

LOTTERY BUSINESS- A DYNAMIC ENVIRONMENT**Prof. Landge Balwant Bhimrao**Head, Dept. of Commerce,
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Wagholi, Pune-412207**Abstract :**

This study tested social cognitive theory hypotheses of reciprocal and sequential effects among person, environment variables and behavior. The study examined the impact of hope, superstitious belief and environmental factors on the frequency, amounts of lottery gambling and chasing of particular numbers among lottery gamblers. Models were constructed to test the effect of hope, superstitious belief and environmental factors on gambling behavior, and the reciprocal effect of gambling behavior on hope, superstitious belief and environmental factors. Results confirmed the theoretical reciprocal effects. A sequential effect showing the effects of environmental factors on superstitious belief, hope and gambling behavior was also constructed and hope was found to be the result of superstitious belief. To reduce lottery gambling, the players need to be warned of their distorted hope and the small chance of winning lottery.

Keywords : Lottery Business , Environment Variables, Behaviour

Introduction

Alarmed over proliferation of illegal lotteries in the Maharashtra, the state finance ministry has issued a list of 258 legal lotteries, whose results will be declared time to time. It has decided to regularly issue of list of official lotteries. Due to sale of illegal lotteries government is not only losing revenue but the credibility of the lottery department is also at stake.

The official lotteries are registered with deputy commissioner (lottery tax) and have paid tax to the government. The ministry has warned strict action against promoters and distributors of illegal lotteries under Sections 14 (1), 17 and 18 of Maharashtra Tax on Lotteries Act, 2006. A case would also be registered under central government's Lotteries Regulations Act, 1998.

The central Act permits only state-organised lotteries to be run in the country. Many state governments including Maharashtra run lotteries for raking in extra revenue. However, lotteries are banned in some states. There are a number of instances where one state has banned lotteries run by another as they compete with each other for a share in the lottery market.

The finance ministry list includes 17 lotteries run in traditional format and 241 online ones. Maharashtra's ten and Bhutan's seven traditional lotteries figure in the list. Among the online ones are Goa's 168 and Sikkim's 63 lotteries. The government resolution (GR) featuring the list of these lotteries is available on Maharashtra government's website.

Objective :

To make lottery business environment better, Lottery will focus on four strategic objectives:

1. Optimize revenue by offering a broad variety of market-responsive games that appeal to a diverse consumer audience.
2. Develop a strategy for addressing key stakeholders and their concerns regarding Lottery's financial position.
3. Commit to a healthy player base through responsible gambling outreach and through the development of a

progressive relationship with the Department of Health.

4. Maintain a responsible retailer base by assuring adherence to the Lottery's retailer contract.

Background Information

AIFLTAI is a non-profit organization of lottery distributors, stockiest, agents, and the allied categories, i.e. security printers, paper suppliers, transporters, courier agencies, media - both print and electronic, advertising agencies, technical services (such as the new computer based online operators); in fact, open to all who support and participate in the business of State Lotteries. This apex umbrella organization came into being in December 1999 with the following

objectives:

- To reform the lottery trade through self-regulation
- To seek the appointment of a Regulatory Body
- To promote State Lotteries for growth into a transparent and healthy trade
- To improve public image of lottery trade through transparency and fairness in all lottery operations and sustained credibility.

Today the Federation comprises over 197 Members (as on 13 June 06) besides 17 Associations from States and Regions promoting the State Lotteries.

Establishing a Lottery Business

The lottery is one of the legal gambling games that are mostly patronized by common people because of the simplicity of the game and the high reward once one wins the jackpot.

This is a good indication for those who want to enter this kind of business since the sureness of earning profits from it is certain. Read on and learn how to start one.

If there ever were a legal gambling that is most interesting and simple for common people, it is lottery. The risk in betting in this kind of legal gambling is great but the return from it is known to be too big that it is too tempting that any regular people would not dare to risk his several dollars for a bet. Lottery so it seems has been part of the psyche of common people where they can achieve financial emancipation. On the other hand, the return for anybody who operates a lottery business is sure to be a financial windfall considering that there are many who patronize this kind of gambling or pastime. For those who are inclined to reap quick money on establishing a business that has sure patrons, then lottery business is the best one for them.

If you are planning or have an inclination of building a lottery business then rest assured that following simple steps will become a fruitful business venture. Below are some simple guidelines on how to start one:

Licensing for Lottery Business

In the United States there is no national lottery. Lottery games are regulated by each state. So if one is going to start a lottery business, all the necessary licensing will come to the state office. The one who is interested in starting a lottery business should be reminded that getting license for his lottery business is necessary and one of the must in this business venture.

There are many ways where one can get his licenses for starting a lottery business. One can get it by his own or use a third party. If one wants to use third party organizations in getting a lottery business license, one can research the Internet for those well-known licensing organization available in the business. The good news about using a third party in getting one's licenses is that it is fast and these people know the ins and outs of helping you start your lottery business.

