



Rialálaí an Chrannchuir Náisiúnta
Regulator of the National Lottery



Test Purchasing Exercise on Under-age Purchase of National Lottery Products in Retail Premises



Ipsos MRBI

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1. Summary

1. Summary

This report provides an overview of results from the Test Purchasing Exercise on Under-age Purchase of National Lottery Products in Retail Premises. The research was conducted by Ipsos MRBI on behalf of the Regulator of the National Lottery in July 2018.

Objectives

This research is the first of its kind in Ireland. The Regulator of the National Lottery commissioned this research to establish important baseline measures for assessing the effectiveness of the systems in place to prevent underage purchase of National Lottery products. The National Lottery is at an important juncture in that it has recently expanded its retail estate and developed a new system of oversight of its retail agents. It was in this context that the Regulator decided it was timely and important to establish data on compliance with the prevention of underage sales. The data provides a basis for the Regulator to monitor compliance over time and examine the impact of any measures implemented by the Operator of the National Lottery, Premier Lotteries Ireland (PLI), to improve the compliance of its retailers with underage sales prevention requirements.

Under-age Purchase Prevention Requirements

The National Lottery Act 2013 prohibits the sale of National Lottery tickets to anyone under 18 years of age. The Codes of Practice under the Licence require the visible display of a mandatory 'Over 18' sign in every retail premises and that retail agents ask for photographic ID where the customer is not clearly aged 18 years or over.

Key Findings

Mandatory 'Over 18' Sign

- The mandatory 'Over 18' sign was found to be on display in 73% of retail premises.
- In 27% of premises the sign was not on display.

Purchase Attempt

- Underage test purchasers were challenged (i.e. asked their age and/or for ID) by the staff member in 63% of purchase attempts.
- However, 37% were not challenged by either means.

Outcome of Purchase Attempt

- In the majority of purchase attempts (62%), the staff member refused to sell the scratch card to the test purchaser.
- However, almost four in ten purchase attempts (38%) were not refused.

Inter-relationships

- The research identifies a clear link between retailer challenge and the likelihood of an underage purchase being prevented, when test purchasers were challenged, 95% of sales were refused.
- Refusal rates were found to be significantly higher in stores where the 'Over 18' sign was on display (67%) compared to stores where the sign was not on display (51%).

Methodology

Fieldwork was carried out in 510 retail premises nationwide by teams of mystery shoppers comprised of one Ipsos MRBI adult interviewer and one test purchaser aged 15, 16 or 17. The adult interviewer was responsible for assessing the display of mandatory signage. The role of the test purchaser was to attempt to purchase a €1 scratch card. If questioned about their age, the test purchaser gave his/her true age and if asked for ID, the test purchaser stated that he/she was not carrying ID. If the staff member agreed to sell the scratch card to the test purchaser, the purchase was abandoned. Test purchasers did not purchase any scratch cards as part of this exercise. The profile of the 510 stores visited was representative of the total population of retail outlets selling National Lottery products in the State.

Conclusions

This research has identified gaps in compliance with the requirements to prevent underage purchases of National Lottery products.

Further details in this report provide information which may be of assistance to PLI and retailers in the design and implementation of measures to improve compliance.

2. Introduction

2. Introduction

Background

The Office of the Regulator of the National Lottery was established in 2014. The Regulator monitors the activities of the Operator of the National Lottery, Premier Lotteries Ireland (PLI). The Regulator does not regulate retail agents. She carries out her functions in accordance with her statutory objectives to ensure that:

- a) the National Lottery is run with all due propriety,
- b) the interests of participants are protected,
- c) the long-term sustainability of the National Lottery is safeguarded, and,

subject to a) to c), that returns for good causes are maximised.

Prevention of Underage Sales – Rules and Obligations

Section 42 of the National Lottery Act 2013 prohibits the sale of National Lottery products to persons aged under 18 and makes it an offence to do so.

