UNLOCKING CANADIANS UNDER 35

Curation of Sources of Data

November, 2022

AGENDA

1.	Introduction	10 minutes
2.	Work & Money	20 minutes
3.	Entertainment	15 minutes
4.	Giving & Social Conscious	15 minutes
5.	Summary	10 minutes
6.	Q&A/Next Steps	15 minutes

Areas of Focus Per Key Questions Posed…

Work & Money

Q

- How do they feel about money? (Slides 11, 15)
- How has inflation/the economy changed how they view money and the things they choose to spend on? (Slide 12, 15)
- What are their attitudes towards work/career - what do they seek, what do they prioritize? (Slides 10, 11)
- What are they working towards all the time? (Slides 11, 13, 14 , 15)
- Favourite way to spend money? (Slides 16)
- What do they buy? Why do they buy certain brands? (Slides 17)

Free Time & Entertainment

Q

- What's their favorite way to spend time? (Slides 19, 20)
- How they consume information or where they consume information, i.e. what shapes their world? (Slide 21)
- What is their definition of entertainment? What feelings do they associate with entertainment? What do they call / define as a great experience? (Slide 20)

PLUS, MORE ON:

- Preferred leisure activities, travel, fitness (Slides 22)

Giving & Social Conscious

Q

- How has the pandemic changed their outlook of the world? (slides 37, 38 & 43)
- How do they give? (Slides 10, 39 & 40)
- How do they define generosity? (Slides 41 & 42)
- What and to whom would they give if they could? (some on Slide 40)
- What company purposes resonate? (Slides 41 & 42)
- Which companies comes to mind as having great purpose? (Slides 41 & 42)
- Do they go out of their way to buy from those companies? (Slides 39 & 41)

Purpose & Approach

Today we examine the latest U35 consumer behaviors, mindsets, trends and financial landscape outside of L&G… including how trends may have shifted since the pandemic.

HOW?

Ipsos leveraged a combination of its own data sources + external sources

Ipsos Canadian Financial Monitor (CFM)

Syndicated study focused on financial landscape

Ipsos Audience Measurement tool Vividata (OLG paid data)

Focus on entertainment behaviors, attitudes and trends.

Ipsos Public Affairs Context

A collection of syndicated studies from a societal perspective

Most Influential Brands

A comprehensive study measuring and ranking today's brands in Canada

Other Data Sources/Reports

Other research reports (e.g. OLG Masterbrand, FY 22 Brand Insights), internet searches, etc.

Questions That Will Be Addressed In Next Phases of Research

(see slide 42 for research next steps)

Work & Money

- What is a life-changing amount of money, do they aspire to be wealthy? (Qual)
- What would they do with more money / How would they change their lives with money? (mostly Qual)
- What emotions are connected to things they spend money on? (Qual)
- What do they value in exchange for money (Qual & Quant)
- What's the best thing they spend their money on? Would they spend money on something frivolous if it meant going to a good place? (Qual & Quant)

Free Time & Entertainment

- What is their definition of entertainment? What feelings do they associate with entertainment? What do they call / define as a great experience? (Qual)
- What and to whom would they give if they could? (some on Slide 39 + Qual & Quant)

Giving & Social Conscious

- How much do they research/care about the actions of those companies? (Some on Slides 40-42 + Qual)
- Quantify actual giving patterns (Quant)

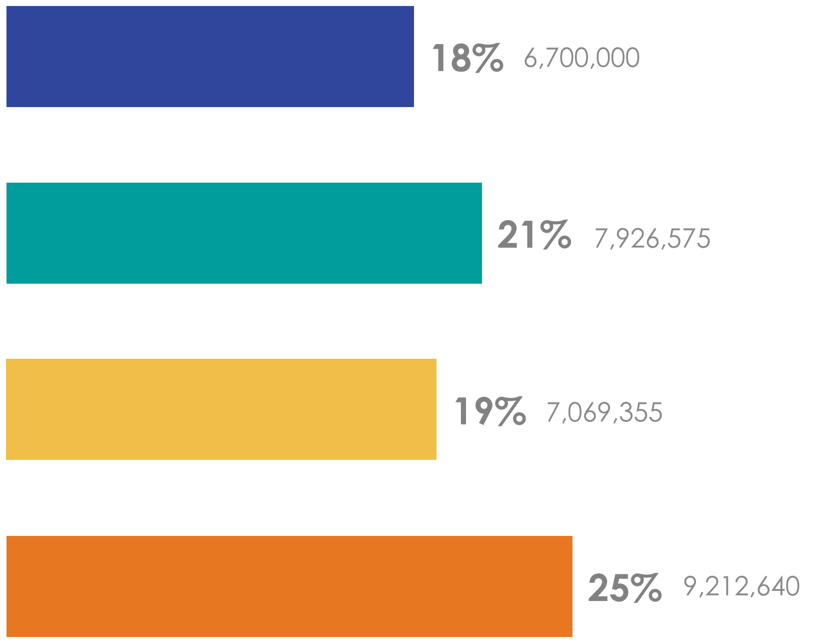
IMPORTANT CONTEXT: Generation Definitions & Population Sizing

GEN Z 10-25 yr. old
(1997-2012)

MILLENNIAL 26-41 yr. old
(1981-1996)

GEN X 42-57 yr. old
(1965 -1980)

BOOMER 58-76 yr. old
(1946-1964)



Source: Statscan 2021

Canadian Boomers continue to outnumber the other cohorts, but the younger generations are closing the gap.

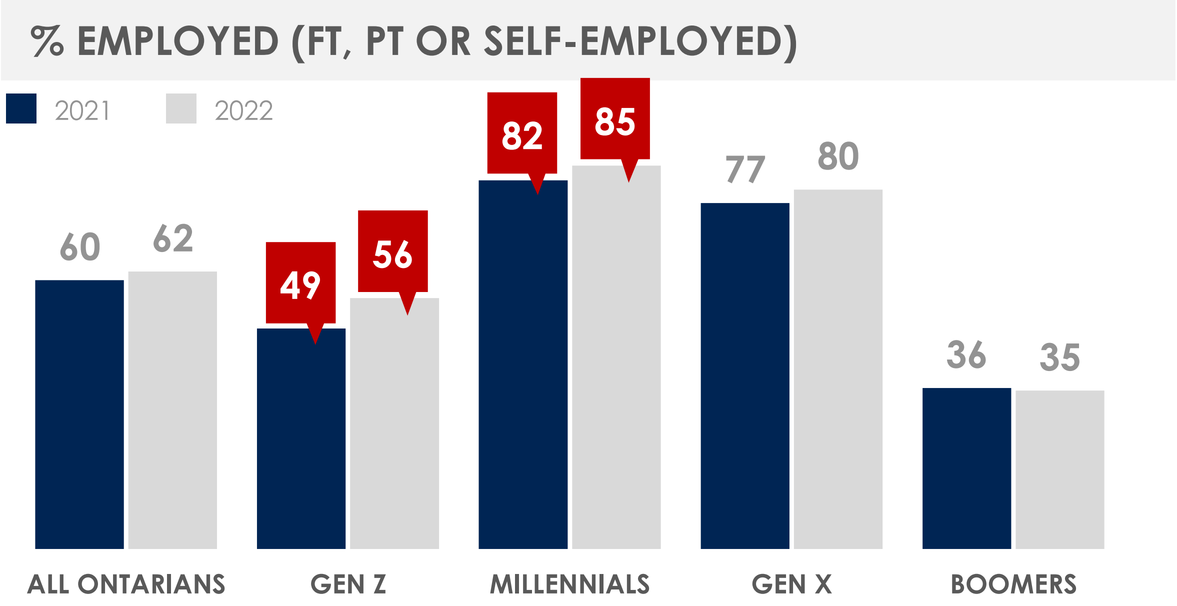
LET'S LOOK AT WORK & MONEY

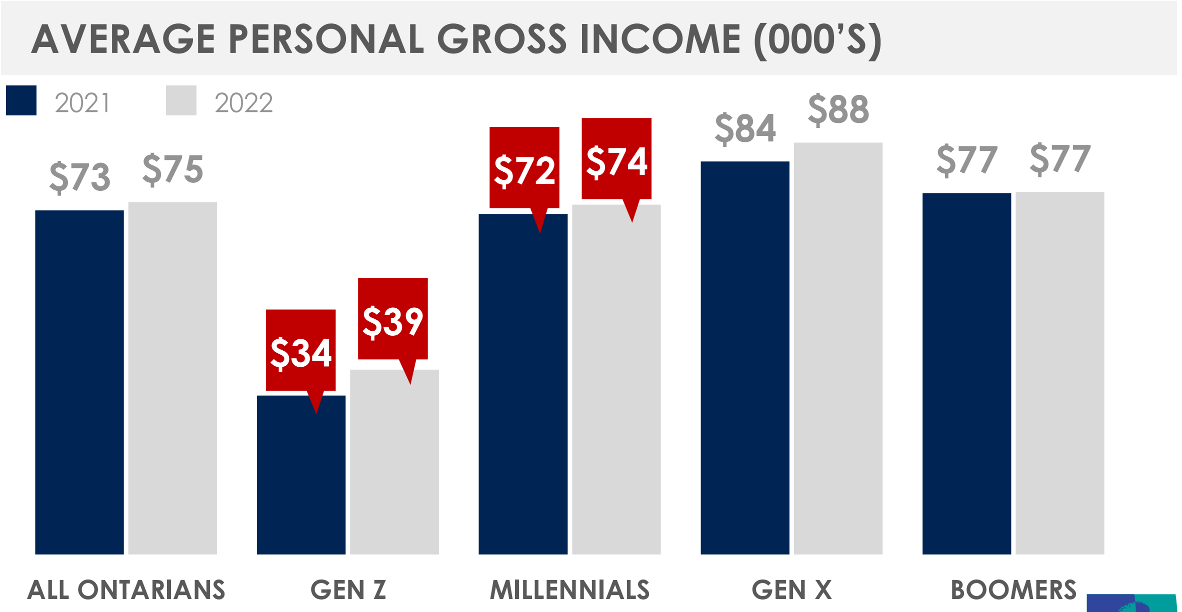
Employment & Income Trends (Ontario)

Millennials dominate the workforce, with nearly 9 in 10 employed.

