

# 2008 Fantasy Sport Industry Consumer Behavior Report

2009 FSTA Winter Business Conference  
St Pete Beach, FL

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The University of Mississippi

Tuesday January 27th

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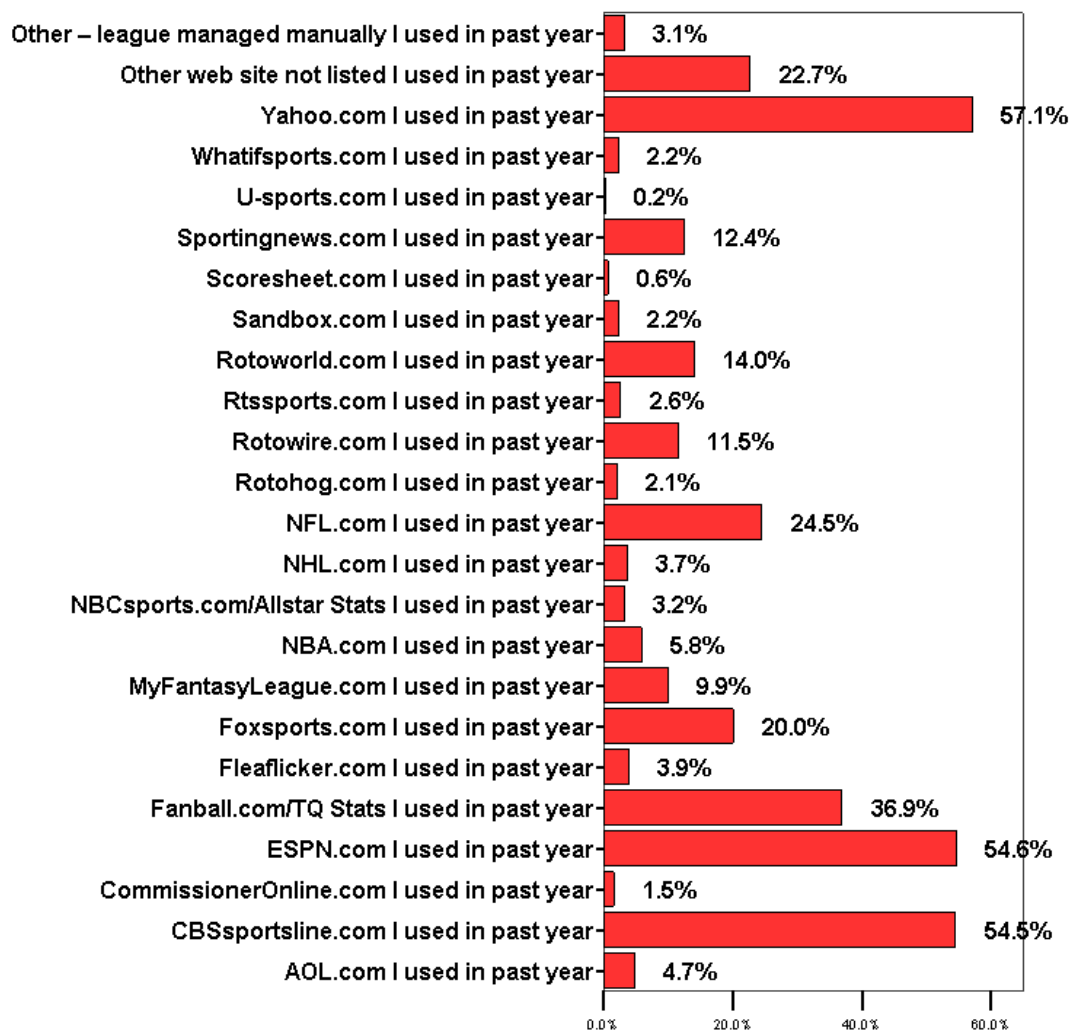
# In This Report

- **The Economy:** What do consumers say about how the economy will effect their fantasy sport participation in 2009?
- **Economics:** How do fantasy sport consumers pay-2-play Fantasy Football?
- **Social Networks:** What do we know?
- **Trends:** Demograhics

# Methods

- Surveys were administered to subjects chosen randomly from customer lists of eleven FSTA constituents from September 2008 through January 2009 (data is continually collected through July 2009).
- There were a total of 2550 random surveys mailed or emailed; the 1068 usable surveys represent a return rate of 42% (N=2200). The sample was tested for reliability and validity. Confidence Interval =  $\pm 3\%$ . Confidence Level = 95%.
- An online web-based survey is currently operational on several member sites and is not included in the random survey presented herein.

