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Self-Service at Retail

Self-service options like ATMs and grocery self-checkouts have been a familiar part of the retail experience for years. Still, prior to 2020, several segments of the population were resistant to engage with self-service for a variety of reasons.

Then COVID hit.

Consumers who had been hesitant to use self-service solutions suddenly had little choice, as the technology was employed to keep people safe. Pandemic-related labor shortages soon followed, and the demand for self-service solutions exploded. Today, innovations in self-service technology and shifting consumer expectations have permanently altered the retail landscape, making self-service not just another payment option but, in many cases, the *preferred* method of purchasing products at retail. In this issue of Data in Motion, we take a closer look at the self-service phenomenon and its impact on the lottery industry.

Growing Acceptance

According to a recent survey of 1,000 Americans conducted by PlayUSA, 84% of the respondents reported *liking* self-service, and 66% indicated that they *preferred* self-service over clerk-operated checkout.[1] This preference for self-service checkout was particularly strong among Generation Z at 84%, followed by Millennials at 76%. The preference for self-service also gained traction among Generation X (57%) and nearly half of Baby Boomers (46%).
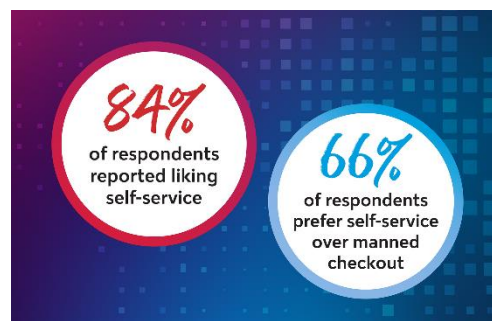
Self-Checkout Preference Across Generations

84% Gen Z

76% Millennials

57% Gen X

46% Baby Boomers

The reasons for preferring self-checkout over manned checkout varied: 71% of the respondents indicated that they preferred self-checkout because clerk-operated checkouts typically take longer to complete the exchange. Sixty percent said they preferred self-checkout so they didn't have to talk to anyone. Interestingly, nearly one in six (14%) said they would wait for a self-service kiosk *even if a clerk-operated checkout had no line*.

71% prefer self-checkout, as manned checkouts usually take longer to complete transactions.

60% said they choose self-checkout so that they wouldn't have to talk to anyone.

14% Nearly **one in six** would wait for a self-service kiosk *even if* a manned checkout had no line.
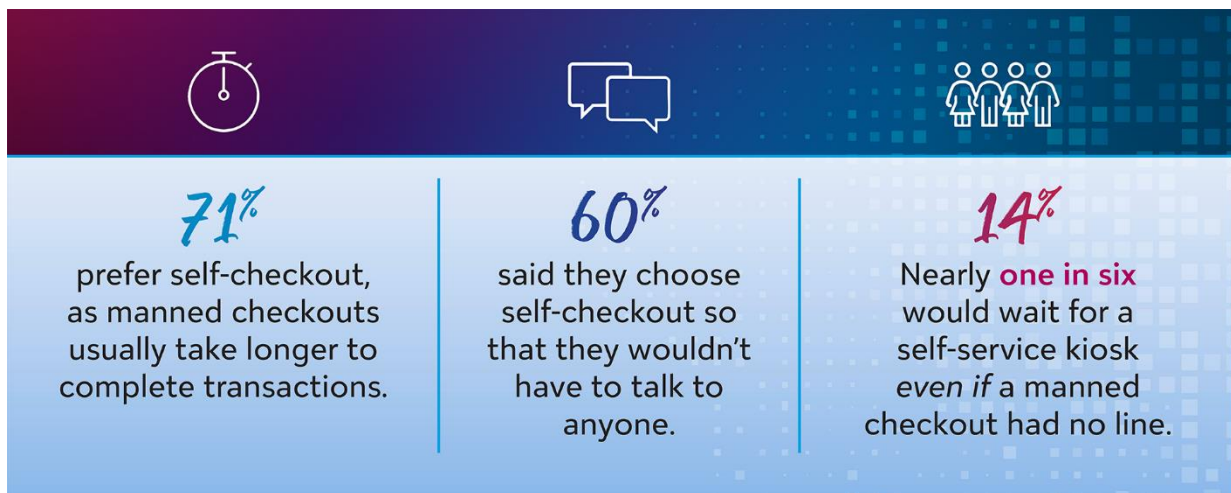
The self-service market is already sizeable, accounting for more than **$31 billion in the U.S.** alone. However, new cases and innovations are projected to propel this market to **$129 billion globally** by 2030.

Self-Service and Lottery – A Growing Trend

The PlayUSA survey also revealed that self-service technology played a significant role in gaming and lottery play. Forty-four percent of the respondents preferred gambling online to gambling in person, and even in physical casinos, many people preferred games that didn't require personal interaction – more than one-third (34%) said they played games on kiosks to avoid social interactions.

When asked specifically about lottery play, 62% of respondents indicated that they prefer buying lottery tickets from a kiosk rather than a store clerk. The U.S. lottery industry appears to be listening – from 2018 to 2023, the number of self-service lottery terminals increased by 29% in the U.S., or roughly 5.3% annually.[2]

29%

Growth in Number of Lottery Self-Service Terminals in the U.S. or **5.3%** Annually

(FY18-FY23)

But it goes beyond just addressing a growing consumer need or preference. There is also evidence that implementing self-service technology can increase sales. An analysis of two states where Scientific Games installed our *PlayCentral* self-service vending technology supports this theory.[3] In each state, our *PlayCentral* self-service vending technology was installed in a subset of the lottery's retailer network (i.e., some retailers had self-service, and some did not).

In Lottery A, those retailers offering self-service had sales that were 9% higher than those *not* offering self-service. Lottery B saw an even wider gap – sales of retailers offering self-service were 17% higher than those retailers not offering self-service.

Final Word

Increasing lottery sales across your existing retail network isn't the only reason to consider the strategic implementation of self-service technology. By offering the option of self-service, a lottery gains access to a wide range of retail chains and trade styles that have historically been resistant to carrying lottery products. This resistance has been due to several concerns, including speed-of-service, labor costs, and theft, all of which are mitigated (if not outright eliminated) by the right self-service technology.

In the end, the ability to offer retailers and players the option of selling and purchasing lottery products through a strategically grounded self-service solution means delivering more revenues to the good causes you support.

CONTRIBUTOR

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Sources:

1. https://www.playusa.com/americans-and-technology/
2. LaFleur's Almanac, 2024 and The Ohio Lottery, 2024
3. Scientific Games, LLC © 2025

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