Compared to a year ago, an additional 7% of Gen Zers entered the workforce.

Average income has increased for both Millennials and Gen Z, although Gen Z is well behind the overall average for Ontario and nearly half of Millennial's





Source: Canadian Financial Monitor

Work and Me

Millennials and **Gen Z** are much more likely to want freedom and flexibility that suits their lifestyle. They also find better work/life balance by working at home, especially **Millennials**.

Gen Z is very ambitious, focused on getting to the very top in their career and willing to sacrifice time with family to get a head

% Very/Somewhat agree	Boomer	Gen X	Millennials	Gen Z
Working remotely gives freedom and flexibility to live lifestyle that best suits my needs	25%	44%	53% ↑	50% ↑
Better work/life balance when working from home	21%	40%	46% ↑	39%
Look at work as career rather than just job	37%	53%	55%	55%
Want to get to the very top in my career	17%	34%	50%	64% ↑
Willing to sacrifice time with family to get ahead	12%	18%	29%	40% ↑

Source: Vividata's Survey of the Canadian Consumer (SCC) - Winter 2022

General Attitudes Towards Money

- How do they feel about money?
- Favourite way to spend money?

Q

BOTH are CHOOSY about how to spend money, but they do spend money:

- 86% treat themselves at least once a month, spending $110/month on average
- 94% are committed to self-improvement spending up to $300/month for fitness & wellness goals

- **Gen Z** sees a bright future ahead.
- They have fewer responsibilities, and many have yet to experience major disappointments in life.
- Some are in university or college or a first job.
- Fun and socializing are the drivers of their activities.
- They expect to be successful in the future

- **Millennials** are mostly uncomfortably settled.
- They have more life experience (e.g. mortgage, spouse, children)
- They feel they may not attain the life they want and likely need help to “make it big”
- Over half admit to feeling pressure to keep up with their peers' financial status

Ipsos

More on Work & Money… Gen Z

- Expects they'll **work for 4 organizations** during their career.
- A third would **take a 10-20% pay cut to work for company with a mission they care about**.
- Focused on **growth opportunities and generous pay**, but also **want to make a positive impact**.
- Corporate **transparency and contributions to sustainability very important**.
- As is offering **continual technology and learning upgrades**.
- They are intent on **halting, and hopefully repairing, the ills they see around them**.
- However, there is a small group (17%) **who prioritize making their families proud. They are less focused on deriving purpose from their work.**

Q

- How do they feel about money?
- What are they working towards?
- Attitudes towards work

Source:
Excerpts from https://hiring.monster.ca/resources/recruiting-strategies/emerging-workforce-strategy/generation-z-enters-the-workforce/
Environics "Understanding Gen Z and Millennials" study

More on Work & Money… Millennials

- **Lifestyle is more important than their work** and they expect enjoyment and personal pleasure in their careers.
- **Very entrepreneurial** and see career totally within their control.
- Need to know their growth plan and **want constant comms on their development**.
- They expect to know **what place they will have within the company**.
- Expect things quickly… **less likely to "pay their dues"** over a long period of time.
- Have a **deep respect for companies who are upfront and honest** about their values.
- Per the Environics "Understanding Gen Z and Millennials" study, **17%** want **interesting, meaningful careers that facilitate creativity which is central to their identity. Money is nice, but the quality of their work experiences is a higher priority.**
- **Another 20% crave material success and take care to look good, via the latest gadgets and toys to maintain a successful appearance.**

Source:
Excerpts from https://hiring.monster.ca/resources/recruiting-strategies/emerging-workforce-strategy/generation-z-enters-the-workforce/
Environics "Understanding Gen Z and Millennials" study

Q

- How do they feel about money?
- What are they working towards?
- Attitudes towards work

Focus on Financials

- How do they feel about money?
- Impact of inflation, etc.?
- What are they working towards?

Q

Younger Canadians are demonstrating their financial savvy by regularly evaluating their financial goals and plans more than any other group

62% of **Gen Z** and 54% of **Millennials** review their goals at least quarterly… 41% and 29% doing so monthly.

SOURCE BMO Financial Group

In addition to goals, the pandemic has made **Gen Z** (81%) and **Millennials** (76%) focus more on their immediate financial security, than others (Gen X – 71%, Boomers – 65%)

Another 89% of **Gen Z** and 80% of **Millennials** say the pandemic has made them want to shore up their finances for the years ahead.

SOURCE Ipsos Canada

Consumer Confidence the "Bell Weather" for Spending

- How has inflation/the economy changed how they view money and the things they choose to spend on?

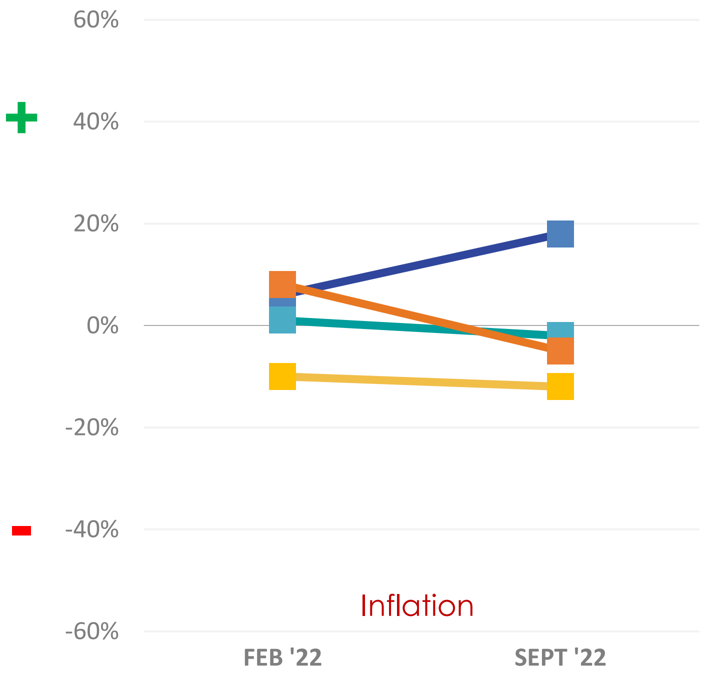
Q

GEN Z | MILLENNIALS | GEN X | BOOMERS

Despite high inflation, talk of a recession and concerns about the personal situation, Gen Z confidence in the overall economy is driving higher consumer confidence.

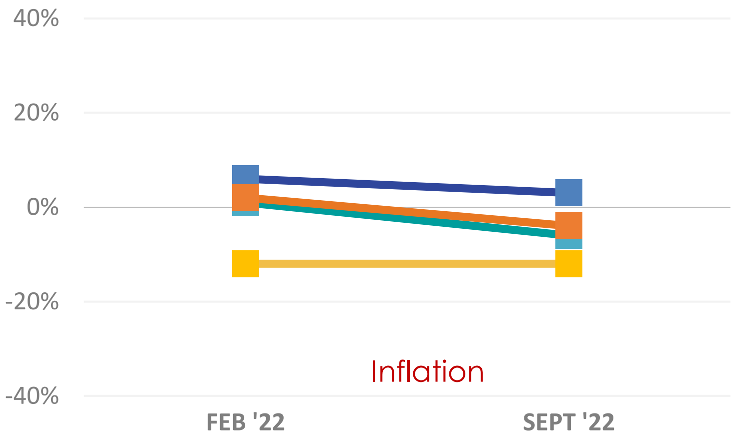
Millennials on the other hand, are comparatively negative as their focus is more on their own, personal situation.

IPSOS CONSUMER CONFIDENCE INDEX

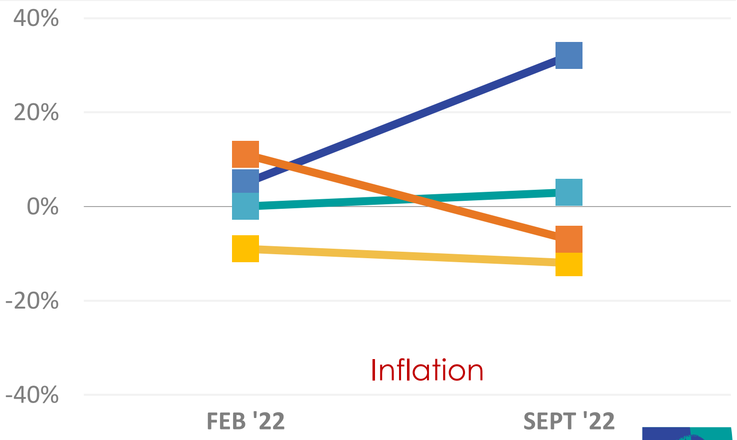


Consumer Confidence is a combination of 4 themes – Personal Confidence Currently, Personal Confidence Future, Economy Confidence Currently, Economy Confident Future

PERSONAL CONFIDENCE PILLAR (the "micro")



ECONOMY CONFIDENCE PILLAR (the "macro")



Source: Context Now

  Each reporting period is 2-month roll-up; approx. n=800 Ontario, n=100 Gen Z, n=220 Millennial, n=220 Gen X, n=260 Boomers
+ or – against Feb/March 2022 baseline

Impact of Inflation

- How has inflation/the economy changed how they view money and the things they choose to spend on?