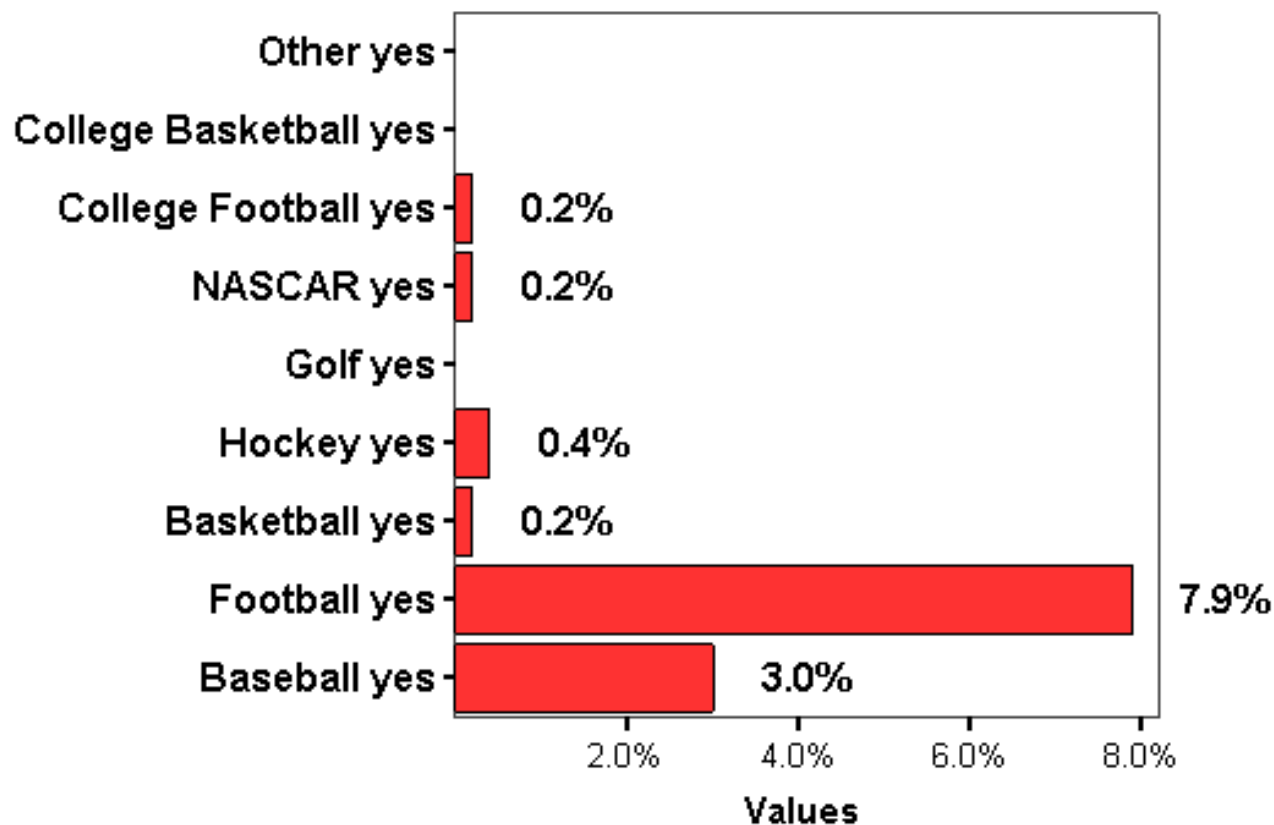
# How representative is this sample?



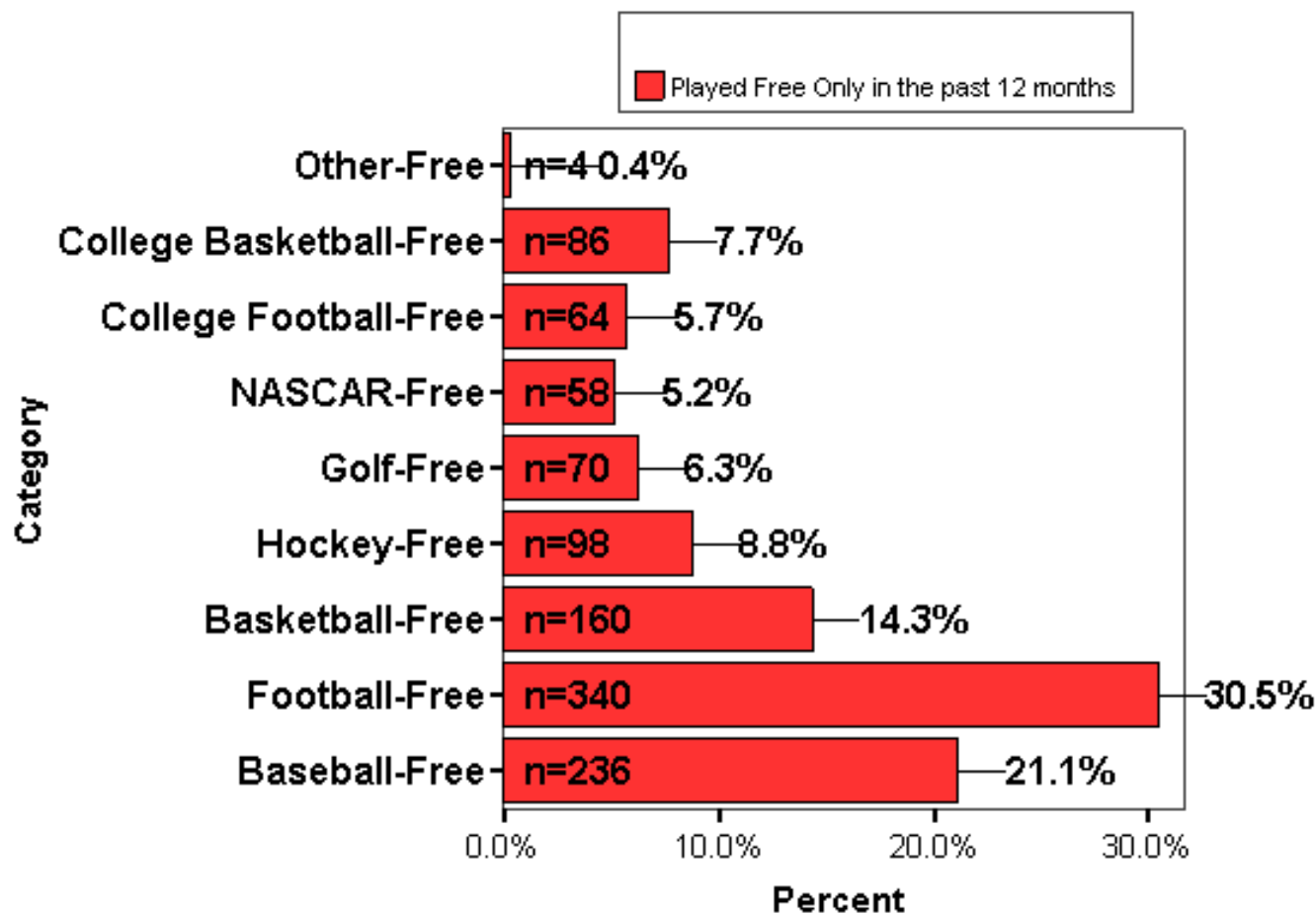
|                           |                     | Count | Column Total N % |
|---------------------------|---------------------|-------|------------------|
| AOL.com                   | I used in past year | 50    | 4.7%             |
| CBSsportsline.com         | I used in past year | 582   | 54.5%            |
| CommissionerOnline.       | I used in past year | 16    | 1.5%             |
| ESPN.com                  | I used in past year | 583   | 54.6%            |
| Fanball.com/TQ Stats      | I used in past year | 394   | 36.9%            |
| Fleaflicker.com           | I used in past year | 42    | 3.9%             |
| Foxsports.com             | I used in past year | 214   | 20.0%            |
| MyFantasyLeague.com       | I used in past year | 106   | 9.9%             |
| NBA.com                   | I used in past year | 62    | 5.8%             |
| NBCsports.com/Allstar     | I used in past year | 34    | 3.2%             |
| NHL.com                   | I used in past year | 40    | 3.7%             |
| NFL.com                   | I used in past year | 262   | 24.5%            |
| Rotohog.com               | I used in past year | 22    | 2.1%             |
| Rotowire.com              | I used in past year | 123   | 11.5%            |
| Rtssports.com             | I used in past year | 28    | 2.6%             |
| Rotoworld.com             | I used in past year | 150   | 14.0%            |
| Sandbox.com               | I used in past year | 24    | 2.2%             |
| Scoresheet.com            | I used in past year | 6     | .6%              |
| Sportingnews.com          | I used in past year | 132   | 12.4%            |
| U-sports.com              | I used in past year | 2     | .2%              |
| Whatifsports.com          | I used in past year | 24    | 2.2%             |
| Yahoo.com                 | I used in past year | 610   | 57.1%            |
| Other web site not listed | I used in past year | 242   | 22.7%            |
| Other – league managed    | I used in past year | 33    | 3.1%             |