The Right Place for your Lottery Business

Like any business that needs a place to operate, its location is synonymous with success. In starting your

own lottery business, it is very important that you first apply feasibility study if you can about the market where you will put your lottery kiosk. Putting you lottery business in a place where it is known to have many or one major lottery business operating already diminishes your potential for maximizing your profits. So pick a proper place for your lottery business.

Maharashtra State Lottery

Maharashtra State Lottery has been in existence from 12th April 1969. The Finance Department of the State initiated the lottery to prevent cheating of the common people by miscreants through illegal gambling schemes like Matka. The State run lottery is totally trustworthy and provides an opportunity to the citizens to win a large prize amount from a very small investment and fulfill their dreams. The revenue generated from the lottery sales also helps the State to improve the infrastructure, provide health and education facilities, enhance the status of women and child welfare, for agriculture sector etc. Simultaneously many unemployed persons are engaged in sale of lottery tickets and provide them with full time or part time employment.

Achievements so far

Maharashtra State Lottery has produced many happy winners and more than 2327 persons have become Lakhpatis in last 5 years. The prize money has helped them to invest in their business or agriculture activities, buy a vehicle or a tractor or to purchase house or for the education of their children. Each draw is conducted publicly before a panel of Judges. The draw is done either by an electric machine or by selecting numbers from drums. The draws are completely transparent and trustworthy. In the transition of 42 years, Maharashtra State Lottery proved its motto 'Reputed and Trustworthy'.

Weekly Lottery Schedule

Maharashtra government conducts a draw on all the week days except on Sunday and the three national holidays. From the month of October there shall be total 10 draws every week. This includes 6 weekly draws and 4 Mini Lottery.

Lotteries in India

Lottery Trade in India is legislated under Lotteries Act, 1998. Only Federal and State Governments are authorized to operate Lottery Business and usually operated through its private agencies under the sole distributor arrangement. Instant Lotteries are prohibited by Legislation.

Though the estimates of the total lottery market size in India vary quite widely, the current market size of the Indian lottery market is estimated at around Rs. 50,000 Crores.

Some States have banned the sale of lottery tickets in their respective states.

The Supreme Court of India has observed that a State Government cannot ban lotteries organized by other State Governments if it operates its own lotteries

The lotteries in India are not permitted to have more than one draw in a week. Further, the number of bumper draws of a lottery is required to be not more than six in a calendar year.

Currently, the lottery market in India is dominated by passive ticket lottery market, although eight online lottery companies are currently operative in India

"Lottery ticket" redirects here. For the 1970 Indian film, see Lottery Ticket (1970 film). For the 2010 American film, see Lottery Ticket (2010 film). For other uses, see Lottery (disambiguation).

Lottery in the World- with Special reference to Mexico City

A lottery is a form of gambling which involves the drawing of lots for a prize. Lotteries are outlawed by some governments, while others endorse it to the extent of organizing a national or state lottery. It is common to find some degree of regulation of lottery by governments. Though lotteries were common in the United States and

some other countries during the 19th century, by the beginning of the 20th century, most forms of gambling, including lotteries and sweepstakes, were illegal in the U.S. and most of Europe as well as many other countries. This remained so until well after World War II. In the 1960s casinos and lotteries began to re-appear throughout the world as a means for governments to raise revenue without raising taxes.

Lotteries come in many formats. For example, the prize can be a fixed amount of cash or goods. In this format there is risk to the organizer if insufficient tickets are sold. More commonly the prize fund will be a fixed percentage of the receipts. A popular form of this is the "50–50" draw where the organizers promise that the prize will be 50% of the revenue. Many recent lotteries allow purchasers to select the numbers on the lottery ticket, resulting in the possibility of multiple winners.

The purchase of lottery tickets cannot be accounted for by decision models based on expected value maximization. The reason is that lottery tickets cost more than the expected gain, so one maximizing expected value should not buy lottery tickets. Yet, lottery purchases can be explained by decision models based on expected utility maximization, as the curvature of the utility function can be adjusted to capture risk-seeking behavior. More general models based on utility functions defined on things other than the lottery outcomes can also account for lottery purchase. In addition to the lottery prizes, the ticket may enable some purchasers to experience a thrill and to indulge in a fantasy of becoming wealthy. If the entertainment value (or other non-monetary value) obtained by playing is high enough for a given individual, then the purchase of a lottery ticket could represent a gain in overall utility. In such a case, the disutility of a monetary loss could be outweighed by the combined expected utility of monetary and non-monetary gain, thus making the purchase a rational decision for that individual.

Conclusion

According to the simulation scenario results of this study, the external environment factor of the percentage of sports lottery consumers affected the overall sales amount of the sports lottery. Specifically, when the percentage of consumers increased, the monthly sales revenue significantly increased; when the percentage of consumers decreased, the monthly sales revenue also significantly decreased. Simultaneously, the cumulative profits of the issuer and retailers were affected.

Additionally, according to the internal subjective factors that comprised variables concerning the psychological or cognitive level, such as the professional level. Most retailers treated the sports lottery as merchandise, resulting in limited effectiveness. Therefore, the critical factor for the success of the sports lottery was the ability of first-line sales personnel to cultivate their professionalism and invest in operations to establish a brand reputation that leads to customer loyalty.

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