Q

88 per cent of women and **92 per cent of those aged 18 to 34 say inflation has them concerned about the affordability of everyday things**, compared with 84 per cent of average Canadians, according to an Ipsos survey conducted Oct. 18-20.

These groups are also more likely to be worried about feeding their families.

Source: Ipsos Polling Results

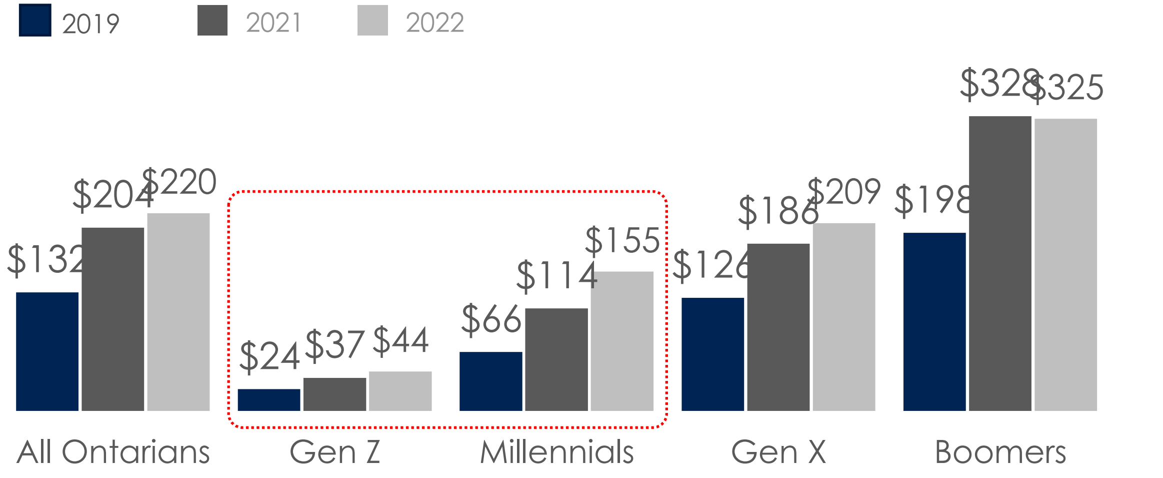
Assets & Ownership

Despite lower confidence and inflationary pressures, the value of Millennials investable assets has increased more than the other generations.

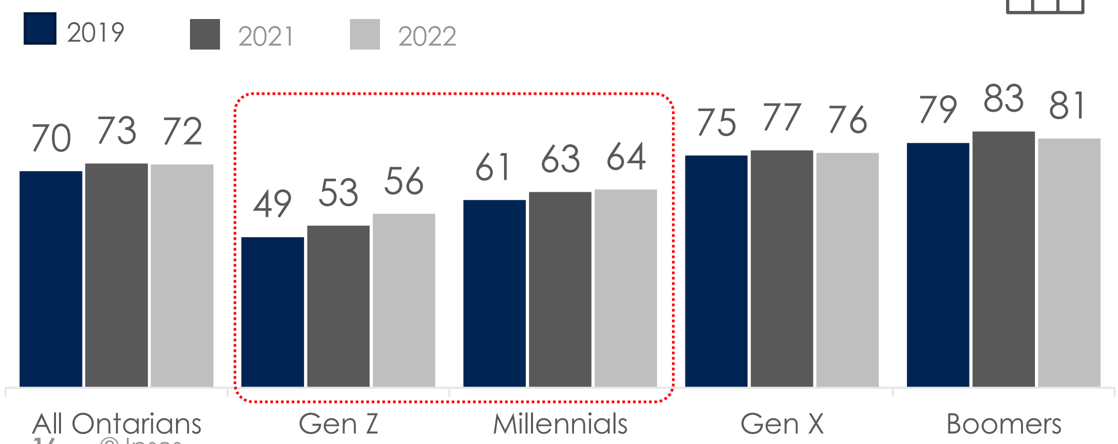
U35s as a group are the only two generations more likely to have purchased a home and/or car <u>in the past year</u> (although vehicle ownership is down across all groups since the pandemic).

AVERAGE VALUE OF INVESTABLE ASSETS (000'S)

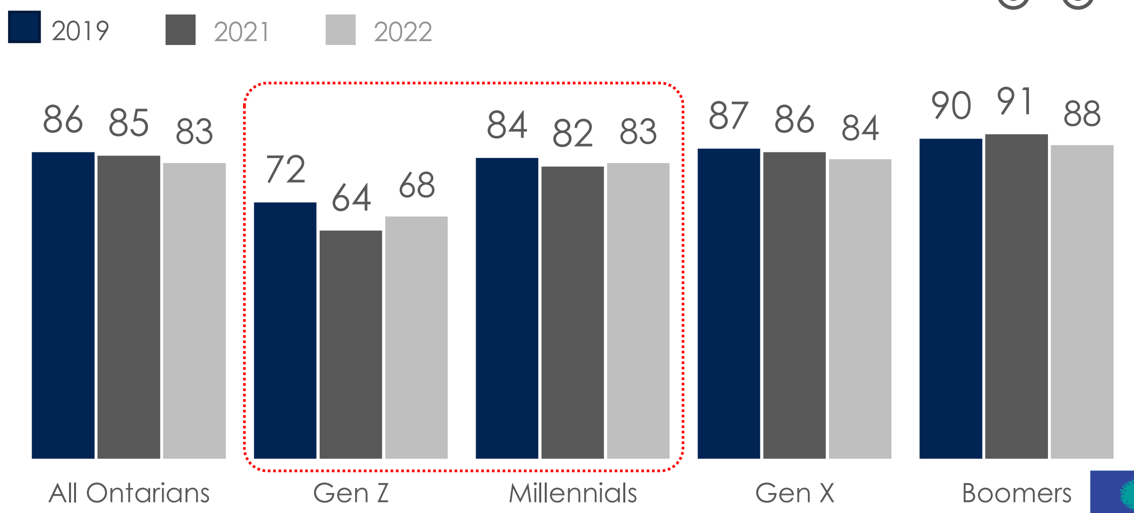
INCLUDES DEPOSITS AND INVESTMENTS. REAL ESTATE IS NOT INCLUDED.



% WHO OWN A HOME



% WHO OWN A VEHICLE



Source: Canadian Financial Monitor

What are they working towards?

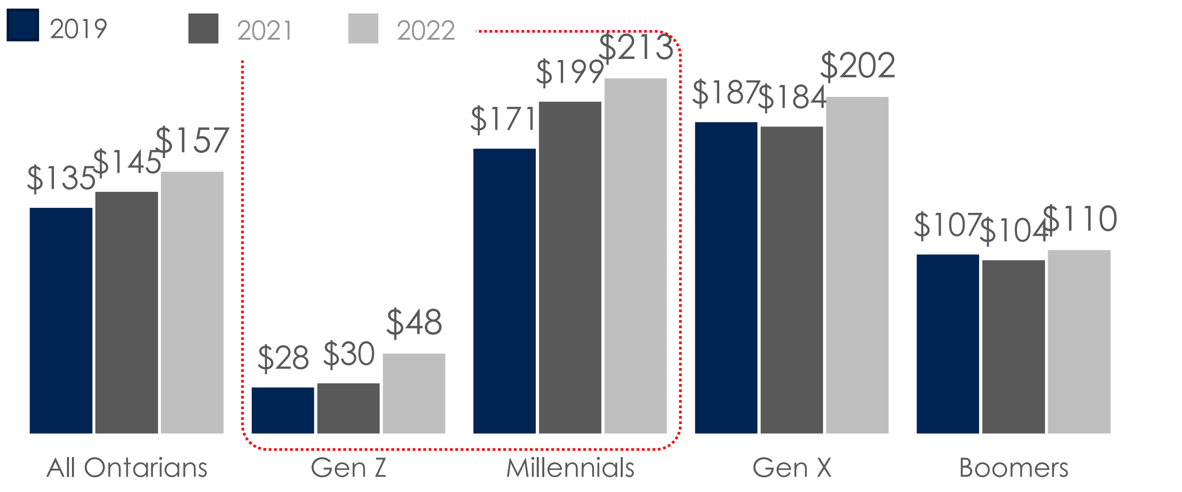
Q

Debt

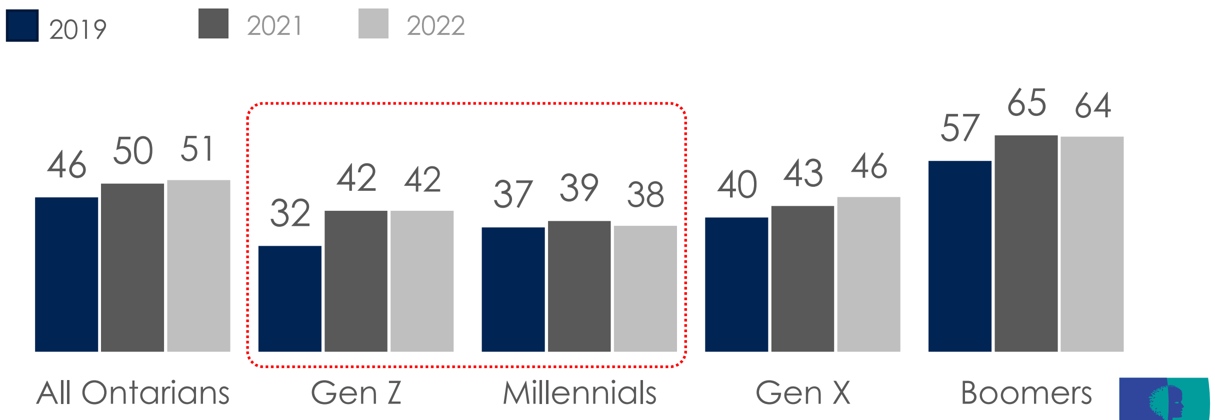
No surprise then that Millennials have taken on more debt since the pandemic than any other generation AND are least comfortable with it.