# ***The Yahoo Consumer-*** Based on FS consumers represented by FSTA Constituency

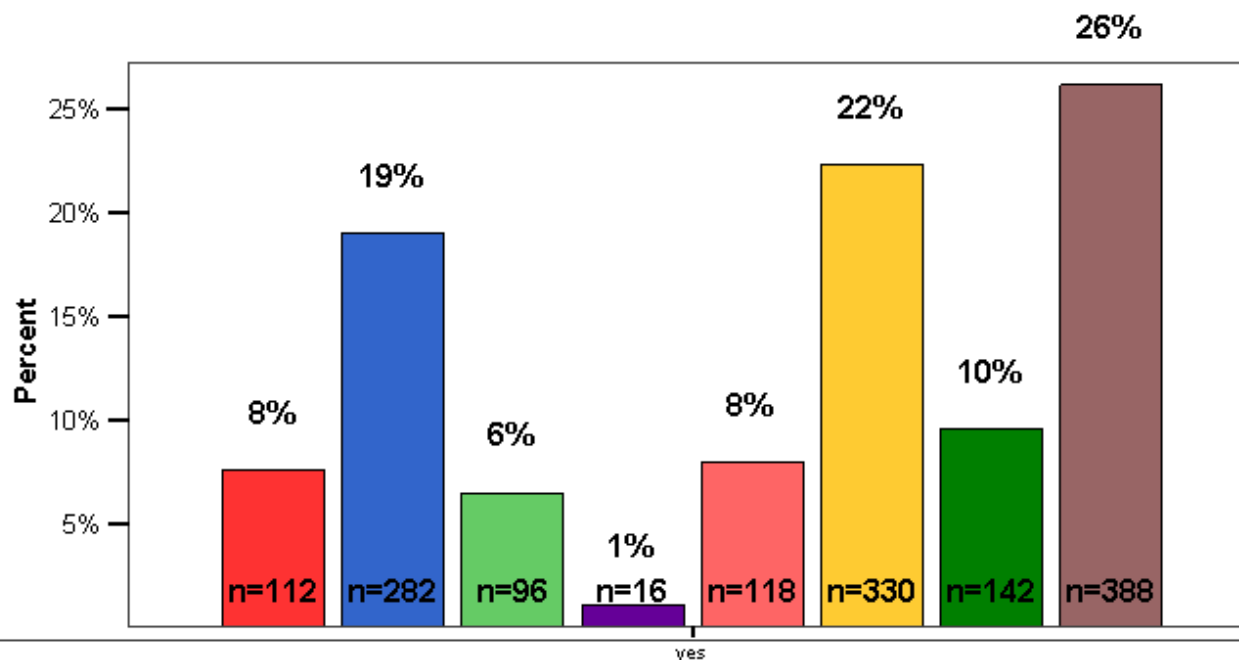
Pay-2-Play in past 12 months



## *The Yahoo Consumer-* Based on FS consumers represented by FSTA Constituency



# Yahoo Consumers



**Category**

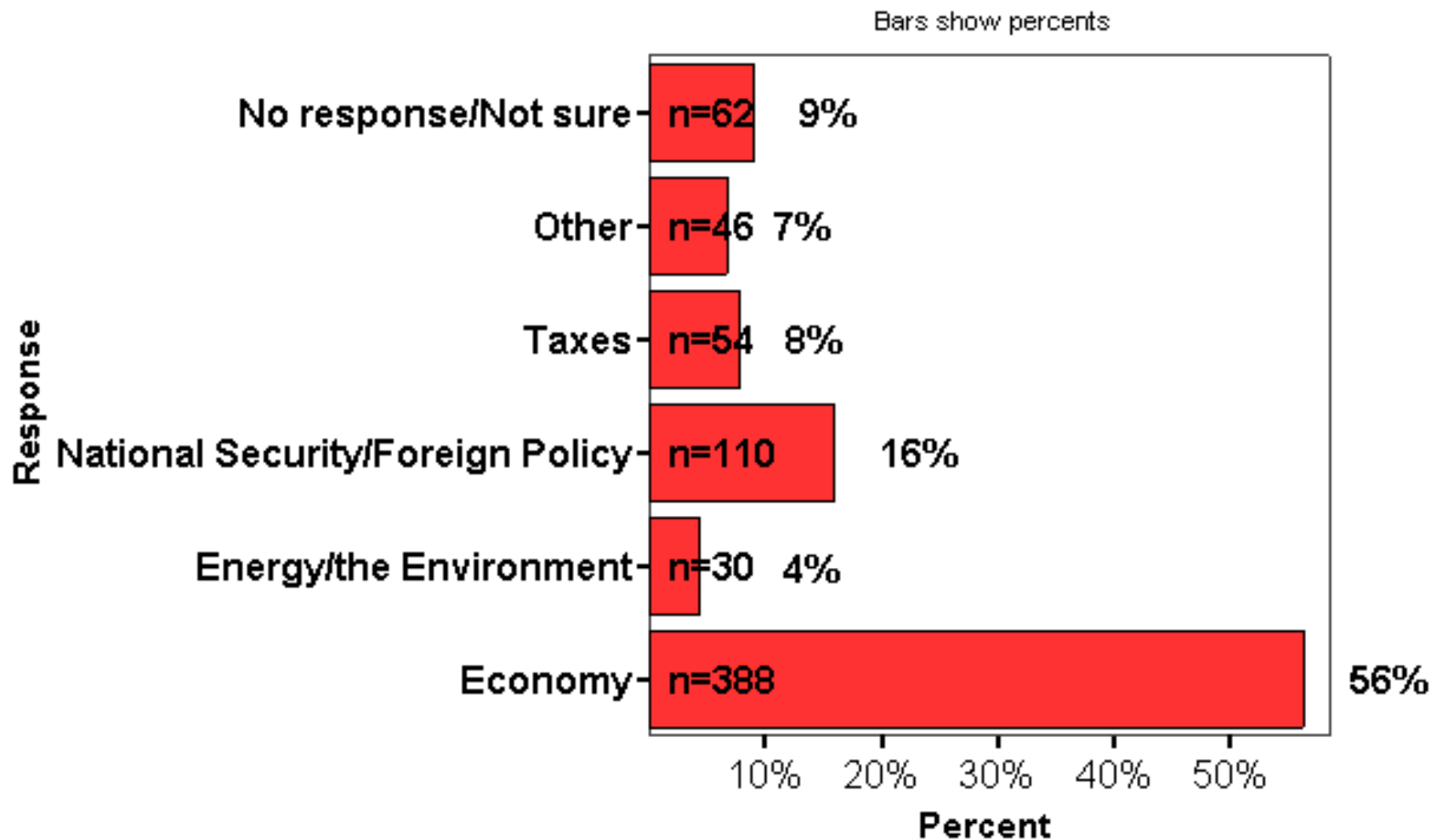
- I use my Yahoo teams as practice for my other leagues
- I play in a "friends-only" Yahoo league.
