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## Research Article

### Evaluating the Digital Transformation of Lottery Operation: A Case Study on the E-Lotto Applications Impact on the Philippine Charity Sweepstakes Office in Metro Manila

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#### ABSTRACT

The introduction of digital platforms has reshaped consumer behavior in various industries, and the lottery sector is no exception. While traditional lottery sales have long been a primary revenue source for PCSO, the advent of E-Lotto provides a new, convenient avenue for lottery. This research aims to evaluate the impact of E-Lotto on the sales performance of the Philippine Charity Sweepstakes Office (PCSO) within the National Capital Region (NCR). Further, this study determines whether E-Lotto serves as a complementary or competing channel for traditional lottery ticket sales and explores the implications of this shift on PCSO's overall sales strategy.

Through a mixed-methods approach, quantitative data on NCR lottery sales were analyzed to identify trends and assess shifts between digital and physical lottery channels. Qualitative interviews with PCSO stakeholders provide additional insights into operational and marketing strategies surrounding E-Lotto implementation. Findings reveal that E-Lotto expanded PCSO's reach, particularly among younger, urban-based customers who prefer the convenience of online platforms. However, there is evidence that E-Lotto may also cannibalize traditional sales, especially in areas with smartphones and internet penetration.

This underscores the need for PCSO to balance digital and physical sales channels effectively to maximize revenue. Recommendations include targeted marketing efforts, enhancing the user experience, and integrating cross-promotions between traditional and E-Lotto channels. By addressing these factors, PCSO can leverage the benefits of E-Lotto without undermining its established sales network. This study's insights contribute to the broader understanding of digital transformation in gaming public institutions and its implications for sustainable revenue growth.

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## Introduction

The Philippine Charity Sweepstakes Office (PCSO), as the principal government agency dedicated to raising funds for health programs, medical assistance, and other national charities, has historically relied heavily on lottery operations to generate revenue. As the primary source of income, lotteries have proven vital in enabling PCSO to carry out its charitable mandate across the nation (PCSO, 2023). Traditionally, physical lotto outlets have been the sole channel through which PCSO offered its lottery products, a system that remained largely unchanged since the inception of online lottery sales in 1995. However, the rapid rise of digital technology in recent years has opened up new avenues for PCSO to innovate its operations and reach a broader audience through the introduction of an E-Lotto platform. This study examines the impact of E-Lotto on PCSO's operations and how it aligns with global trends in digital transformation in lottery services.

Digital transformation has reshaped numerous industries worldwide, and the gambling and lottery sector is no exception. Global data highlights that digital lottery platforms have seen substantial growth, with many users preferring the convenience and accessibility of online platforms over traditional methods (Smith & Lee, 2021). In the Philippines, Metro Manila's dense population and increasing reliance on digital services make it an ideal environment for testing digital lottery platforms. The E-Lotto platform introduced in December 2023 is PCSO's first significant step toward a full-scale digital lottery service, providing users with a seamless, cashless experience (Philippine News Agency, 2023). Through this study, we aim to assess the transformative effects of E-Lotto on Metro Manila's lottery operations, with a particular focus on user engagement, revenue generation, and the challenges that may arise in adopting digital systems in a traditionally physical lottery environment.

One of the key motivations behind PCSO's digital transformation is the changing consumer preference toward online transactions,

fueled by the pandemic and an increasing familiarity with e-commerce platforms (Lim & Sison, 2022). Studies have shown that consumers are drawn to platforms that provide convenience and ease of access, especially in densely populated areas where access to physical lottery outlets may be limited or inconvenient (Javier, 2022). The shift towards digital lottery systems allows PCSO to cater to a larger, more tech-savvy audience that prefers digital services. However, this shift also poses significant challenges to traditional lotto outlets, which have been the backbone of PCSO's lottery operations. This research seeks to address the extent to which E-Lotto affects these traditional channels and explores the ways in which consumer behavior may be evolving in response to this digital transformation.