Gen Z is comparatively low on household debt BUT is also uncomfortable with the debt they have… they have more student debt than another generation

AVERAGE HOUSEHOLD DEBT (000'S)
INCLUDES CREDIT CARDS, MORTGAGES, LOANS AND LINES OF CREDIT



I AM COMFORTABLE WITH THE AMOUNT OF DEBT I AM CARRYING (% STRONGLY AGREE)



Source: Canadian Financial Monitor

Favourite way to spend money?

Side Hustles and Spending (Power)

Gen Z

81% cite that they significantly influence their family's spending, especially in the food, personal care, household goods categories.

Combined direct and indirect spending for estimated **direct and indirect spending power** in Canada is approximately **$36 billion**

*thingenz.com

Gen Z say they would rather spend their savings on **material items, namely clothes and electronics**

**investmentexecutive.com

Gen Z and Millennials are increasingly tapping in **hobbies as side hustles** for additional income to pay rent and other bills

***teenvogue.com

Millennials

The **combined approximate wealth of Canadian millennials is $237 billion.**

****reviewmoose.ca

Millennials are most likely to spend their money on experiences, such as **dinners, concerts and vacations**

Ipsos' Most Influential Brands (MIB)

Tech dominates MIBs for all generations.

Millennials have a few non-tech brands like PC optimum and Tim Hortons in their top 10

Gen Z is all tech, featuring brands like Spotify, Snapchat and TikTok which are not in others top 10

MOST INFLUENTIAL BRANDS in Canada

Source: Ipsos MIB 2021

What do they buy/engage certain brands?

	GEN Z	MILLENNIALS	GEN X	BOOMERS
1	Google	Google	Google	Google
2		YouTube	amazon	amazon
3	YouTube	amazon	YouTube	Microsoft
4	Instagram	facebook		VISA
5	NETFLIX	NETFLIX	NETFLIX	facebook
6	amazon		Microsoft	
7	Spotify	Microsoft	Walmart	mastercard
8	Snapchat	optimum	facebook	optimum
9	TikTok	Instagram	Tim Hortons	CANADA POST POSTES CANADA
10	facebook	Tim Hortons	PayPal	SHOPPERS DRUG MART

OLG Internal

Ipsos

FREE TIME & ENTERTAINMENT

Free Time

Favourtie ways to spend time?

Q

According to YPulse survey data, both Gen Z and Millennials enjoy listening to music, watching YouTube, using social media, etc.

Video games are ranked higher for Gen Z

WHAT THEY DO IN THEIR FREE TIME

GEN Z

1	Listening to Music	56%
2	Watching YouTube Videos	54%
3	Video Gaming	45%
4	Using Social Media	42%
5	Watching Movies	40%
6	Watching Videos on Social Media Platforms	36%
7	Relaxing / Doing little as Possible	35%
8	Watching TV Shows	29%
9	Online Shopping	27%
10	Getting fresh air/ Going for a walk outside	27%

MILLENNIAL

1	Listening to Music	50%
2	Watching YouTube Videos	42%
3	Using Social Media	41%
4	Watching Movies	39%
5	Relaxing / Doing little as Possible	33%
6	Video Gaming	32%
7	Watching TV Shows	32%
8	Online Shopping	32%
9	Watching Videos on Social Media Platforms	31%
10	Exercising	30%

Source: YPulse Survey Data | Hobbies & Passions Behavioral Survey | n=1450 13-39-year-olds | March 2022

Ideal Experiences

- Favourtie ways to spend time?
- What is their definition of entertainment?
- What feelings do they associate with entertainment?
- What do they call / define as a great experience?

Q

Per Environics "Understanding Gen Z and Millennials"…

Gen Z's	Millennials
• **Hustling Hedonists* (16%)** = work hard, play hard… YOLO… seeking intense experiences, impulsivity and immediate gratification • **Dutiful Accomplishers* (17%)** Optimistic and hopeful, believe things will work out. Priority is making their families proud.	• **Diverse Strivers* (20%)** = high levels of energy and vitality, looking for new and intense experiences. Love crowds, and attention. Pursue personal challenges like running marathons or hot yoga • **Engaged Idealists* (17%)** Engaged, sociable, energetic, experience seeking and idealistic. Believe actions matter in shaping their lives and the world around them. Into spontaneous fun, as an important part of a happy, balanced life.

***Segments skew Ontarians**

Source: *Understanding GENZ AND MILLENNIALS* Extracted from Environics study

Media Habits

Both **Gen Z** and **Millennials** over-index on digital (Google, Amazon, Facebook, etc.)… less so on traditional TV

Gen Z prefers sites like Reddit & Tiktok and Spotify for audio entertainment

Millennials indulge in lifestyle platforms like AdThrive (Cafemedia) and Mediavine, as well as information/news (e.g. CBC-Radio digital platform)

% Used in past month	Gen Z	Millennials	Gen X	Boomer
Listen to podcasts	46%	50%	37%	26%
Internet on mobile	96%	97%	95%	83%
Accessed social media	96%	96%	92%	84%
Watch TV	90%	92%	94%	96%

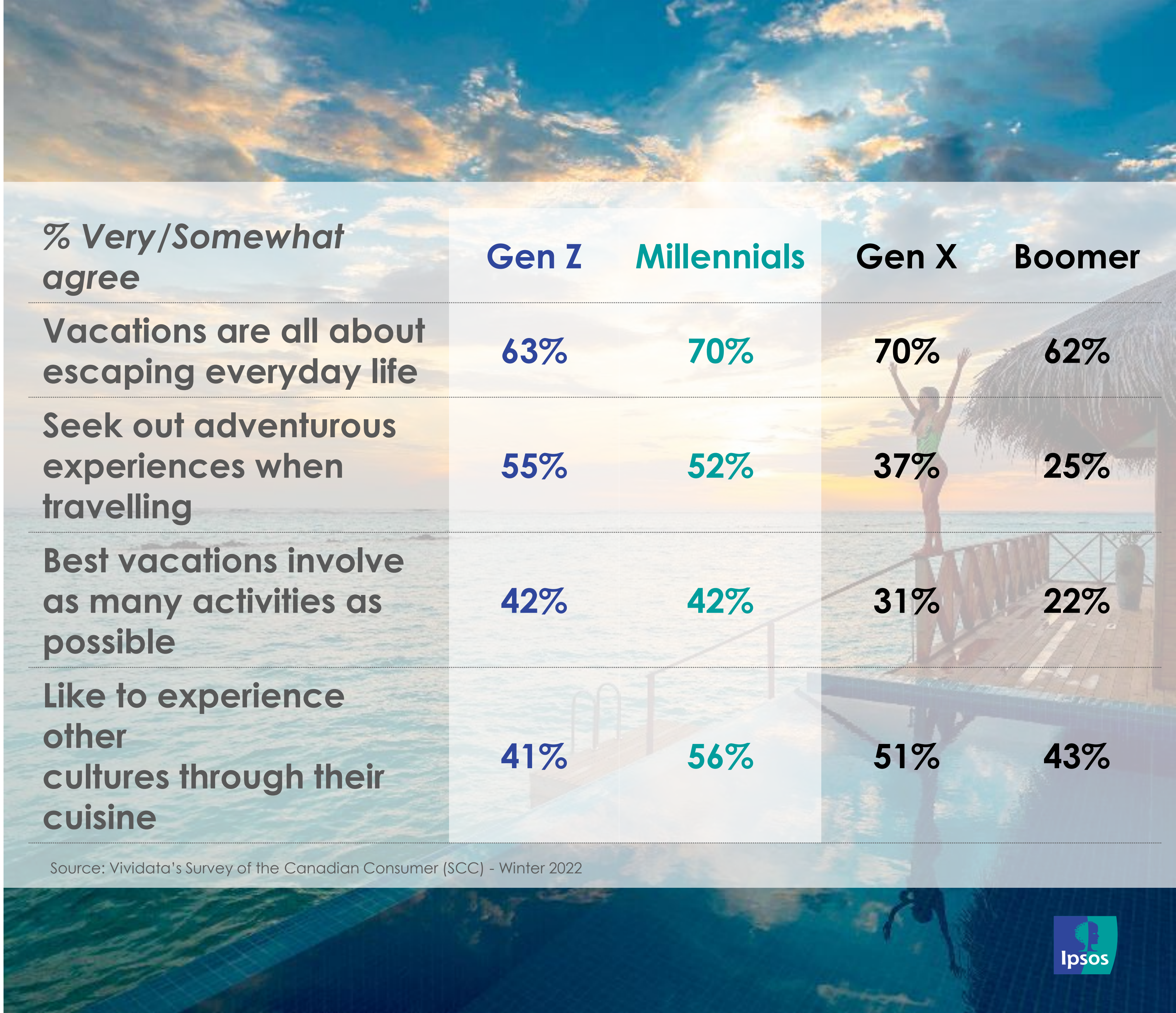
TikTok Spotify cafe media CBC LISTEN

Source: Vividata's Survey of the Canadian Consumer (SCC) - Winter 2022

Ipsos

Thoughts on Travel

Per Ideal Experiences, Millennials are looking to escape, while Gen Z seeks out adventure. Both want as many activities as possible when on vacation. Millennials are keen on culture through cuisine.