- I use Yahoo leagues for Mock Drafts
- I use my Yahoo leagues to keep up with family members
- I use Yahoo leagues to socialize with friends
- I use Yahoo leagues because they are free
- I started playing fantasy sports using Yahoo
- I plan on using Yahoo next year to play fantasy sports

# In An Uncertain Economy

## Fantasy Sport Growth And

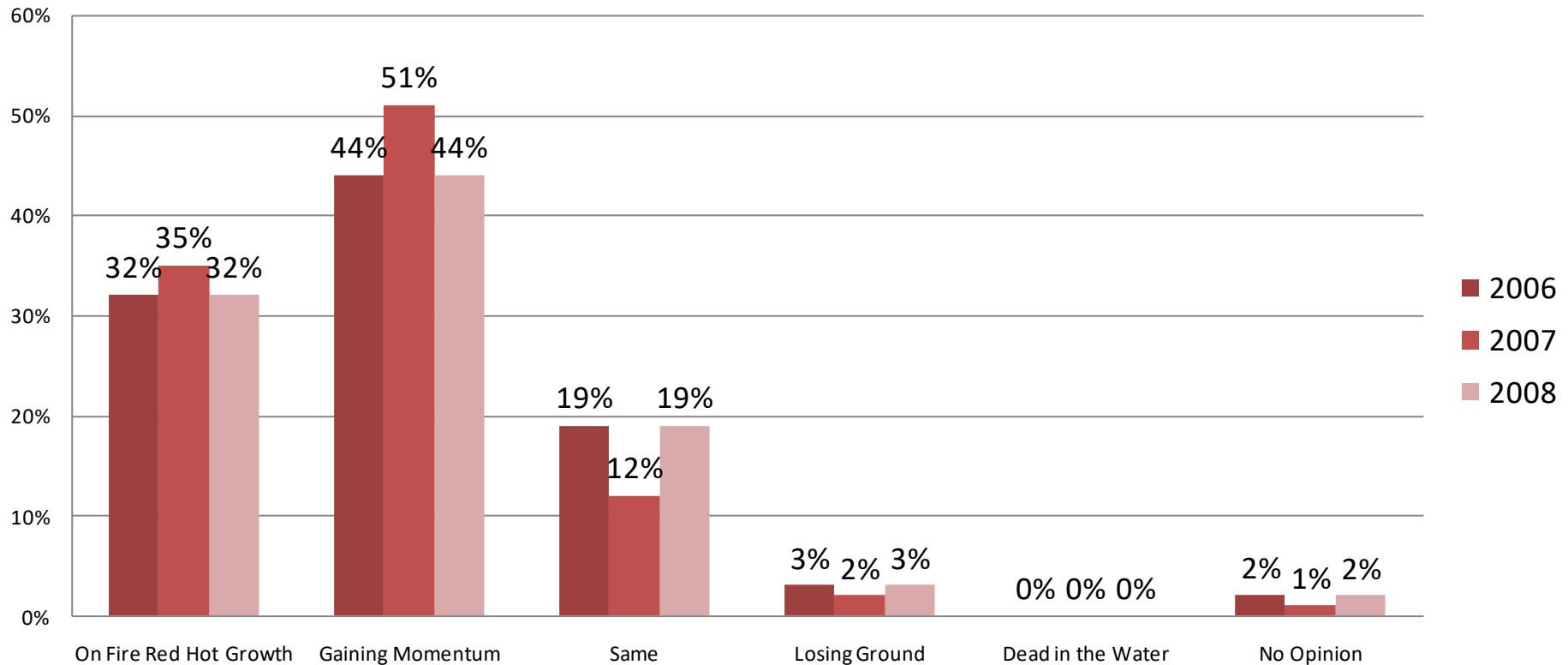
How the economy may effect the  
fantasy sport industry in 2009