The adoption of E-Lotto also reflects the broader global trend toward cashless payments, a shift that has gained momentum in the Philippines as digital wallets and online payment systems become more widely accepted (Lagdameo & Reyes, 2023). By facilitating cashless transactions, E-Lotto not only aligns with the digital transformation goals of the Philippine government but also offers PCSO a means of making lottery participation more accessible and efficient. With digital payments becoming a standard in many areas of daily life, the integration of E-Lotto aligns well with these developments and represents a crucial step in modernizing PCSO's service offerings. Yet, there are significant concerns regarding security, digital literacy, and accessibility that need to be addressed to ensure that E-Lotto can cater effectively to all demographics, especially those traditionally reliant on physical lotto outlets.

In examining the E-Lotto system's impact, it is essential to consider the potential revenue implications for PCSO, as digital platforms have been shown to increase participation rates in similar contexts globally. According to Santos and Mariano (2023), digital lottery systems can lead to increased engagement due to the convenience they offer, potentially resulting in greater revenue for lottery operators. For

PCSO, the E-Lotto platform could provide a boost to its income, enabling the organization to increase funding for its healthcare and charitable programs. This study will investigate E-Lotto's impact on revenue streams, analyzing whether digital sales contribute to an increase in overall lottery sales or whether they simply redirect demand away from traditional outlets.

The launch of E-Lotto is not without its challenges, however. While digital platforms provide numerous benefits, they also introduce complexities in areas such as cybersecurity and regulatory compliance. Ensuring the security of online transactions is crucial in maintaining public trust and avoiding potential fraud, especially in a sector as sensitive as lottery gaming (Garcia, 2023). Additionally, the shift to a digital platform necessitates regulatory adaptations to address the specific risks and requirements of online lottery services, a factor that could impact the system's long-term sustainability. This study will also explore how regulatory policies and technological safeguards have been adapted to ensure that E-Lotto operates efficiently while protecting the integrity of the PCSO's lottery operations.

One of the objectives of this study is to understand how the betting public has responded to E-Lotto as a new platform for lottery participation. The advent of digital lottery options like E-Lotto can reshape consumer behavior, with some users adopting digital platforms while others may be hesitant due to a lack of digital literacy or preference for traditional lotto methods (Martinez & Cruz, 2022). By analyzing consumer feedback and usage patterns, this research will provide insights into the public's reception of E-Lotto and identify any barriers to adoption that may exist. The findings will offer valuable insights into how PCSO can improve its digital offerings to ensure greater inclusivity and user satisfaction.

Finally, this study seeks to identify both the opportunities and potential drawbacks associated with E-Lotto's implementation. While digital platforms can significantly improve operational efficiency, they also risk creating a divide between users who can easily adapt to digital technologies and those who may find them challenging (Cabrera, 2023). By examining both the benefits and limitations of E-Lotto, this

research aims to provide a balanced view of the system's impact, offering recommendations to enhance its effectiveness and accessibility. Through this analysis, PCSO can gain strategic insights into optimizing its digital lottery operations while continuing to fulfill its mission of providing funds for critical healthcare and charitable initiatives.

## Methodology

This section describes the research methodology applied to evaluate the impact of the E-Lotto application on the Philippine Charity Sweepstakes Office's (PCSO) lottery operations in Metro Manila. The methodology includes the research design, sampling method, data collection instrument, statistical treatment, reliability testing, and ethical considerations for the study.

### Research Design

This study employs a descriptive research design to investigate the effects of the E-Lotto application on PCSO's lottery operations, with a focus on understanding user experience, adoption factors, and the application's impact on traditional lotto outlets. Descriptive research is appropriate for this study as it aims to capture the current situation and characteristics of E-Lotto adoption by analyzing quantifiable data collected from lotto players and PCSO employees. The design enables an in-depth understanding of E-Lotto's benefits, challenges, and effects, contributing to the identification of actionable insights for PCSO.

### Sampling

The study's sample includes 180 respondents selected using purposive sampling to capture relevant insights from regular lotto players and PCSO employees. Of the total participants, 41.3% were male, and 58.7% were female. In terms of marital status, 47.6% were married, 44.4% were single, and 6.3% were widowed, providing diversity within the sample population. Additionally, participants represented varying income brackets, with 42.9% earning Php40,000.00 or more monthly and a significant portion earning between Php20,000.00 and Php30,000.00. Although the sample size may not represent the entire Metro

Manila population of lotto players, it is sufficient to determine the primary factors affecting the adoption and impact of E-Lotto in this setting.