% Very/Somewhat agree	Gen Z	Millennials	Gen X	Boomer
Vacations are all about escaping everyday life	63%	70%	70%	62%
Seek out adventurous experiences when travelling	55%	52%	37%	25%
Best vacations involve as many activities as possible	42%	42%	31%	22%
Like to experience other cultures through their cuisine	41%	56%	51%	43%

Source: Vividata's Survey of the Canadian Consumer (SCC) - Winter 2022

Leisure Activities

Of the top leisure activities in Canada over the past year:

- **Millennials** under-index on Gardening and over-index on entertaining at home and Camping as they manage their finances carefully
- **Gen Z** under-indexes on baking and gardening, more interested than others in photography

% Activities in past year	Gen Z	Millennials	Gen X	Boomer
Baking from scratch	42%	50%	53%	53%
Gardening	21%	32%	41%	45%
Entertain at home	27%	29%	26%	24%
Crafts	21%	24%	21%	21%
Camping	20%	25%	19%	11%
Photography	20%	17%	15%	15%

Source: Vividata's Survey of the Canadian Consumer (SCC) - Winter 2022

Fitness

Of the top Fitness activities in Canada over the past year:

- **Millennials** under-index on walking/ hiking, but are a bit more likely to exercise at home
- Other than jogging, **Gen Z** under-indexes on most activities

% Activities in past year	Gen Z	Millennials	Gen X	Boomer
Walking/hiking	23%	30%	38%	39%
Exercise at home	28%	31%	30%	28%
Jogging	12%	10%	9%	2%
Yoga/Pilates	6%	8%	7%	4%
Health/Fitness club	4%	5%	4%	3%

Source: Vividata's Survey of the Canadian Consumer (SCC) - Winter 2022

GIVING & SOCIAL CONSCIOUS

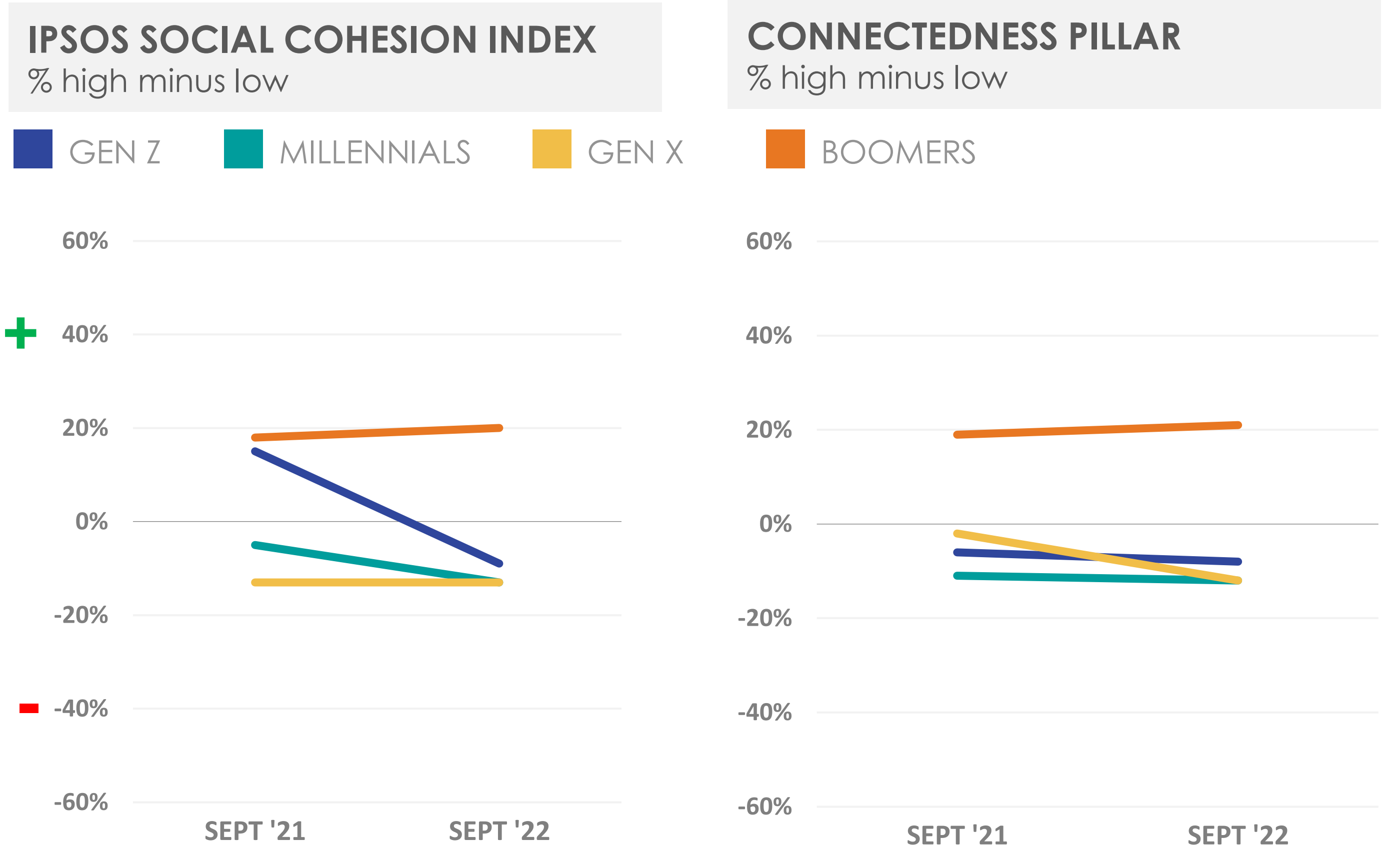
Social Cohesion (Ontario)

How has the pandemic changed their outlook of the world?

Q

Echoed in Ipsos' Social Cohesion Index, research suggests that increasing rates of depression among Canadian youth (led by Gen Z) are due in part to increasing income inequality.

Social Cohesion = index of CONNECTEDNESS -- Define self as a (country citizen) first; Trust political system; Treated fairly as (country citizen); COMMON GOOD – Have responsibility to help others (country citizens); Respect our laws; belief that Society is corrupt; SOCIAL RELATIONS – Trust other (country citizens) to do best interests of the country



Each reporting period is 2-month roll-up; approx. n=800 Ontario, n=100 Gen Z, n=220 Millennial, n=220 Gen X, n=260 Boomers
Social Cohesion + or – against 1-year norm

Source: Context Now + SSM Population health via https://www.sciencedirect.com/science/article/pii/S235282732100269X

Social Activism (Ontario)

How has the pandemic changed their outlook of the world?

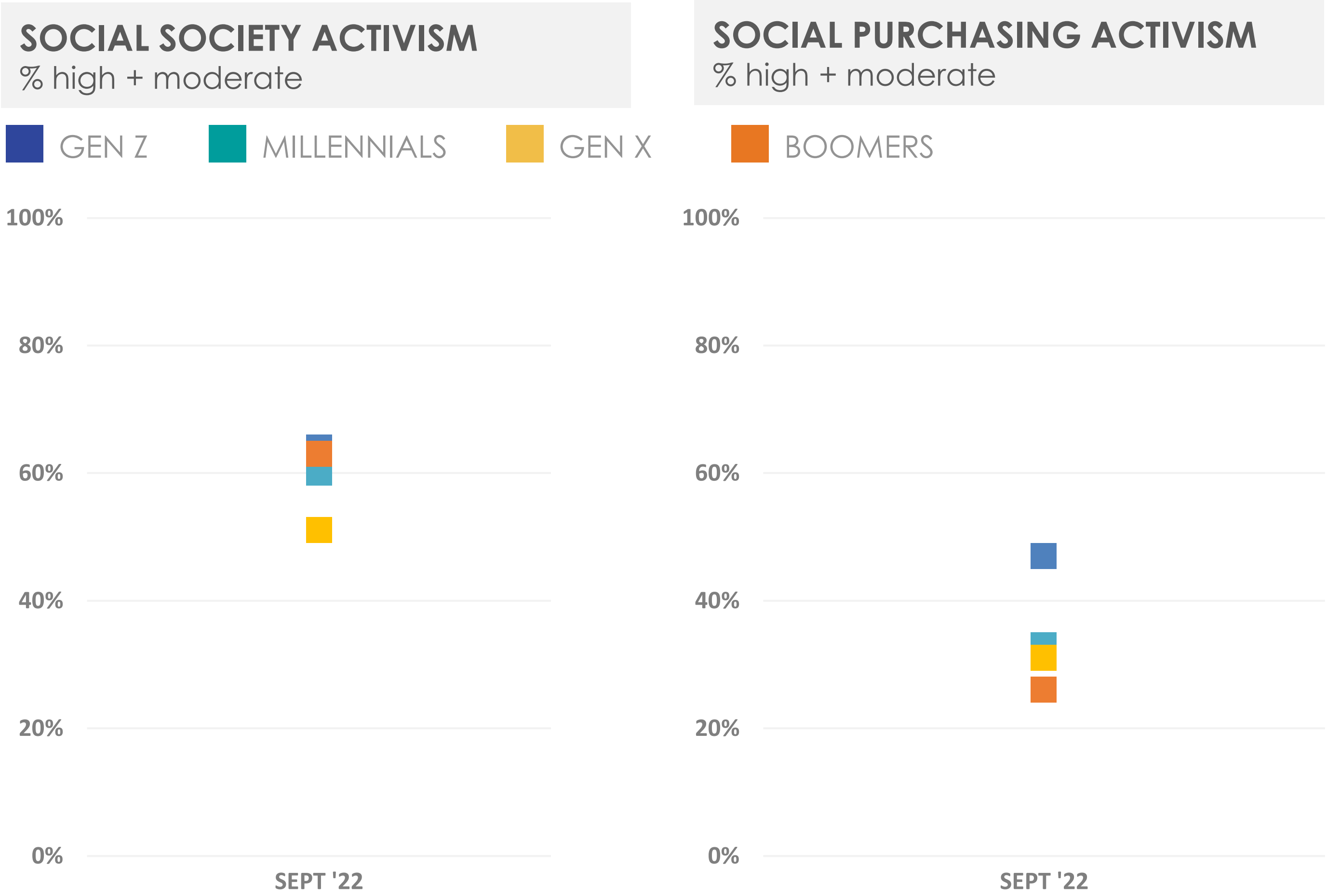
Amidst deteriorating social cohesion but buoyed by a longer-term perspective and willingness to actively “fix” things, Gen Z are most likely to be putting their money where their beliefs are (Social Purchasing).

