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Lottery Links is provided free to licensed retailers, Lottery Advisory Commission members, vendors and other interested parties. Lottery Links is available on the website at LOTTERY.ND.GOV.

PLAYERS CLUB MEANS ADDED-VALUE

North Dakota Lottery tickets give players a chance at hundreds, thousands or even millions! The North Dakota Lottery Players Club® gives added-value to every North Dakota Lottery ticket which benefits players and retailers alike.

As Players Club members, players receive exclusive benefits such as Points for Prizes®, Points for Drawings™ and Second Chance Drawings all for **FREE!** The more tickets players purchase and enter, the more points they earn. In turn, retailers earn higher commissions as their ticket sales increase. The best part, no additional cost to retailers!

Remind players to join the club by visiting LOTTERY.ND.GOV. Membership is free and the benefits are countless:

Points for Prizes: Hundreds of items to choose from!



Points for Drawings: Win great prizes like these!



Players can find more information about the Players Club and its Official Mobile App at our website, LOTTERY.ND.GOV, or by picking up a Game Guide available at all North Dakota Lottery retail locations.

DIRECTOR'S MESSAGE



There are a number of factors that can and will influence Powerball and Mega Millions sales, including jackpot amounts, other gaming options available, seasonality, and economic conditions. This report will focus on how jackpot amounts impact lottery sales.

As you can see in the table below, the year-to-date sales performance for the Lottery in fiscal year 2020 has been weak. Unaudited ticket sales for July through February totaled \$16.2 million which is a \$7.77 million decrease, or 32%, compared to the same period last fiscal year. Powerball and Mega Million's sales are jackpot driven and with no jackpots hitting \$500 million in fiscal year 2020, sales have been sluggish. That is the luck of the draw and the primary reason for the decrease in sales; not only in North Dakota but all across the U.S. lottery industry.

unprecedented, record-breaking jackpot runs reaching over \$1.5 billion during these two years. Sales at this level are not the norm.

Powerball and Mega Million's jackpots increase over time until a winning ticket(s) is sold. Many players wait to play until the jackpot reaches a high amount. As the jackpots increase toward record levels, a nationwide buzz is generated and excited players purchase lottery tickets. Large jackpots attract casual players and in turn drives traffic into retailers and increases lottery sales.

The lottery industry has never been able to understand why players would rather wait for higher jackpots before getting in the game for their chance to win. Players feel the \$40 million starting jackpot is not worth playing. It seems to me, even after the cash option amount and taxes, \$20 million would allow a winner to live comfortably.

Possible theories of why casual players only begin wagering on lottery when the jackpot reaches a certain level include "jackpot fatigue". This happens when players require higher jackpots before beginning to buy tickets. The lottery may not have the same novelty effect on players today that prior generations experienced, and higher jackpots allow for the ultimate player dream of "what would I do with hundreds of millions of dollars!?"

Jackpot Comparisons						
	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2017	Fiscal Year 2016	Fiscal Year 2015
Powerball Jackpots (\$200 - \$499 Million)	1	3	2	5	4	2
Mega Millions Jackpots (\$200 - \$499 Million)	3	2	3	0	2	3
Powerball Jackpots (\$500 Million - \$1 Billion)	0	2	2	0	0	1
Mega Millions Jackpots (\$500 Million - \$1 Billion)	0	2	1	1	0	0
Powerball Jackpots (Over \$1 Billion)	0	0	0	0	1	0
Mega Millions Jackpots (Over \$1 Billion)	0	1	0	0	0	0
Total Ticket Sales (All Games)	*\$16,241,107	\$35,352,991	\$31,307,328	\$27,620,258	\$35,624,903	\$27,010,263

* Unaudited Sales for Fiscal Year 2020 (July 2019 - February 2020)

Keep in mind fiscal year 2019 was the Lottery's second best sales' year at \$35.3 million, only \$300,000 less than our record sales in fiscal year 2016. Sales were significantly impacted by the

Hopefully the luck of the draw will be in the future for you and your players.

Randy Miller

STRONG SALES FOR 2BY2

The spring 2by2 7-Draw Promotion ended the quarter with strong sales. 2by2 sales for the four week promotion increased a whopping 73.7% compared to the 26-week, weekly average prior to the promotion. Total 2by2 sales during the promotion were \$599,462. Players won over \$38,000 in instant prizes.