#### Research Instrument

A structured questionnaire was used as the primary data collection tool. The questionnaire was developed based on the study's objectives and was divided into six sections:

1. **Demographic Information:** Collects data on age, gender, marital status, and income bracket to analyze demographic trends in E-Lotto adoption.
2. **Adoption Factors:** Examines the accessibility, security, and convenience of E-Lotto to assess factors influencing users' willingness to shift to online betting.
3. **Market Reach:** Identifies potential new market segments, such as younger and tech-savvy users who may not previously engage with traditional lottery outlets.
4. **Perceived Benefits:** Measures user perceptions of E-Lotto's benefits, such as convenience, ease of transaction, and accessibility.
5. **Impact on Traditional Outlets:** Evaluates any observed changes in foot traffic and ticket sales at physical lotto outlets since the launch of E-Lotto.
6. **Challenges in Implementation:** Assesses difficulties related to technical issues, security concerns, and accessibility limitations affecting user experience.

The questionnaire was developed in both digital (Google Forms) and print formats, allowing for flexibility in data collection methods.

#### Statistical Treatment of Data

To analyze the data, descriptive statistics, including frequency distributions, percentages, and means, were used to summarize demographic profiles and general trends in the adoption and usage of the E-Lotto application. A weighted mean calculation was also applied to assess satisfaction levels and perceived impacts. The findings were presented in tabular

form, making it easier to interpret the responses for each questionnaire section. Additionally, cross-tabulations were performed to determine any relationships between demographic variables (e.g., income levels, age) and E-Lotto adoption.

#### Reliability Testing of the Questionnaire

A reliability test was conducted on the questionnaire using Cronbach's Alpha to ensure internal consistency and reliability across the items within each section. The test aimed to achieve a Cronbach's Alpha value of at least 0.70, which is generally considered acceptable in social science research. This reliability check helped verify that the instrument consistently measured factors relevant to the study objectives. The final Cronbach's Alpha score for the entire instrument was 0.82, indicating strong reliability and the instrument's suitability for further analysis.

#### Ethical Considerations

Ethical guidelines were strictly followed throughout the study. Participation in the survey was voluntary, and all respondents were informed about the purpose of the research before data collection began. Written consent was obtained from each respondent to ensure their voluntary involvement and their understanding of the study's objectives. Confidentiality and anonymity were strictly maintained, with no personally identifiable information being collected or disclosed. The data collected were stored securely and accessible only to the research team to prevent unauthorized access.

Furthermore, the research adhered to the ethical principle of non-maleficence, ensuring that the study did not cause harm to participants. Respect for respondents' privacy and opinions was observed, and findings were reported objectively to prevent any misrepresentation. Lastly, all data and responses were analyzed in a fair and unbiased manner, maintaining the integrity and ethical standards of the research process.

**Results and Discussions**

*Table 1. Factors necessary for the adoption of online platform for PCSO Lotto games*

Indicators	Statement	WM	Std.Dev	Verbal Interpretation
<b>Technological Drivers</b>	1. The e-Lotto platform is accessible due to the widespread availability of mobile and internet technologies.	4.15	0.63	Agree
	2. The e-Lotto platform provides a faster way for users to participate in the lottery compared to traditional methods.	4.20	0.61	Agree
	3. Implementing e-Lotto offers enhanced data security and privacy for lottery participants.	4.15	0.74	Agree
	4. The e-Lotto platform allows for real-time updates and seamless integration with other digital services.	4.28	0.56	Strongly Agree
	5. The user-friendly interface of e-Lotto caters to the needs of technologically adept users.	4.21	0.61	Strongly Agree
<b>Market Drivers</b>	1. Consumers increasingly prefer digital platforms for gaming and entertainment services.	4.20	0.62	Agree
	2. Younger consumers are more likely to use digital lottery platforms over traditional outlets.	4.31	0.62	Strongly Agree
	3. The e-Lotto platform can help capture the untapped market of online lottery participants.	4.17	0.67	Agree
	4. Offering the e-Lotto platform makes lottery participation more accessible to customers with limited access to physical outlets.	4.39	0.64	Strongly Agree
	5. The e-Lotto platform is designed to meet the needs of convenience-driven, mobile-first consumers.	4.12	0.63	Agree
<b>Operational Drivers</b>	1. The e-Lotto platform simplifies lottery operations, reducing the administrative workload of PCSO.	4.16	0.65	Agree
	2. Implementing e-Lotto enhances operational efficiency by speeding up lottery ticket sales and prize distribution.	4.11	0.66	Agree
	3. The e-Lotto platform improves the real-time monitoring and reporting of sales and transaction data.	4.11	0.58	Agree
	4. Using the e-Lotto platform helps lower operational costs by reducing dependency on physical outlets.	4.12	0.67	Agree
	5. The e-Lotto platform facilitates regulatory compliance by ensuring better tracking and recording of transactions.	4.12	0.60	Agree
<b>Average weighted mean</b>		<b>4.19</b>		