Millennials are mostly lumped in with Gen X and Boomers.

HOWEVER: Overall, Social Purchasing results show that there is a lot of room to grow for all generations spending per their environmental and social concerns and beliefs.

Source: Context Now

IPSOS SOCIAL ACTIVISM INDEX



Social Activism -- 6 items; attended protest, contributed time/money to a charity, cause, etc., written a comment, original ideas online regarding a social issue or political issue etc..

Social Purchasing -- made or changed a purchase based on environment, social, or ethical concerns.

Each reporting period is 2-month roll-up; approx. n=800 Ontario, n=100 Gen Z, n=220 Millennial, n=220 Gen X, n=260 Boomers

Donating Behaviours

Despite slightly stronger inclinations to social purchasing, younger Canadians are less likely to have donated in the past year.

Per Imagine Canada's 30 years of giving study, younger donors are <u>less likely than older donors to feel their donations would not be used efficiently/effectively</u> and more likely than older donors to <u>say they are not being asked to give more and don't know where to give</u>

	Gen Z	Millennials	Gen X	Boomer
Have donated in the past year	32%	35%	41%	52%
Types of Donations Made:				
Hospital Foundations	38%	44%	45%	46%
Educational	33%	27%	17%	8%
Environmental	24%	25%	17%	17%

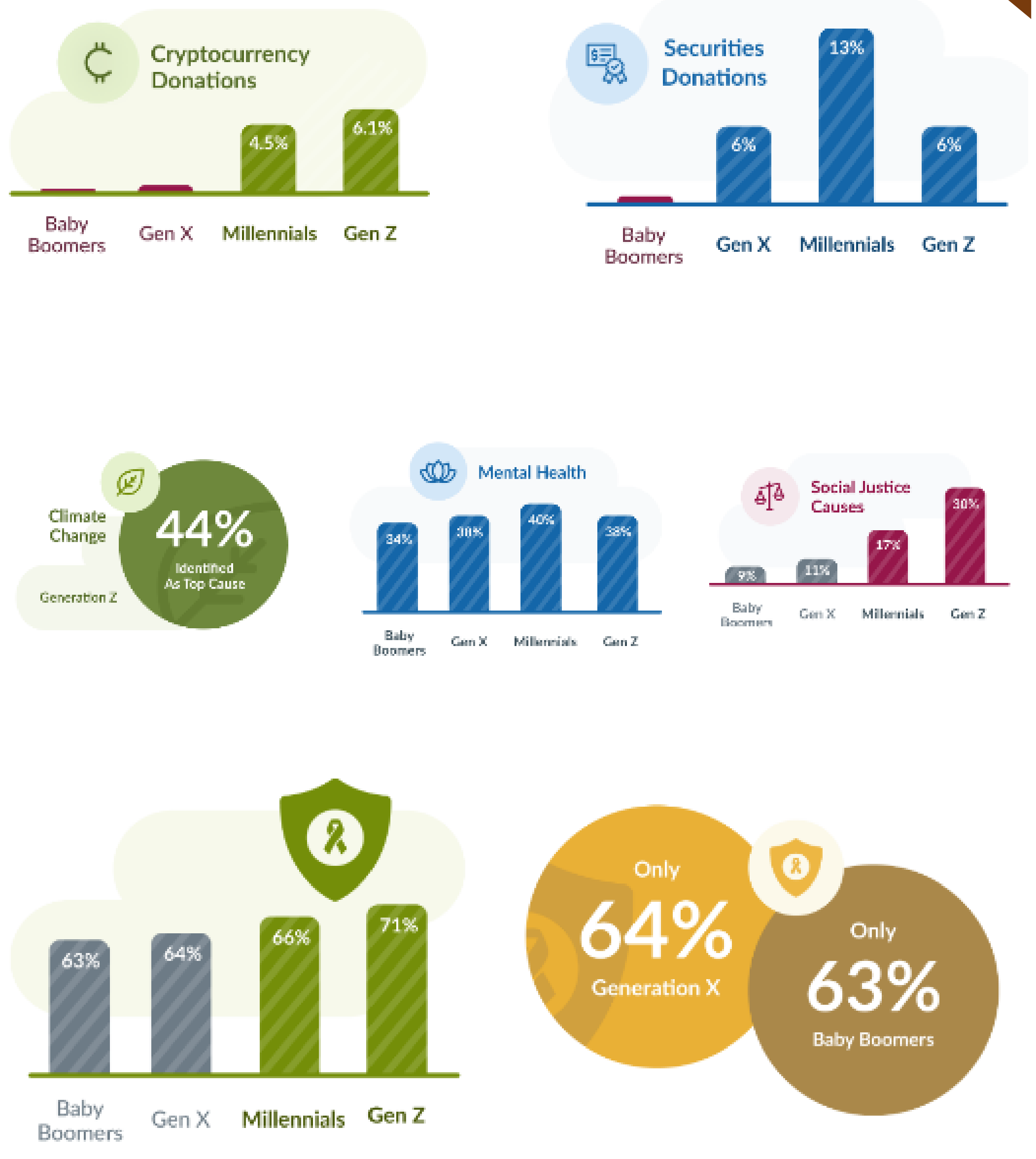
Source: Vividata's Survey of the Canadian Consumer (SCC) - Winter 2022 AND https://imaginecanada.ca/sites/default/files/2019-05/30years_report_en.pdf

Giving Trends

According to the Giving Report 2022, younger Canadians are giving in new and strategic ways:

- cryptocurrency donations are on the rise
- **Millennials** have an increasing affinity for securities donations
- Climate change a top issue for giving for **Gen Z**
- Mental health a significant issue across all generations
- Social justice causes ranked higher among younger generations – **Gen Z** (30%) and **Millennials** (17%)
- **Gen Z (71%)** and **Millennials (66%)** were more likely to report that they trust charities than older generations

How do they give?



Source: https://www.canadahelps.org/en/the-giving-report/giving-facts/

How do they define generosity?

CSR & Doing Good Builds Brand Trust

Doing good and corporate social responsibility are one in the same. Claims for both and actions towards these build brand trust.

CSR + Doing 'Good' = Brand Trust

Both an obligation and a duty as part of society to behave and lead morally

- Dedicated to fulfilling CSR commitments through actions and ensure total corporate culture consistency
- Work-life balance, living wages, ED&I compliance in hiring practices
- Reducing own environmental impacts
- Value reflected in supply chain
- Creating awareness through communication and marketing
- Giving back, charitable, connected to the communities they serve

When I hear this term I think of companies and their ability to create positive environments for people. If I was talking to a friend I would use an example of how local small businesses always look to make sure the people in their community feel like they belong and that they should be there. - Luke

Drives positive thinking and attitude towards brands

- Sense of pride with association
- Can be relied on, consistent product/ service experience
- Has potential to generate loyalty and advocacy

Trust is something that takes a lot to be gained, but takes almost nothing to be lost. Brand trust is the reliability and stability that is produced by brands that can keep consumers informed and removes the guessing game. - Lily

Source: OLG Masterbrand Qual Final Report with n=22 U35s via 5-day qual board In Summer 2022

Socially Responsible Brands

- How do they define generosity?
- Which companies comes to mind as having great purpose?
- Do they go out of their way to buy from those companies really?

Brands that act in a socially responsible way benefit from good memory recall. This is bolstered by having clear and consistent messaging.

NOT JUST SAY…

- Crystal clear and consistent messages – TOMS, Bell Let's Talk, Tim's Camp Day
- With a strong intention to create awareness, means/ platform to 'talk about' and forge dialogue and communication about what's important

BUT ALSO DO…

- Donate proceed / revenue / profit to causes, charities, minorities and underprivileged communities
- Commit to acts of service
- Pay staff living wages
- Environmental responsibility – reducing carbon emission
- Ensure their business models/ values, products and services are ethically made and sourced or align to social responsibility values.

