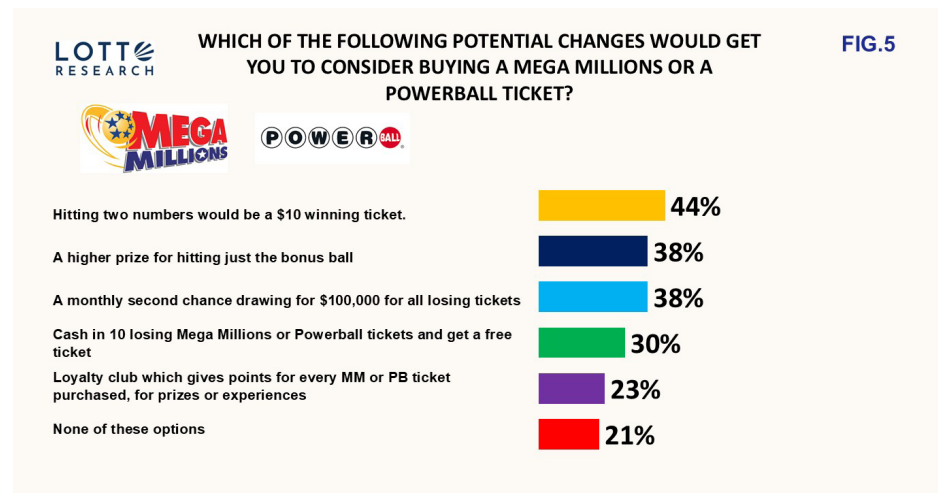
...however, sometimes the best defense is a great offense!

Lotteries have the equivalent of Andy Reid and Patrick Mahomes at their disposal in terms of the power, trust and awareness in their two main brands of Mega Millions and Powerball. So knowing this, how can the lottery industry reach out to the casual player and coax them back into playing? We already know that the real NFL is going to be part of the portfolio of (most) state lotteries come September 2026, but in the interim, what should the strategy be in the intervening 12 months?

"Just win, baby!" (Al Davis)

A final hypothetical question was dropped on our respondents. Which of the following potential changes would get you to consider buying a Mega Millions or a Powerball ticket?

The #1 answer was 'Hitting two numbers would be a \$10 winning ticket' with 44% of all Americans selecting this



option. Two other answers garnered 38% positive responses – 'A higher prize for hitting just the bonus ball' and 'A monthly second chance drawing for \$100,000 for all losing tickets.'

(See Fig.5)

All three options, you dear reader will note, are all about giving our players a better chance of winning. Among recent Powerball/Mega Millions players, **58% agreed** with the winning option of 'Hitting two numbers would be a \$10 winning ticket'. This is your base speaking out in no uncertain terms. Winning gets people back, and it also allows for a better chance at churn.

"Winning isn't everything, it's the only thing". Questions to ponder.

Often attributed to the great Vince Lombardi, this quote was actually from the lips of UCLA coach Red Sanders in the 1950's. Maybe the Lottery industry can take a leaf from the NFL sports betting play book?

On an almost daily basis, the likes of DraftKings and FanDuel offer 'No Sweat Bets', so even the gambler who loses gets a free second chance bet to place on another wager the next time they bet. I am sure we all hope the Eagles get dethroned in their quest to repeat as Super Bowl champions, but in the interim, here are five valid questions that lotteries and their vendors should be thinking about for both Mega Millions in the short term, and lottery games in general.

1. How can we engage older lapsed players, and also female players, to woo them back to Mega Millions (or Powerball)?
2. Is there a lottery equivalent of the 'sports betting second chance', through more of an 'instant' second chance option?
3. Are there ways lotteries can help cushion a loss into feeling more like a win?
4. Are there special prizes or partnerships the lottery industry can develop to make that all elusive 2 ball match a winning experience? Example: Rocktober promo – Hit two Mega balls, get \$10 off at your next Ticketmaster show.
5. And finally is there enough primary research being conducted with the modern consumer on what winning in 2025 means to them?

Trust me, I'm a Researcher

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