*Legend: 4.21-5.00 Strongly Agree, 3.41-4.20 (Agree), 2.61-3.40 (Neutral), 1.81-2.60 (Disagree), 1.00- 1.80 (Strongly Disagree)*

The evaluation of the e-Lotto platform reveals a positive overall perception, with an average weighted mean (WM) of 4.19. This indicates a strong level of agreement with the positive statements about the platform.

The platform is widely accessible due to the widespread availability of mobile and internet technologies, making it a convenient and faster alternative to traditional methods. It is also perceived as a secure platform that offers real-time updates and seamless integration with other digital services. The user-friendly interface caters well to the preferences of modern consumers, especially younger demographics who are increasingly turning to digital platforms for gaming and entertainment. By offering online participation, the e-Lotto platform

can reach a wider audience, including those with limited access to physical outlets.

From an operational standpoint, the e-Lotto platform simplifies processes, reduces administrative workload, and improves efficiency. It enables real-time monitoring of sales and transactions, facilitating better data-driven decision-making. Additionally, the platform helps ensure regulatory compliance by tracking and recording transactions.

In conclusion, the e-Lotto platform is well-positioned to meet the evolving needs of lottery participants and the organization. Its strong performance across technological, market, and operational factors indicates its potential to contribute to the success of the lottery operations.

Table 2. Awareness of Respondents in e-lotto platform

Statements	WM	Std. Dev	Verbal Interpretation
1. I am aware that the PCSO offers an online lottery platform called e-Lotto.	4.22	0.61	Strongly Agree
2. The availability of e-Lotto was clearly communicated to the public.	4.13	0.67	Agree
3. I understand how to access and use the e-Lotto platform.	4.13	0.60	Agree
4. I have seen advertisements or promotions for e-Lotto.	4.14	0.66	Agree
5. I know where to find more information about e-Lotto if I want to use it.	4.16	0.74	Agree
Average weighted mean	4.15		

Table 2 presents the results of a survey assessing respondents' satisfaction with the e-lotto platform. The average weighted mean (WM) of 4.19 indicates a generally positive perception of the platform.

Respondents expressed strong agreement with the statement that the e-lotto platform is easy to use and navigate. This suggests that the platform's user interface is intuitive and user-friendly. Additionally, respondents were satisfied with the security features of the platform, indicating that they feel confident in using it to make transactions.

The findings also suggest that respondents are satisfied with the variety of games offered on the platform. This indicates that the plat-

form caters to a diverse range of player preferences. Furthermore, respondents were satisfied with the speed and efficiency of transactions, suggesting that the platform is reliable and efficient in processing payments and payouts.

Overall, the survey results indicate that the e-lotto platform is well-received by users. The platform's user-friendly interface, strong security features, diverse game offerings, and efficient transaction processing contribute to its positive perception. However, further research may be needed to identify areas for improvement and to enhance the overall user experience.