A person, including the operator, shall not sell or offer for sale by any means a National Lottery ticket to a person under the age of 18 years or invite from such a person an offer to buy a National Lottery ticket.

Accordingly, the Licence requires prevention of underage purchase. The National Lottery's Advertising and Promotion Code of Practice¹ contains the following mandatory requirements:

- *'Point of sale' material stating that players must be '18 years or over' will be distributed to and displayed by all Retail Agents;*
- *PLI shall require the Retail Agent displays the mandatory Over 18 message in a visible location.*
- *PLI shall require the Retail Agent to ask for photographic age verification identification (e.g. in the form of a Garda Age Card, driving licence or passport) where there is reason to believe that a prospective player may be aged under the age of 18 years.*

The National Lottery's Sales Code of Practice² further contains the following:

Agent/Retailers and their staff/employees shall not:

- *Sell, or offer to sell, a Ticket to any person under the age of 18 years.*

¹ The Code is updated annually. The extracts here were in place at the time the fieldwork took place.

² The Code is updated annually. The extracts here were in place at the time the fieldwork took place.

Retailers and their staff/employees shall:

- *Request age verification through photo identification (e.g. driving licence, Garda Age Card or passport) of participants who are not clearly over 18 years of age.*

PLI shall require sales agents display the mandatory Over 18 message in a visible location.

Objectives

In May 2018, the Regulator of the National Lottery commissioned Ipsos MRBI to undertake research with the core objectives of:

- Establishing the level of compliance with signage and other Code of Practice obligations in the first instance, and in so doing;
- Assessing the effectiveness of the systems in place to prevent underage purchase.

The National Lottery is at an important juncture in that it has recently expanded its retail estate and developed a new system of oversight of its retail agents. It was in this context that the Regulator decided it was timely and important to establish data on compliance with the prevention of underage sales.

3. Methodology

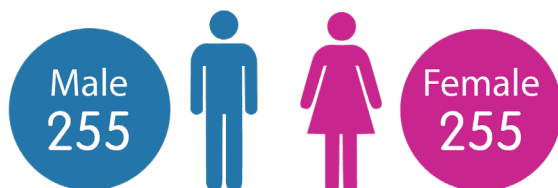
3. Methodology

Methodology

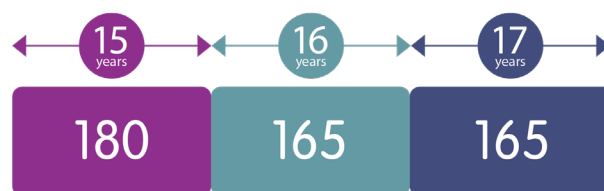
Teams consisting of one test purchaser (aged 15, 16 or 17 years old) and one adult interviewer³ (over 19 years old) visited a sample of 510 retail premises nationwide during the month of July 2018.

Test Purchases Conducted

By Gender



By Age



Each team member carried out specifically assigned tasks:

- The adult interviewer was responsible for the supervision of the test purchaser and for making and recording observations regarding mandatory 'Over 18' signage which should be displayed in retail premises.
- The responsibility of the test purchaser was to test the retailer's response to his/her attempt to purchase a €1 scratch card.

Test purchases were undertaken during the week and at weekends and were spread across different times of the day.

Parental permission was sought and received for all test purchasers who participated in the research. It is important to note that at no stage in the process was any effort made to purposely hide the test purchaser's age. If questioned about their age, the test purchaser gave his/her true age and if asked for ID the test purchaser stated that he/she was not carrying ID. No attempts were made to make the test purchasers appear older than they are.

If the retail agent agreed to sell the scratch card to the test purchaser, the purchase was abandoned. Test purchasers did not purchase any scratch cards as part of this exercise.

³ Ipsos MRBI interviewers are fully trained to conduct face-to-face research on behalf of Ipsos MRBI. Our interviewers abide by strict fieldwork quality standards set by the ESOMAR International Code of Marketing and Social Research Practice and AIMRO (the Association of Irish Market Research Organisations).