WHICH DRIVES…

- Positive message, promise, and actions are recalled
- Encourages consideration
- Creates a connection to consumers that see the value and brand in action
- Can create an aspirational, desire to engage with the brand

Source: OLG Masterbrand Qual Final Report with n=22 U35s via 5-day qual board In Summer 2022

Brands that don't walk the talk

- How do they define generosity?
- Which companies comes to mind as having great purpose?
- Do they go out of their way to buy from those companies really?

Q

Brands are also often called out for paying lip service to causes, CSR initiatives and business practices.

SAY…

- Run marketing campaigns/ communication about supporting a cause
- Claim to follow certain CSR values, ethical business practices, manufacturing processes
- Green-washing, logos with pride colours in June (woke washing)

BUT…

- Internal working culture, conditions and pay contradict with campaigns
- Have problematic areas/ unethical business practices
- Products lack transparency (don't share true information/ details)
- LGBTQ+ inclusion not evident in hiring practices/ CSR activities

WHICH DISAPPOINTS…

- Avoid buying their products and services; although not completely rejected due to affordability/ spending constrains)
- No sense of pride associated with purchase and use
- No loyalty, advocacy

Source: OLG Masterbrand Qual Final Report with n=22 U35s via 5-day qual board In Summer 2022

Summary of Generational Differences Across Key Variables (Post-Covid)

How has the pandemic changed their outlook of the world?

Topic	Gen Z	Millennial	Gen X	Boomer
Top Issues	Climate Change, Economy, Housing Poverty, inequality	Inflation, int rates Housing Healthcare	Healthcare Inflation, int rates Economy	Healthcare Economy Inflation, int rates
Citizen, Consumer Sentiment	Positive	Negative	Negative	Negative
Social Cohesion ("we are all in this together")	Negative	Negative	Negative	Positive
Common Good pillar (including "I have a responsibility to help others")	Lowest	Second Lowest	Low	Highest
Financial Health	Negative	Negative	Negative	Positive
Social Activism	Highest on Social Purchasing and Investing	Second highest	Lower	Lowest
Messaging tone	Positive but reserved	Reserved/ empathetic	Reserved/ empathetic	Positive but reserved
Life perspective	"Me over we"	"Me over we"	"Me over we"	"We over me"

Source: Context Now

BONUS!

Lottery Behaviour

Lotto Behaviour

Overall, Millennials and Gen Z are less likely to buy lottery tickets or charity lottery.

Among those who buy, the MEAN spend per month is much lower for the Gen Z. Both groups are more likely to spend between $1 to $14 whereas older ticket purchases are the highest spenders.

% Types of Lotto Bought

		Total Can 18+	Gen Z	Millennials
	Lotto tickets	54%	38%	23%
	Lotto for charity	14%	7%	2%
	OLG Lotto online	4%	4%	4%
	Betting games	4%	4%	4%
Among who bought	$0	17%	27%	18%
Among who bought	$1 to $14	23%	28%	25%
Among who bought	$15 - $29	21%	18%	21%
Among who bought	$30 or more	40%	27%	35%
Among who bought	$MEAN (per month)	$38.1	$28.2	$35.1

Source: LottoTrends FY22 Tracking Study Results

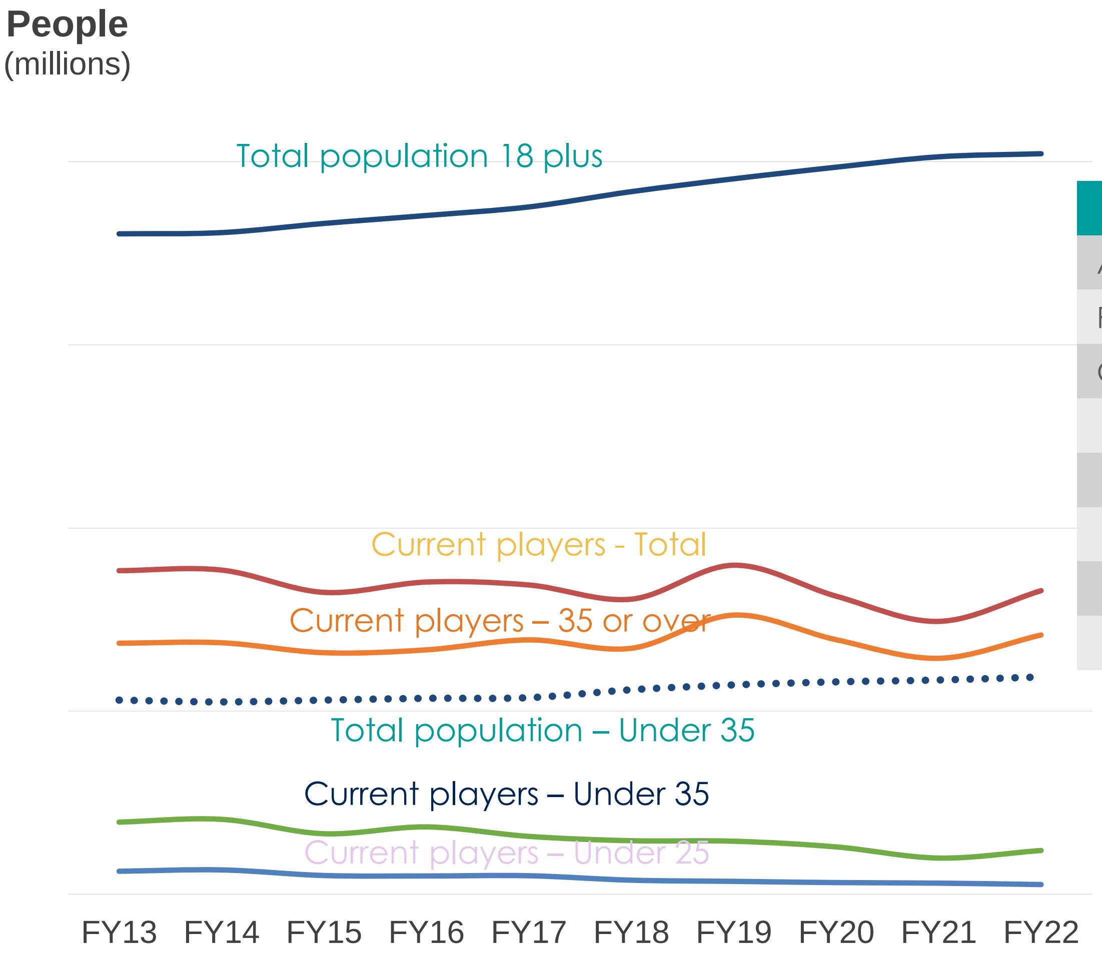
Charitable Lotto

	Total Can 18+	Gen Z	Millennials
Bought a Charity lottery ticket costing between $25 and $100	21%	2%	14%
Bought Lottery tickets for 50/50 draws, raffles or games that are sponsored by charity organizations in Ontario	28%	2%	14%

Source: LottoTrends FY22 Tracking Study Results

- The total Ontario population 18-plus has grown by 12% over the past 10 years.
- During that time the total number of Current players has *decreased* by 6%.
  - Much of this his decline was attributable to Current players under 35 who dropped by 39%.
  - Current players 35 or over actually increased by 3%. Not only did this age group better maintain their relative level of play, but it also grew in absolute terms due to a combination of population growth and aging over the past 10 years

POPULATION SIZE AND NUMBER OF CURRENT PLAYERS



	FY13	FY21	FY22	Change
Adult Population	10.8	12.1	12.1	+12%
Population U35	3.2	3.5	3.6	+12%
Current Players				
Total	5.3	4.5	5.0	-6%
Under 35	1.2	0.6	0.7	-39%
Under 25	0.4	0.2	0.2	-58%
25-34	0.8	0.4	0.6	-30%
35 or over	4.1	3.9	4.3	3%

All population figures rounded and in millions

Source: Ontario Ministry of Finance population projections

Source: LottoTrends

What do we already know about U35s (from previous curation phase)…

KEY ENGAGEMENT DRIVERS

- Low(er) price points
- Better odds of winning
- Practical prizing
- Big jackpots
- Element of skill required
- Instant gratification
- Knowing OLG supports good causes
- Familiar, simple games
- Awareness of app / OLG website
- Knowing others who gamble
- Growing interest in grey market

KEY ENGAGEMENT BARRIERS

- Tight finances
- Poor odds of winning
- Not seeing / hearing about younger and local people playing / winning
- Lack of experience / confidence
- New games intimidating + low awareness
- POS pain points & unfriendly clerks
- Fear of judgement and stigma
- Not knowing where OLG's proceeds go
- Inconvenient to play => lack of awareness of app & OLG website
- Growing interest in grey market

Source: OLG U35 Barriers Curation summary Report 2022

SUMMARY

Summary: Work & Money

GEN Z 10-25 yrs old 6.7M in Can.	VS	MILLENNIAL 26-41 yrs old, 7.9M in Can
More purpose than pay driven, but concerned about debt and increasingly leaning on the bank of mom and dad.	**How do they feel about money?**	Saddled with and especially concerned about debt, thinking they'll need help to 'make it' (see 'bank of mom and dad').
Ambitious and prepared to move around to find fit and purpose. Eager to lead change to fix "ills" of current system.	**What are their attitudes towards work/career - what do they seek, what do they prioritize?**	Lifestyle > work, BUT entrepreneurial and willing to bet on themselves. Impatient, less willing to "pay dues".
Goals and financial security are top of mind, but they want freedom and flexibility that suits their lifestyle.	**What are they working towards all the time?**	Buying homes and vehicles also has them focused on goals and security. Seek quality over quantity in life overall.
Many still at home with heavy influence on family spending. They enjoy material items like clothes and electronics and tech. Top 10 Most Influential Brands are all tech (Google, Apple, YouTube + TikTok, Snapchat, Spotify).	**Favourite way to spend money? What do they buy? Why do they buy certain brands?**	In addition to big ticket items, they're into experiences like dinners, concerts and vacations. Top 10 Most Influential Brands are also mostly tech, but also include PC Optimum and Timmy's.
Most impacted by the economic downturn but slightly more optimistic about the future/ over economy than others. Still, some leaning on side hustles to make ends meet (e.g. e.g. paying student loads).	**How has inflation/the economy changed how they view money and the things they choose to spend on?**	Also adversely impacted by the economic downturn and looking at side hustles to pay bills and fund lifestyle.