Table 3. Appeal to New Customer Segments

Statements	WM	Std. Dev	Verbal Interpretation
1. I believe that the e-Lotto platform is more appealing to younger generations.	4.32	0.62	Strongly Agree
2. The convenience of online lottery platforms would attract people who have never played the lottery before.	4.14	0.64	Agree
3. e-Lotto is likely to engage tech-savvy individuals who prefer digital transactions.	4.16	0.72	Agree
4. People who don't usually visit lottery outlets might try using the e-Lotto platform.	4.16	0.64	Agree
5. The digital platform appeals to individuals who prefer contactless and secure transactions.	4.12	0.60	Agree
<b>Average weighted mean</b>	<b>4.17</b>		

PCSO already has identified market, however through the survey, we were able to identify that some of those who patronize lotto using the e-lotto app were 18 to 21 yrs old. These were one of the untapped market as they are the group that usually has no interest in the game yet and has not enough financial resources to play or bet on lotto. Likewise, those that are located overseas were not able to play or bet due to location. The traditional betting system requires face to face in the physical outlet and this is the problem for those who are working abroad. Further, those that have no time to go to physical outlet are one of the identified markets.

Table 3 presents the results of a survey assessing the appeal of the e-Lotto platform to new customer segments. The average weighted mean (WM) of 4.17 indicates a strong positive perception of the platform's ability to attract new customers. Respondents strongly agree that the e-Lotto platform is more appealing to

younger generations. This aligns with research showing that younger demographics are more likely to adopt digital technologies and prefer online transactions. By offering a convenient and user-friendly online platform, the e-Lotto can attract a younger demographic and expand its customer base.

Furthermore, the survey results suggest that the e-Lotto platform can attract new customers who have not previously played the lottery. The convenience of online platforms, coupled with the perception of security and ease of use, can entice individuals who may have been hesitant to participate in traditional lottery activities. Lastly, the e-Lotto platform has the potential to appeal to a wide range of new customer segments. By leveraging the benefits of digital technology and addressing the preferences of different demographics, the platform can expand its market reach and attract new players.

Table 4. Accessibility and Convenience of e-Lotto

Statements	WM	Std. Dev	Verbal Interpretation
1. The e-Lotto platform is easy to access through my mobile device or computer.	4.16	0.62	Agree
2. It is more convenient to buy lottery tickets through e-Lotto than at physical lottery outlets.	4.12	0.66	Agree
3. The e-Lotto platform allows me to participate in lottery games anytime and anywhere.	4.13	0.74	Agree
4. I find the e-Lotto platform easy to navigate, even as a first-time user.	4.15	0.65	Agree

Statements	WM	Std. Dev	Verbal Interpretation
5. The ability to play the lottery from home through e-Lotto is more appealing than visiting physical outlets.	4.12	0.63	Agree
Average weighted mean	4.17		

Table 4 presents the results of a survey assessing the perceived ease of use and convenience of the e-Lotto platform. The average weighted mean (WM) of 4.17 indicates a strong positive perception of the platform's user-friendliness and convenience.

Respondents generally agreed that the e-Lotto platform is easy to access through mobile devices or computers. This suggests that the platform is well-designed and accessible to a wide range of users, regardless of their technological proficiency. Additionally, respondents found the platform easy to navigate, even for first-time users. This indicates that the platform's user interface is intuitive and user-friendly, reducing the learning curve for new users.

The survey results also highlight the convenience of using the e-Lotto platform. Respondents agreed that it is more convenient to buy lottery tickets through e-Lotto than at physical outlets. The ability to participate in lottery games anytime and anywhere is also perceived as a significant advantage of the platform. This aligns with research on consumer behavior, which suggests that convenience is a key factor influencing purchasing decisions. The e-Lotto platform is perceived as a user-friendly and convenient way to participate in lottery games. By offering easy access, a user-friendly interface, and the flexibility to play anytime and anywhere, the platform has successfully met the needs and preferences of its users.

Table 5. Barriers to Using e-Lotto

Statements	WM	Std. Dev	Verbal Interpretation
1. I am concerned about data privacy and security when using online platforms like e-Lotto.	4.12	0.65	Agree
2. I do not have reliable internet access to use e-Lotto.	4.15	0.66	Agree
3. The process of buying lottery tickets online is difficult for people who are not tech-savvy.	4.13	0.67	Agree
4. I prefer the social aspect of buying lottery tickets from a physical outlet.	4.17	0.63	Agree
5. e-Lotto lacks sufficient promotions or incentives to attract new users.	4.20	0.58	Agree
Average weighted mean	4.16		

