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## WHY DO PEOPLE TEND TO BUY LOTTERY PRODUCTS? AN EMPIRICAL STUDY ON DEMAND FOR LOTTERY PRODUCTS IN SRI LANKA

### Abstract

Gambling has been part of human history since its beginning and different types of lottery gambling were recorded in the ancient period. Lotteries are now a big business, involving in more than half of the world countries. In the sense of economics, demand for lottery is illogical and irrational when comparing the probability of winning and low payout ratio. This paradoxical situation raises the question that why do people buy lotteries? This study focuses to examine the factors that help to explain the purchasing behavior of lottery buyers. A sample of 100 lottery buyers was selected for the study using purposive sampling technique. Data were collected through a sample survey of lottery buyers in Anuradhapura district using a semi structured questionnaire. Data analysis consists of descriptive statistical techniques, correlation, linear regression, ANOVA and Chi-Square tests. Results of the study revealed that psychological and demographical factors of lottery buyers influence on creating demand for lottery products. Further, significant and inverse relationships showed between education level of people with demand for the lottery products.

### Keywords:

Lottery Products, Lottery buyers, Demand for lottery

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