Did your store rank in the Top 10 across the state? Check out the “Top 10” North Dakota Lottery retailers with the most instant winners:

1. M&H Gas #13 - Mandan
2. Simonson Station Store #8 - Wahpeton
3. Family Fare Supermarket #103 - West Fargo
4. Marketplace Food and Drug - Minot
5. Dan’s SuperMARKET #3 (South) - Bismarck
6. Dan’s SuperMARKET #2 (North) - Bismarck
7. Rosie’s Food and Gas - Dickinson
8. Superpumper #39 (N 19th St) - Bismarck
9. M&H Gas #15 - Jamestown
10. Hornbacher’s Village West #2693 - Fargo

POWERBALL RULE CHANGES

The Powerball Product Group announced a series of changes to ensure the game continues to support beneficiaries in all 48 U.S. lottery jurisdictions.

When a jackpot win occurs, the new starting jackpot amount will be determined by the Group Chair and Vice Chair based on sales and interest rates. Minimum rolls between drawings will be determined in a similar manner.

The Powerball Group approved these changes to be proactive and commit to being America’s favorite jackpot game.

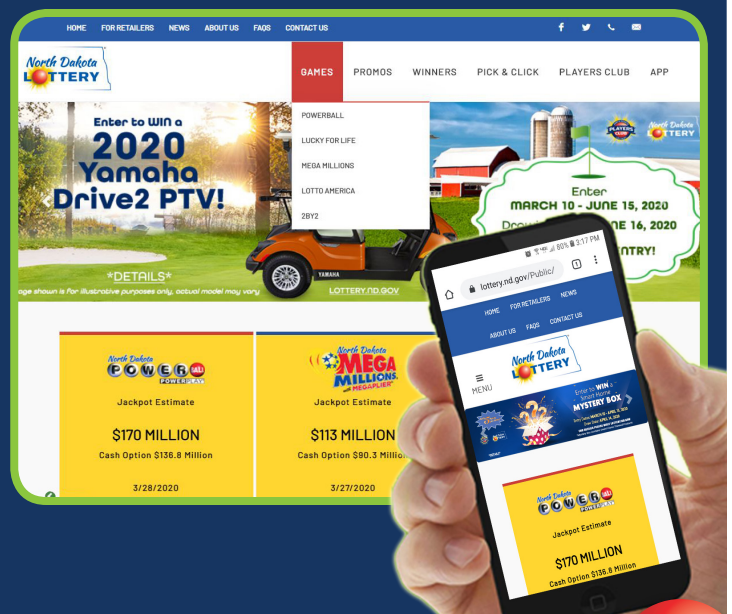
Powerball players in many U.S. lottery jurisdictions are under stay at home orders or recommendations, which have affected normal consumer behaviors. The jackpot changes are necessary to protect the Powerball game and to continue to offer drawings every Wednesday and Saturday night.

LOTTERY WEBSITE RECEIVING OVERHAUL

The North Dakota Lottery is near completion of long needed website update. This update will keep the essence of our current website, but give it a fresh look. The new design utilizes a bootstrap template, which does the following:

- Gives the site a modern look and feel;
- Better mobile responsiveness making it easier to use for those on mobile devices; and
- Makes any future changes/updates to the site more efficient.

We anticipate the launch of the updated website to come late spring/early summer of 2020.



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NORTH DAKOTA LOTTERY
PLAYERS CLUB OFFICIAL MOBILE APP



iPhone (iOS): Get the app
from the iTunes® Store



NORTH DAKOTA LOTTERY
PLAYERS CLUB OFFICIAL MOBILE APP



Android: Instructions at
LOTTERY.ND.GOV/MOBILE-APP/

LOTTERY.ND.GOV



The North Dakota Lottery Players Club gives players MORE opportunities to win! Membership is FREE and members enjoy these great benefits:

1. Points for Prizes®
2. Points for Drawings™
3. Second Chance Drawings
4. Pick & Click online play
5. Free FunPlay™ Games

Sign up NOW at LOTTERY.ND.GOV

Entry Deadline: June 15, 2020



LOTTERY.ND.GOV