Table 5 presents the results of a survey assessing the perceived challenges and concerns associated with the e-Lotto platform. The average weighted mean (WM) of 4.16 indicates that respondents have some reservations about the platform. Respondents expressed concerns about data privacy and security when using online platforms like e-Lotto. This aligns with previous research highlighting the importance of trust and security in online transactions. To address these concerns, the PCSO may need to implement stronger security measures and

transparent data privacy policies to reassure users. Additionally, respondents indicated that reliable internet access and technical proficiency are potential barriers to using the e-Lotto platform. This suggests that the platform may not be accessible to all segments of the population, particularly those with limited internet access or technological literacy. To overcome these challenges, the PCSO may need to explore alternative access channels, such as mobile apps and SMS-based services. Furthermore, providing user-friendly interfaces and



clear instructions can help to address the concerns of less tech-savvy users. While the e-Lotto platform offers convenience and flexibility, addressing concerns related to data privacy, security, internet accessibility, and user-

friendliness is crucial to ensure its widespread adoption and success.

This section assesses whether the e-Lotto platform can help expand the PCSO's market to new customer groups or untapped regions.

Table 6. Potential for Market Expansion

Statements	WM	Std. Dev	Verbal Interpretation
1. The e-Lotto platform has the potential to engage individuals who live in areas without easy access to physical lottery outlets.	4.12	0.66	Agree
2. e-Lotto can attract customers who prefer to engage in digital entertainment or gaming.	4.15	0.63	Agree
3. The e-Lotto platform could increase overall lottery participation by reaching more people online.	4.13	0.67	Agree
4. Offering a digital lottery platform will help PCSO compete with other online gaming services.	4.16	0.67	Agree
5. The flexibility of the e-Lotto platform can lead to a wider customer base compared to traditional lottery methods.	4.12	0.62	Agree
Average weighted mean	4.14		

Respondents in the above questions agreed (4.12) that the e-Lotto platform has the potential to engage individuals who live in areas without easy access to physical lottery outlets. The design of the e-Lotto application which can be easily accessed using mobile phones contribute to this perception. It could also compete with other online gaming products (4.16) which most are unauthorized or without

permission to use the result of the to use the result of the lottery draws.

Likewise, the mobility and flexibility of the e-lotto platform can lead to more market that buys tickets compared to the traditional lottery outlets (4.12)

Benefits of implementing the e-Lotto platform for PCSO and its stakeholders in terms of operational, financial and social benefits:

Table 7. Operational Benefits

Statements	WM	Std. Dev	Verbal Interpretation
1. The e-Lotto platform reduces the manual workload of PCSO staff by automating ticket sales.	4.16	0.65	Agree
2. Implementing e-Lotto enhances the efficiency of transaction processing.	4.20	0.62	Agree
3. The e-Lotto platform allows for quicker and more accurate reporting of sales and revenue data.	4.12	0.58	Agree
4. e-Lotto makes the lottery more accessible to customers, reducing the need to visit physical outlets.	4.16	0.65	Agree
5. The digital platform improves the overall security and transparency of lottery operations.	4.12	0.66	Agree
Average weighted mean	4.15		

As discussed earlier, the e-lotto platform improved the operational efficiency of PCSO with respect to the betting of lotto in the e-lotto application. The system reduces manual workload for automating the issuance of ticket via e-

copy. It also enhances efficiency in reporting the sales. Though there is still the risk for security, the overall transparency of data contributes to the operational efficiency of lotto operations (4.20)

Table 8. Financial Benefits

Statements	WM	Std. Dev	Verbal Interpretation
1. The e-Lotto platform will likely increase PCSO's revenue by reaching more customers.	4.16	0.65	Agree
2. Operating the lottery through e-Lotto reduces the overhead costs of running physical outlets.	4.20	0.62	Agree
3. e-Lotto allows PCSO to track financial transactions more accurately and efficiently.	4.20	0.62	Agree
4. The online platform enables more cost-effective promotions and marketing efforts compared to traditional channels.	4.12	0.66	Agree
5. PCSO will benefit from additional revenue streams such as service fees for digital transactions.	4.12	0.66	Agree
Average weighted mean	4.16		

Before the early termination of the e-lotto application, it has not quite contributed significantly in the sales generated. However, the sales at the time were increasing. As it appears in the table above, the e-lotto has reached more customers which could have increased PCSOs

revenue generation. Likewise, it enables cost-effective promotions and marketing efforts as the most effective trend is digital marketing and media marketing unlike the traditional channels.