# The Issues- FS Consumers Opinions



# Growth: Consumer Opinion

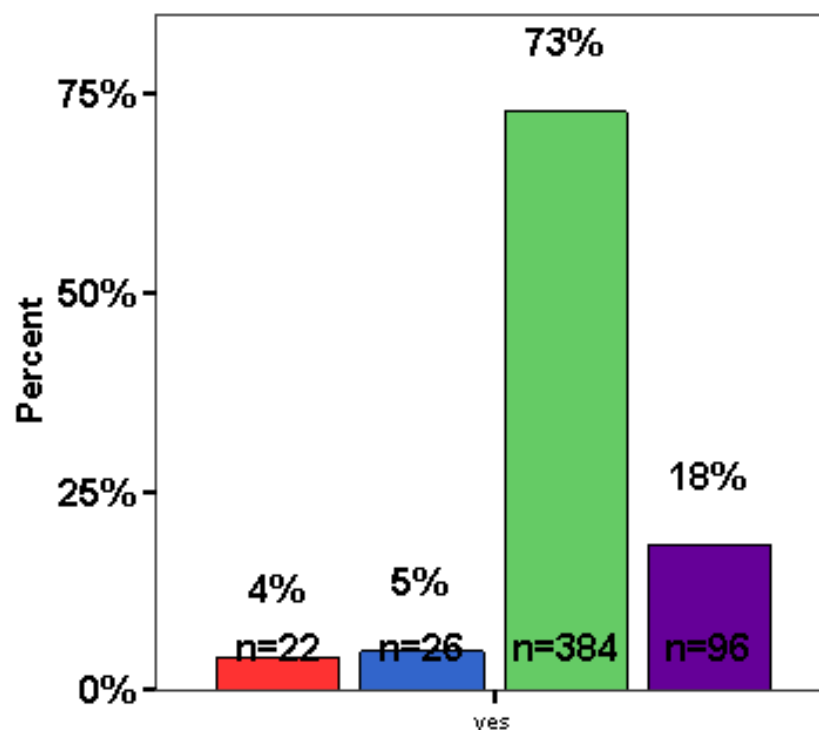
Chart Title



# Free-only participation

## Category

- I will not play next year because of the economy - Free-only fantasy sport contests
- I will play FEWER fantasy sport contests next year because of the economy - Free-only fantasy sport contests
- I will play the SAME # fantasy sport contests next year because of the economy - Free-only fantasy sport contests
- I will play MORE fantasy sport contests next year because of the economy - Free-only fantasy sport contests



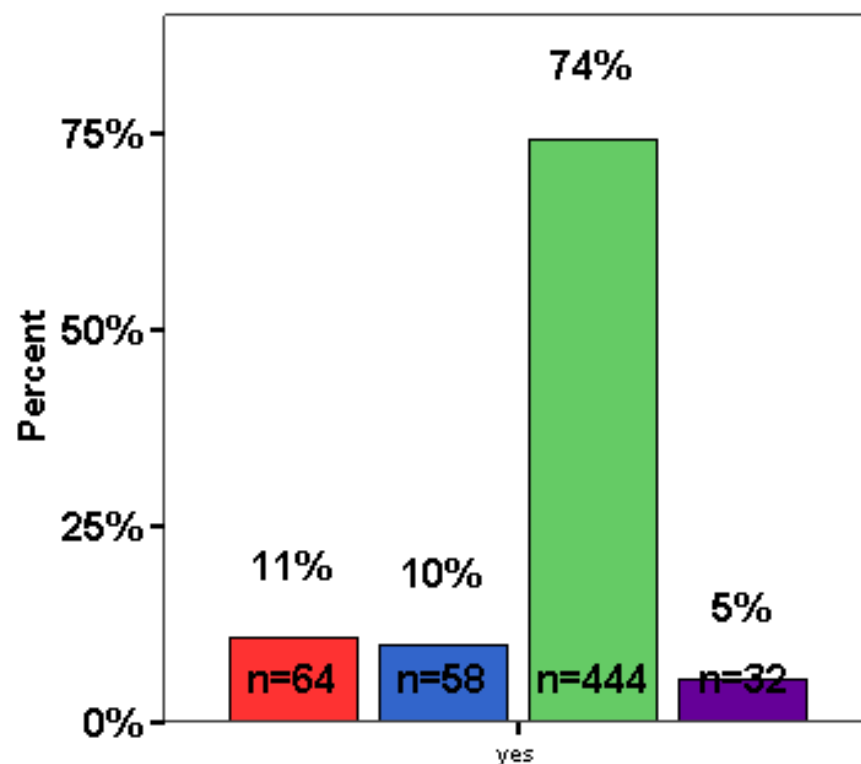
Bars show percents

Indication for Free-only participation

## Pay-2-Play Only

### Category

- I will not play next year because of the economy - Pay-2-Play fantasy sport contests
- I will play FEWER fantasy sport contests next year because of the economy - Pay-2-Play fantasy sport contests
- I will play the SAME # fantasy sport contests next year because of the economy - Pay-2-Play fantasy sport contests
- I will play MORE fantasy sport contests next year because of the economy - Pay-2-Play fantasy sport contests