Sample Design

Quotas were set for five different store types to represent the universe of retail outlets selling National Lottery products in the State:



To facilitate the cross comparison of regional data, a similar number of visits were conducted in each of the four provinces with the data weighted at the analysis stage to reflect the spread of retail outlets selling National Lottery products in the State.

Quotas were also used to ensure that the overall profile of test purchasers reflected that of Census 2016 estimates in terms of both age and gender. These age and gender quotas were applicable within region to ensure direct comparability of data across the four provinces.

Weighting

Weights were applied to correct for any minor deviations from quota controls. As noted previously, regional weights were also applied to reflect the spread of retail outlets selling National Lottery products in the State.

4. Results

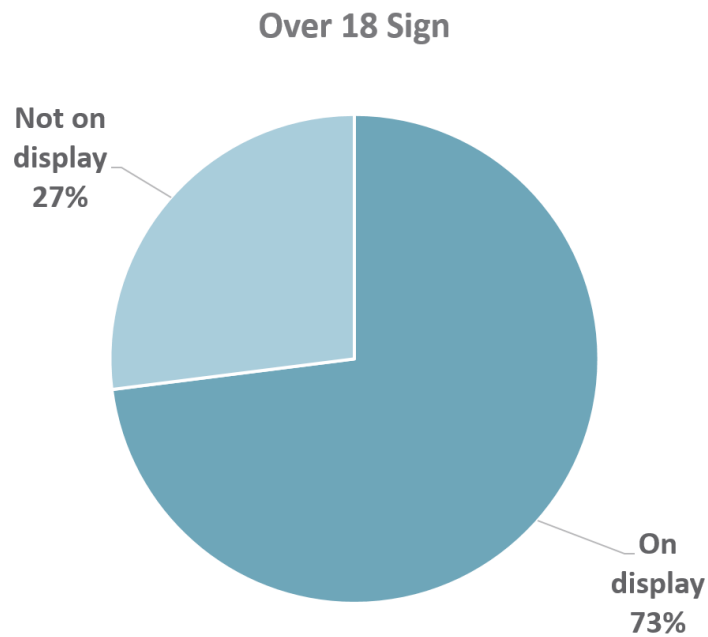
4. Results

Results

The detailed results are presented below and discussed in the next section.