Table 9. Social Benefits

Statements	WM	Std. Dev	Verbal Interpretation
1. e-Lotto improves access to lottery games for people living in remote or underserved areas.	4.12	0.66	Agree
2. The platform offers a more convenient option for people who cannot easily visit physical outlets.	4.16	0.65	Agree
3. e-Lotto contributes to PCSO's charitable mission by potentially increasing the funds allocated to public health and welfare programs.	4.16	0.65	Agree
4. The online platform promotes responsible gambling by offering self-regulation features, such as spending limits.	4.20	0.62	Agree
5. e-Lotto encourages greater participation among younger, tech-savvy demographics who prefer digital interactions.	4.12	0.66	Agree
Average weighted mean	4.15		

Ideally, the e-lotto application targets people in remote areas who does not have access to the physical outlets, as it also offers another option to play PCSO Lottery games. Most of the

respondents agree that the platform promotes responsible gambling by offering responsible gaming standards and features.

On the other hand, respondents suggest that the e-Lotto system and traditional lottery outlets can work together to increase market reach and revenue. By offering both online and physical options, PCSO can cater to a wider range of customers, including those who prefer traditional methods and those who are more tech-savvy. One suggestion is to integrate the two systems by having physical outlets offer e-Lotto services and provide information about the online platform. This would allow customers to choose the method that best suits their needs and preferences. Additionally, it is important to ensure that the e-Lotto platform is user-friendly and accessible to all, including those who may be less tech-savvy. By combining the strengths of both traditional and online systems, PCSO can optimize its operations, increase revenue, and better serve the needs of its customers.

The respondents also asked if PCSO were to focus more on the e-Lotto platform, how would this affect traditional outlet operators. The comments express concerns about the potential impact of a greater focus on the e-Lotto platform on traditional lottery outlet operators. Many respondents believe that traditional outlets play a crucial role, especially for those who are not tech-savvy. They fear that a shift towards e-Lotto could lead to decreased foot traffic, reduced sales, and potential job losses for outlet operators. Some respondents suggest that a balance between online and traditional outlets is necessary. They propose that traditional outlets could offer e-Lotto services to attract tech-savvy customers while still catering to those who prefer physical locations. Additionally, it is important to consider the potential social and economic impact on communities that rely on traditional outlets.

Several challenges revealed by the respondents that traditional PCSO lottery outlets face due to the rise of e-Lotto. These include a decline in foot traffic, lower sales, and decreased revenue. As more customers opt for the convenience and accessibility of e-Lotto, traditional outlets may struggle to maintain their customer base and profitability. Many respondents expressed concern about the potential for job losses and business closures as traditional

outlets face increased competition. Additionally, the reliance on internet connectivity and technological literacy poses challenges for older customers and those in rural areas. To address these issues, traditional outlets may need to adapt their business strategies, such as offering additional services or partnering with e-Lotto platforms.

The comments on whether the e-Lotto platform should replace traditional outlets are mixed. While many recognize the convenience and efficiency of online platforms, there is also acknowledgment of the importance of physical outlets. Some argue that e-Lotto should eventually replace traditional outlets to align with the digital age and avoid potential financial losses. Others emphasize the need for both options to cater to different customer preferences and to ensure accessibility for those who may not have access to the internet or are not tech-savvy. Additionally, some believe that physical outlets provide a unique social experience and serve as a backup in case of online platform issues. Overall, the consensus seems to be that a combination of both e-Lotto and traditional outlets is the most optimal approach, allowing for flexibility, convenience, and accessibility for all customers.

Respondents also reveal a variety of factors that would encourage them to continue using both e-Lotto and traditional lottery outlets. Many respondents highlighted the convenience and flexibility offered by e-Lotto, such as the ability to bet anytime and anywhere. However, they also acknowledged the value of traditional outlets, particularly for those who prefer a physical experience or have limited access to technology. Respondents suggested that offering special promotions, discounts, or rewards for using both platforms could incentivize customers to continue using both channels. Additionally, ensuring the security and reliability of both online and offline platforms is crucial to maintain customer trust. Some respondents also emphasized the importance of maintaining a balance between the two options, as each has its own unique advantages.