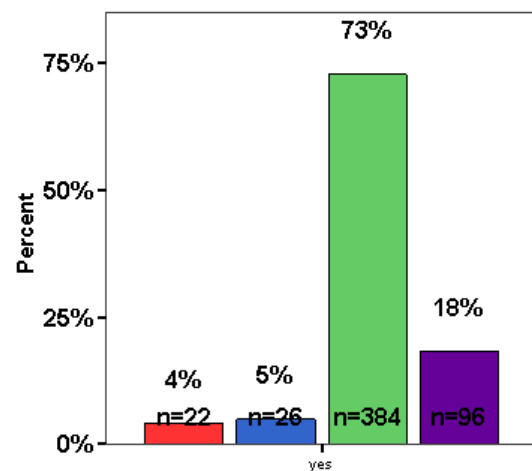
Bars show percents

Pay-2-Play only

## Free

### Category

- I will not play next year because of the economy - Free-only fantasy sport contests
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- I will play MORE fantasy sport contests next year because of the economy - Free-only fantasy sport contests



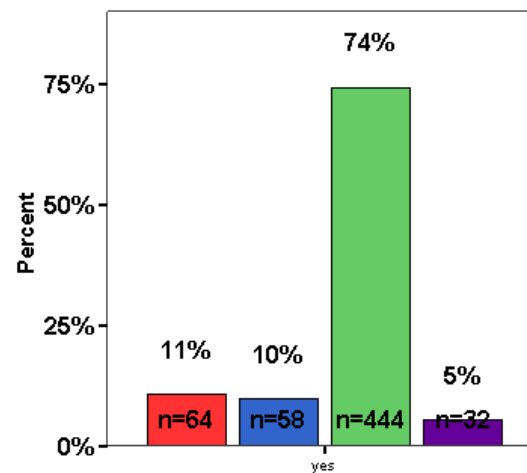
Bars show percents

Indication for Free-only participation

## Pay 2 play

### Category

- I will not play next year because of the economy - Pay-2-Play fantasy sport contests
- I will play FEWER fantasy sport contests next year because of the economy - Pay-2-Play fantasy sport contests
- I will play the SAME # fantasy sport contests next year because of the economy - Pay-2-Play fantasy sport contests
- I will play MORE fantasy sport contests next year because of the economy - Pay-2-Play fantasy sport contests