Summary: Free Time & Entertainment

GEN Z 10-25 yrs old 6.7M in Can.	VS	MILLENNIAL 26-41 yrs old, 7.9M in Can
Music, YouTube videos and of gaming round out their top 3. Watching videos on social media ahead of TV shows.	**What's their favorite way to spend time?**	Also into music and YouTube videos, watching movies is ahead of gaming. Online shopping and exercising also in their top 10.
Over-index on digital, the "traditional big" players like Google, Amazon and Facebook, but Reddit, Tiktok and Spotify.	**How they consume information or where they consume information, i.e. what shapes their world?**	They also over-index on digital, but also indulge in lifestyle platforms like AdThrive and Mediavine. Also engage with properties like CBC digital platforms to satisfy their desire for news and information programming.
YOLO… seeking intense experiences, impulsivity and immediate gratification. Looking to digital for both recommendations on great experiences but also for the experiences themselves (gaming, videos, etc.).	**What is their definition of entertainment? What feelings do they associate with entertainment? What do they call / define as a great experience?**	Sociable, high levels of energy and vitality, looking for new and intense experiences. Love crowds, and attention.
Other than jogging, they under-index on many activities. Per entertainment interests, they're looking for active adventure when travelling. As true digital citizens with phones firmly in hand, they over-index on photography as a leisure activity.	**Preferred leisure activities, travel, fitness?**	Enjoy working out at home and, for travel, looking to escape the everyday and/or experience culture through cuisine. Also interested in nature and over-index in camping as a travel/leisure activity.

Summary: Giving & Social Conscious

GEN Z 10-25 yrs old 6.7M in Can.	VS	MILLENNIAL 26-41 yrs old, 7.9M in Can
Student debt, income inequality, inflation higher rates of depression = dips in social cohesion. BUT still feel they can be agents of change.	**How has the pandemic changed their outlook of the world?**	Mortgage and student loan debt, inflationary pressures = declining social cohesions… less optimistic than their younger counterparts.
Despite relatively high levels of trust in charities, least likely generation to have donated in the past year – lack of engagement and awareness + unsure how donations will be used.	**How do they give? How do they define generosity?**	Also trust charities, but only slight likely than Gen Z to have donated in the past year.
Hospitals, education, climate change, mental health and social justice top spots for donation dollars.	**What and to whom would they give if they could?**	Have donated to hospital and education in the past year + increasing affinity for securities donations.

What company purposes resonate? Which companies comes to mind as having great purpose?

For U35s, companies that are dedicated to actioning their stated CSR commitments is very important. This includes external (philanthropy, community service, etc.) + internal (treatment of staff, enviro footprint, etc.) initiatives… top-of-mind companies include Lush, Patagonia, Tim's, Dawn… HOWEVER, we see that social purchasing (beliefs impact on actual purchase) is still low for all generations

Questions That Will Be Addressed In Next Phases of Research

Work & Money

- What is a life-changing amount of money, do they aspire to be wealthy? (Qual)
- What would they do with more money / How would they change their lives with money? (mostly Qual)
- What emotions are connected to things they spend money on? (Qual)
- What do they value in exchange for money (Qual & Quant)
- What's the best thing they spend their money on? Would they spend money on something frivolous if it meant going to a good place? (Qual & Quant)

Free Time & Entertainment

- What is their definition of entertainment? What feelings do they associate with entertainment? What do they call / define as a great experience? (Qual)
- What and to whom would they give if they could? (some on Slide 39 + Qual & Quant)

Giving & Social Conscious

- How much do they research/care about the actions of those companies? (Some on Slides 40-42 + Qual)
- Quantify actual giving patterns (Quant)

What's Next: Roadmap to Answer OLG's Business Challenge

1. PLAN + ALIGN

Review and curation of existing research & Secondary data (including the Accenture 'Blueprint') to identify and summarize what we already know about category dynamics.

Use this work to **develop activity guide for qualitative EXPLORE phase**

2. EXPLORE

Qualitatively explore the **life, ~~financial and risk context of users~~,** and illuminate the **category beliefs, behaviours, and barriers at play.** This discovery will allow us to explore the **territories at play**, inform the quantitative validation, and provide inspiration for the activation strategies.

3. PRIORITIZE

Intuitive, **mobile-compatible survey with a robust sample of consumers** representing the different key target groups.

We will run analytics on the survey **data to determine the areas to prioritize to drive conversion among U35.**

4. ACTIVATE

Using the insights derived from the research, and working with key OLG stakeholders, Ipsos will design and facilitate an **Activation Workshop**. The outputs will include a treasure chest of **ideas and insights against the territories that OLG can leverage to make headway with the U35s.**

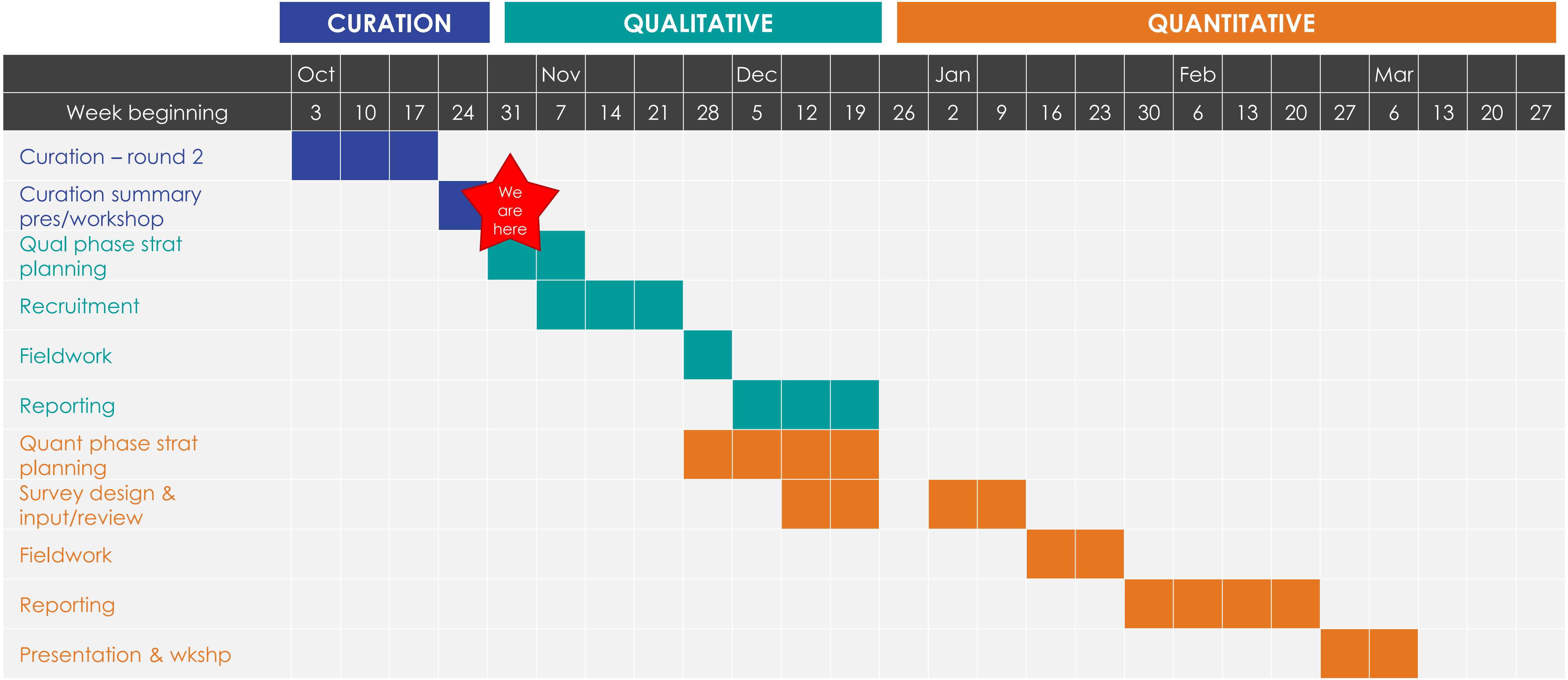
5. SIZE & OPTIMIZE

Leveraging Ipsos' **innovation tools and expertise**, we will determine which ideas and initiatives foster the **greatest commercial potential** with players U35.

(Optional component, as a downstream test/validation once OLG develops products or concepts)

INFORMED BY IPSOS BEHAVIOURAL SCIENCE FRAMEWORKS EMBEDDED THROUGHOUT

Project Milestones



Questions?

THANK YOU.