Mandatory 'Over 18' Sign

Display

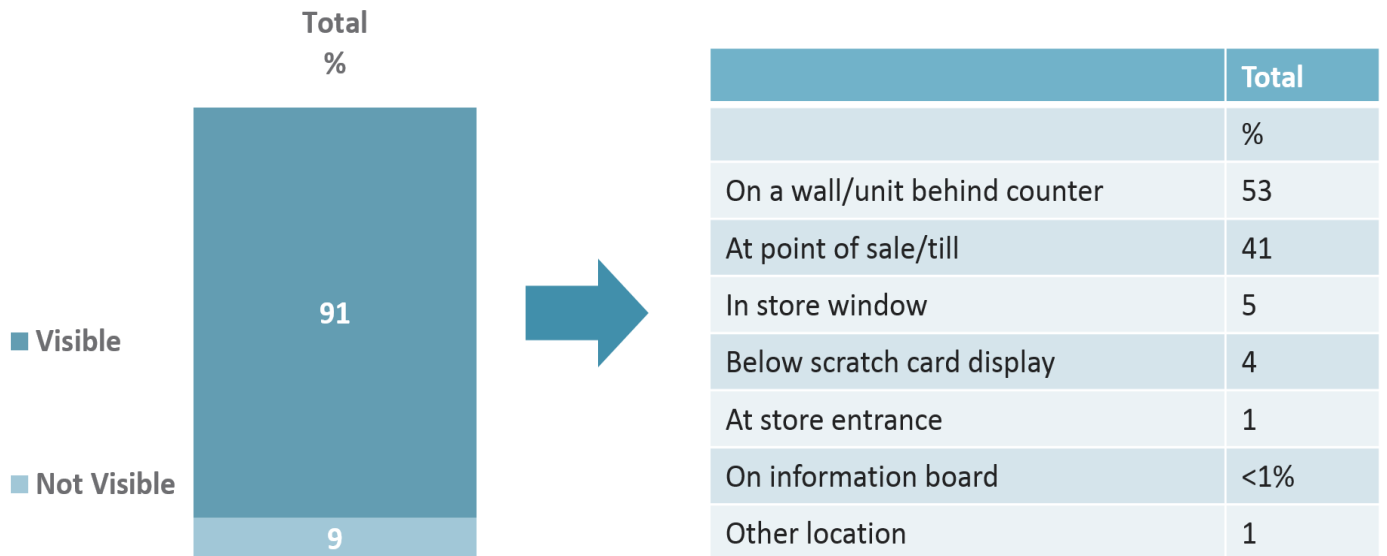


Almost three quarters (73%) of retail premises were found to be displaying the mandatory 'Over 18' sign. Just over one quarter (27%) were not displaying the mandatory sign.

'Over 18' Sign	Total	Region				Community Size	
		Dublin	Rest of Leinster	Munster	Conn/ Ulster	Urban	Rural
	%	%	%	%	%	%	%
On Display	73	65	71	76	77	69	78
Not on Display	27	35	29	24	23	31	22

Stores located in Dublin were least likely to display the mandatory 'Over 18' sign (65%), with those based in Conn/Ulster (77%) and Munster (76%) most likely to display the sign.

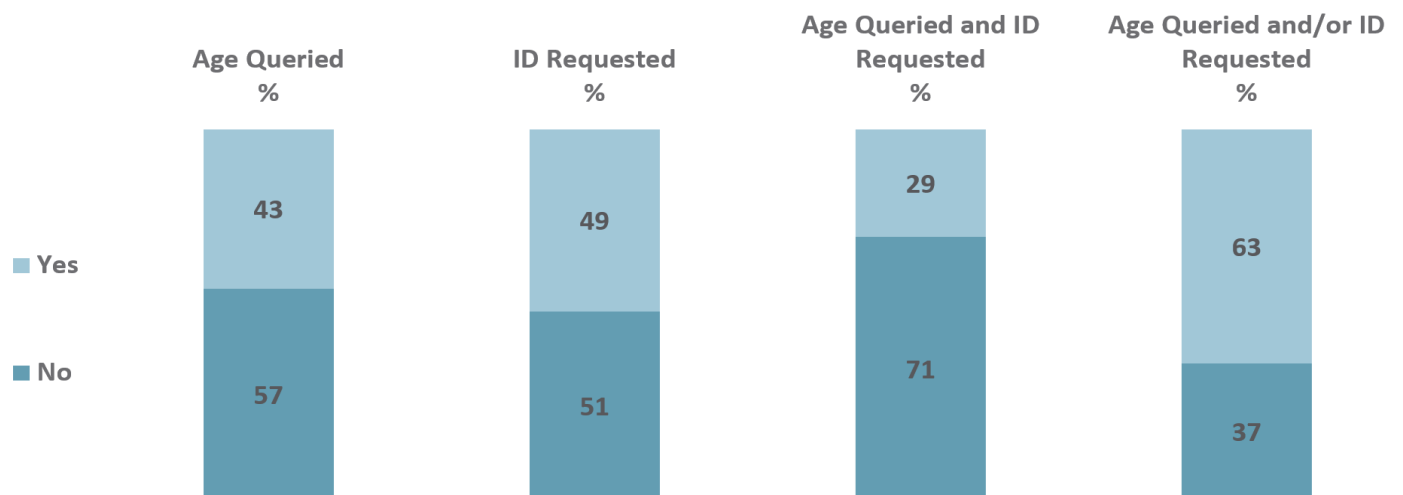
Visibility from 'Point of Sale'



Where the 'Over 18' sign was on display, it was found to be visible from the 'point of sale' in 91% of retail premises. When visible, the sign was most likely to be positioned 'On a wall/unit behind the counter' (53%) or 'At the 'point of sale'/till' (41%)'.