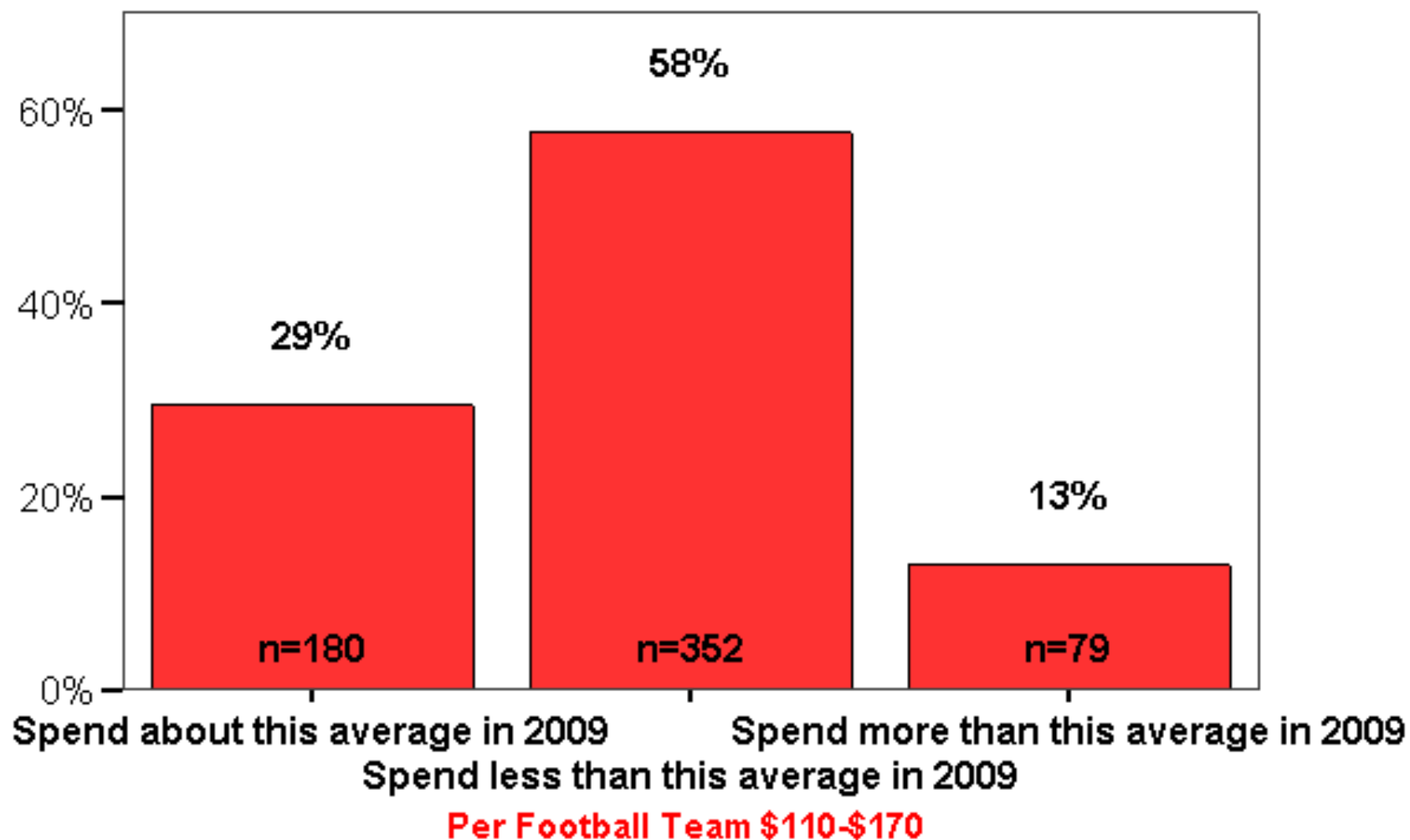


Bars show percents

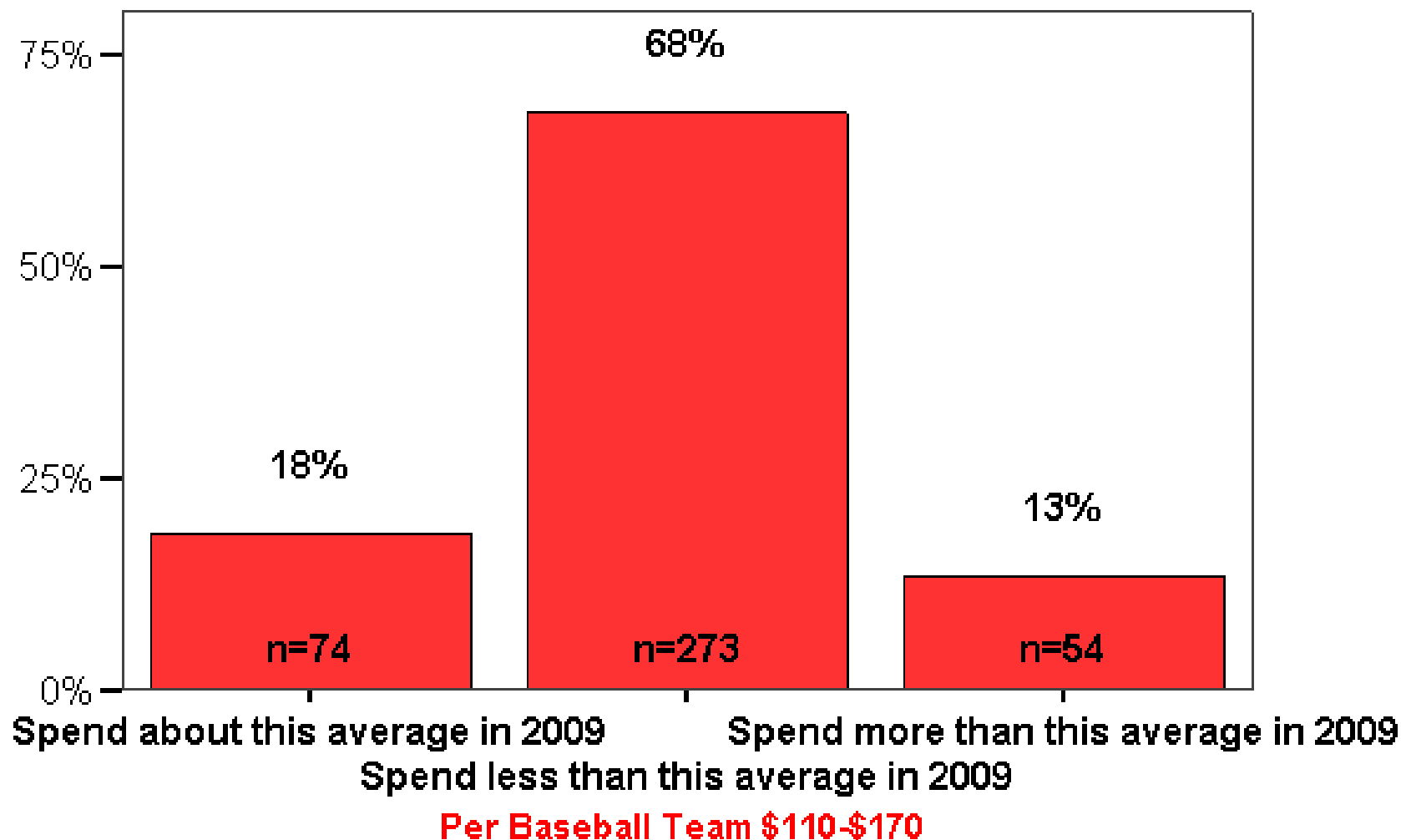
Pay-2-Play only

# Pay-2-Play

Bars show percents

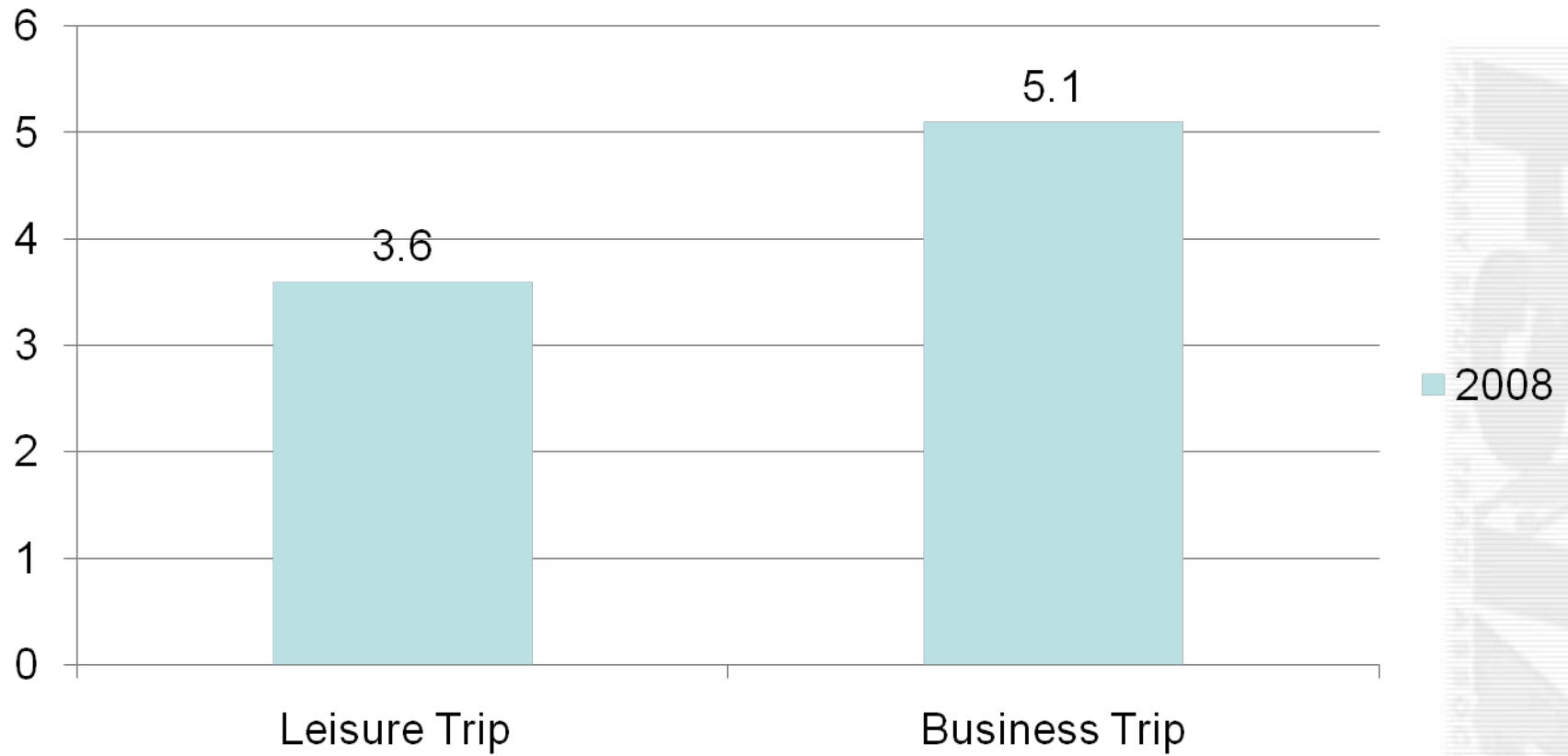


Bars show percents



# of trips the past 12 months at least 50 miles away from home  
one-way and/or a trip that included an overnight stay