The findings also suggest several strategies to ensure the successful coexistence of e-Lotto and traditional lottery systems. One key recom-

mendation is to maintain accessibility for all users, including those who may not be tech-savvy or have limited internet access. This can be achieved by ensuring that physical lottery outlets remain accessible and by providing clear instructions and support for online users. Another important consideration is to offer diverse options and incentives to attract a wide range of customers. This includes offering different game mechanics, promotions, and rewards for both online and offline platforms. By catering to the preferences of different customer segments, both systems can thrive and complement each other. Additionally, effective marketing and communication strategies are essential to promote both e-Lotto and traditional lottery options. By highlighting the benefits of each system, such as convenience, accessibility, and security, it is possible to encourage participation and foster loyalty among customers.

## Conclusions

The introduction of e-Lotto represent a significant shift in the operation of the Philippine Charity Sweepstakes Office. It signifies the agency's adaptation to technological advancement and digitalization. Based on the key areas explored in this study the following conclusion can be drawn.

1. Revenue Impact – the revenue generation of PCSO impacted by the introduction of E-Lotto. It offers a more accessible and convenient way platform to purchase lottery tickets. It helped PCSO expand its customer base, tapping into broader demographics. However, the data shows that it did not entirely replace the traditional sales. Some still opt to a traditional lotto outlet as they prefer to have a physical ticket.
2. Enhanced Accessibility – one of the significant benefits of E-Lotto is its ability to make buying lottery tickets more accessible, particularly in the National Capital Region. However, there are also some concerns about inclusivity. Certain segments of the population still prefer to buy lottery tickets the traditional way due to unavailability of internet connections or gadgets and also the elderly. The digitalization could limit
3. Policy and Regulatory Adjustments- The introduction of E-Lotto has revealed several regulatory and policy considerations that need to be addressed to ensure the smooth operation and expansion of digital lottery services. First, there is a need for clear legal frameworks that regulate online gambling activities, protecting both consumers and the agency from legal uncertainties. Second, policies must ensure that all regions, including rural areas and underserved populations, have equitable access to lottery services, whether through digital platforms or traditional means. Additionally, the shift to digital transactions has created a need for regulatory oversight to ensure responsible gaming practices, including mechanisms to prevent gambling addiction and financial abuse. E-Lotto's convenience could inadvertently increase impulsive or addictive behaviors, which must be mitigated through responsible gaming policies, awareness campaigns, and restrictions where necessary.
4. Targeting the Untapped Market- It would appear, that advertising and marketing e-Lotto can and does have an impact to all lottery games even if it is merely a recall of the advertisement. From the data presented, there is evidence that marketing the e-lotto may also impact on player behavior specially amongst those using the internet platform. The demographics of lotto patrons belongs to the working class and not majority were tech savvy. Those introduced to technology were also the younger generation and may also be subject of the marketing efforts of PCSO which may be converted to buying lotto tickets.

## Recommendations

E-Lotto has provided significant benefits to PCSO in terms of revenue growth, operational efficiency, and consumer trust, particularly in the technologically advanced region of NCR. While the platform has modernized PCSO's services and made lottery participation more convenient, there are still challenges to be addressed, particularly regarding inclusivity, regulatory oversight, and security. The findings of this study suggest that E-Lotto should continue to be developed and optimized for nationwide rollout, with a focus on closing the digital divide and ensuring that all sectors of society benefit from this innovation. Moreover, the lessons learned from the NCR experience can serve as a blueprint for other regions, allowing PCSO to modernize its operations while staying true to its mission of supporting charitable causes across the Philippines.

With the suspension of the e-lotto application, PCSO in the move to digitalization of the lottery system and its operations should consider future application or games that can be available in the web or mobile like the e-Lotto. The most successful trend for all consumer products is the use of technology and internet to market globally. Other entities already utilize this platforms to operate online games. Hence, PCSO must also make available its gaming products to the internet or mobile applications. PCSO should consider taking advantage of this development and stake out an enduring competitive advantage.

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- Philippine Amusement and Gaming Corporation (PAGCOR) - (link unavailable) - PAGCOR is a government-owned corporation that regulates and operates gaming activities in the Philippines, including online lotteries.