Purchase Attempt

Challenge Overview



Test purchasers were challenged (i.e. asked their age and/or for ID) by the staff member in 63% of purchase attempts, meaning that almost four in ten (37%) test purchase attempts went unchallenged.

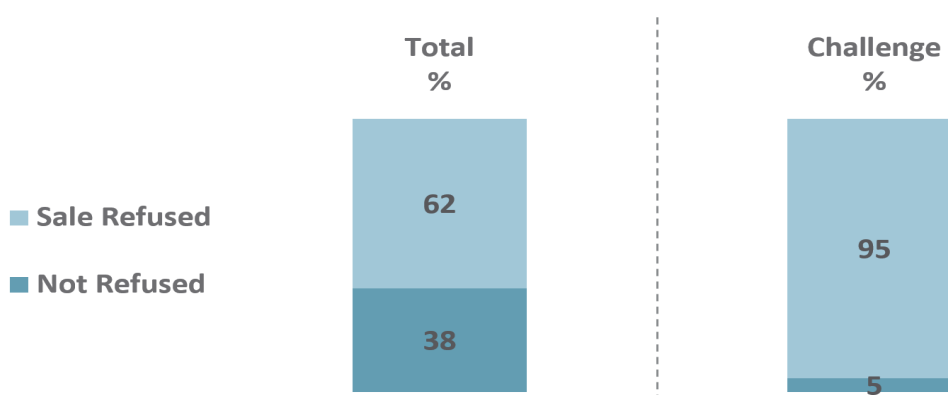
Purchase Attempt by Region

	Region					Community Size	
	Total	Dublin	Rest of Leinster	Munster	Conn/Ulster	Urban	Rural
	%	%	%	%	%	%	%
Challenged	63	48	56	68	78	62	65
Not Challenged	37	52	44	32	22	38	35

The research clearly demonstrates that challenge levels in Dublin (48%) and Rest of Leinster (56%) lag considerably behind those of other regions.

Outcome of Purchase Attempt

Outcome Overview



While the sale of scratch cards was refused in the majority of test purchases (62%), a significant proportion of sales (38%) were not refused. The findings clearly demonstrate the importance of retailers challenging young people who attempt to purchase scratch cards: 95% of sales were refused when test purchasers were challenged (i.e. asked their age and/or for ID). A small minority (5%) of retailers who challenged the test purchaser did not then refuse the sale.

* Caution small base size

Outcome of Purchase Attempt by Region

	Total	Region				Community Size	
		Dublin	Rest of Leinster	Munster	Conn/Ulster	Urban	Rural
	%	%	%	%	%	%	%
Refused Sale	62	48	55	67	79	61	64
Not Refused	38	52	45	33	21	39	36

Connaught/Ulster considerably outperforms all other regions with a refusal rate of 79%.

Outcome of Purchase Attempt by Signage

The research findings show that test purchasers were more likely to be refused the sale of a scratch card in stores where the 'Over 18' sign was on display (67%) than those in stores where the sign was not on display (51%).

	Over 18 sign on Display	Over 18 sign not on Display
	%	%
Refused Sale	67	51

5. Discussion

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Mandatory 'Over 18' Sign

One of the mandatory requirements of the National Lottery's Sales Code of Practice is that retailers display the 'Over 18' sign in a visible location. Whilst the majority of retail premises were found to be displaying the mandatory 'Over 18' sign (73%), a significant proportion (27%) were not displaying the mandatory sign, providing clear evidence that there is a need to improve compliance levels in this regard.

Regular signage compliance checks in retail premises has been successful in other contexts, for example, in improving compliance with the display of age restricted notices in relation to tobacco products. The variation in display levels recorded by the research can provide guidance on how compliance checks could be targeted by region.

The research results show that the failure to display the mandatory 'Over 18' sign is a more significant issue amongst retailers than their positioning of the signs, when they are on display. In 91% of cases where the sign was on display it was recorded as being visible from the 'point of sale'.

The data clearly indicate the optimal positioning for the 'Over 18' sign to ensure visibility. When the sign was noted as being visible from the 'point of sale' it was most likely to be positioned 'On a wall/unit behind the counter' (53%) or 'At the 'point of sale'/till' (41%'. This information could be useful in guiding National Lottery retailers as to where best to position the sign in their premises.

Purchase Attempt and Outcome

A key finding of the research is the strong correlation between levels of challenge by retailers and the prevention of the sale of scratch cards to persons aged under 18. Staff members refused to sell the scratch card to the test purchaser in 95% of cases when the test purchaser was challenged (i.e. asked their age and/or for ID).

The message for retailers is unambiguous; there is no substitute for querying a young person's legal ability to purchase if underage sales are to be prevented.

ID was requested in just under half of all test purchase attempts (49%), clearly indicating that staff members need further encouragement to ask for ID. A suite of measures to support staff members in asking for ID already exists in the retail sector. Examples include automated till prompts, "Think 25" environments, and providing information on the risks that age restricted products pose to children. The introduction of measures such as those described may be useful to National Lottery retailers in further encouraging their staff members to ask for ID.

In the majority of purchase attempts (62%), the staff member refused to sell the scratch card to the test purchaser. However, almost four in ten purchase attempts (38%) were not refused. Increases in the rate of refusal will ultimately be driven by increased challenge for ID by staff members.

Regional Variations in Purchase Outcome

The findings indicate regional variations in the proportion of retailers refusing sales to those aged under 18. Retailers based in Dublin were considerably less likely to refuse an underage sale (48%) than those based in Connaught/Ulster (79%). In fact, Dublin is the only region where more sales to under 18's were not refused (52%) than were refused (48%). These regional variations, are likely to be as a result of a variety of factors, including but not limited to, community size, staff familiarity with customers, store size and footfall. The findings in relation to regional variations can provide guidance in terms of targeting particular regions to improve compliance.

Signage and Purchase Outcome

Whilst the research found a strong correlation between the display of signage and the prevention of sales to persons aged under 18 (stores displaying signage refused 67% of sales compared to 51% amongst those who were not displaying signage) it does not necessarily indicate causation, those retailers who display the mandatory signage may simply be more vigilant or conscientious by nature. However, having a sign on display may also contribute towards the prevention of under-age play in its function of being a permanent reminder to staff and potential under-age purchasers that a challenge is possible. These signs also communicate to the public at large that National Lottery Participation is strictly an adult activity.

6. Conclusions

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This research is the first of its kind in Ireland and provides the Regulator of the National Lottery with important baseline measures of compliance with sections of the National Lottery Licence and Codes of Practice. The availability of this baseline data provides a means for the Regulator to monitor compliance levels over time.

The research has identified gaps in compliance with the requirements:

- To display the Mandatory 'Over 18' sign in a visible location.
- To ask for ID from persons who are not clearly over 18.
- Not to sell a scratch card to any person under the age of 18.

Details in this report provide insights as to how PLI and retailers could address the identified shortfalls in compliance including:

- The possible introduction of compliance checks and guidance as to how such checks could be targeted by region.
- Guidance for National Lottery retailers as to the optimal positioning of the 'Over 18' sign in their premises.
- The possible implementation of measures to further encourage staff members to ask for ID.

The availability of baseline data provides the opportunity for the Regulator to examine the impact of any measures which are implemented as a result.

7. Key Numbers

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Regulatory Obligations, Scope of Testing Exercise and Outcomes



The Sale of National Lottery Tickets to Anyone Under 18 Years of Age is Prohibited.
Visible Display of 'Over 18' Signage is Mandatory.



510 Retail Premises were Tested



27% of Premises Did Not Display the Mandatory 'Over 18' Signage.



63% of Test Purchases were Challenged (were asked their age/or for ID)



6 out of **10** Test Purchases were Refused

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