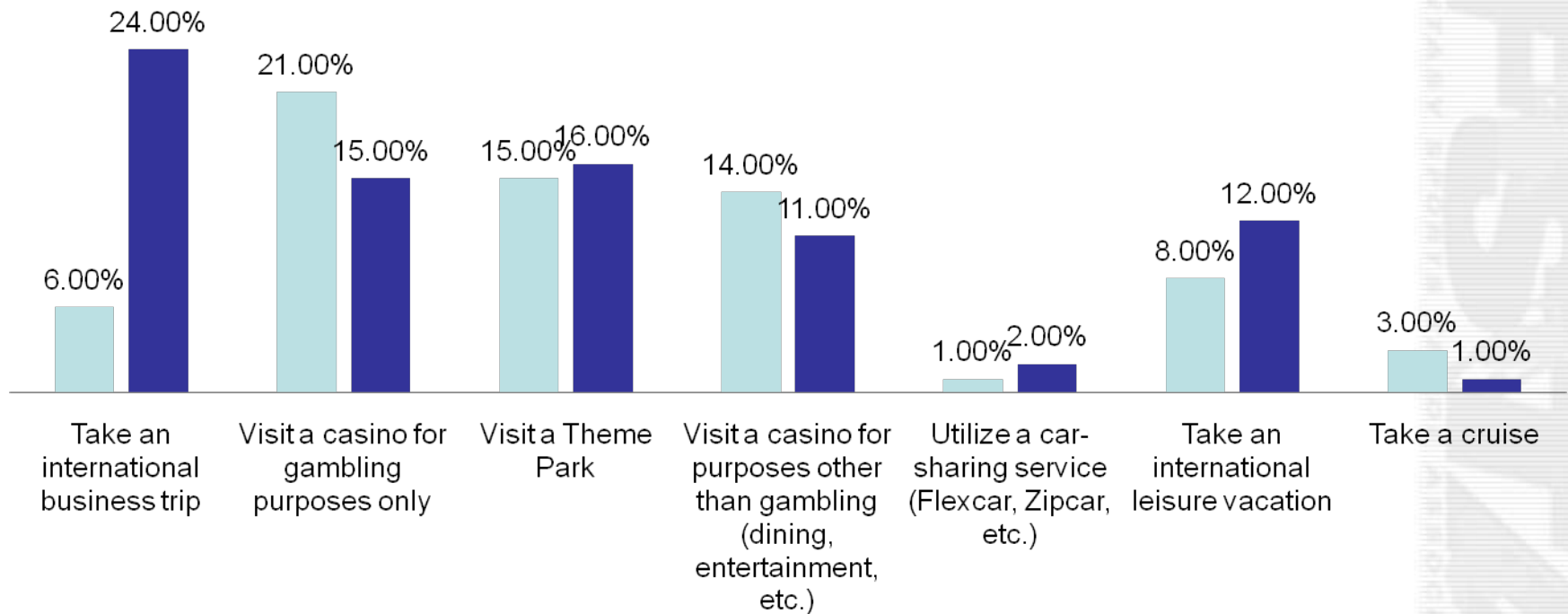
**2008**



# Travel and Leisure Behavior

## Chart Title

■ Did within past 12 months    ■ Plan to do in next 12 months



# Analysis- Based on Economy

- 91% of free players will play the same or more.
- 79% of pay-2-play will play same or more

# Economics

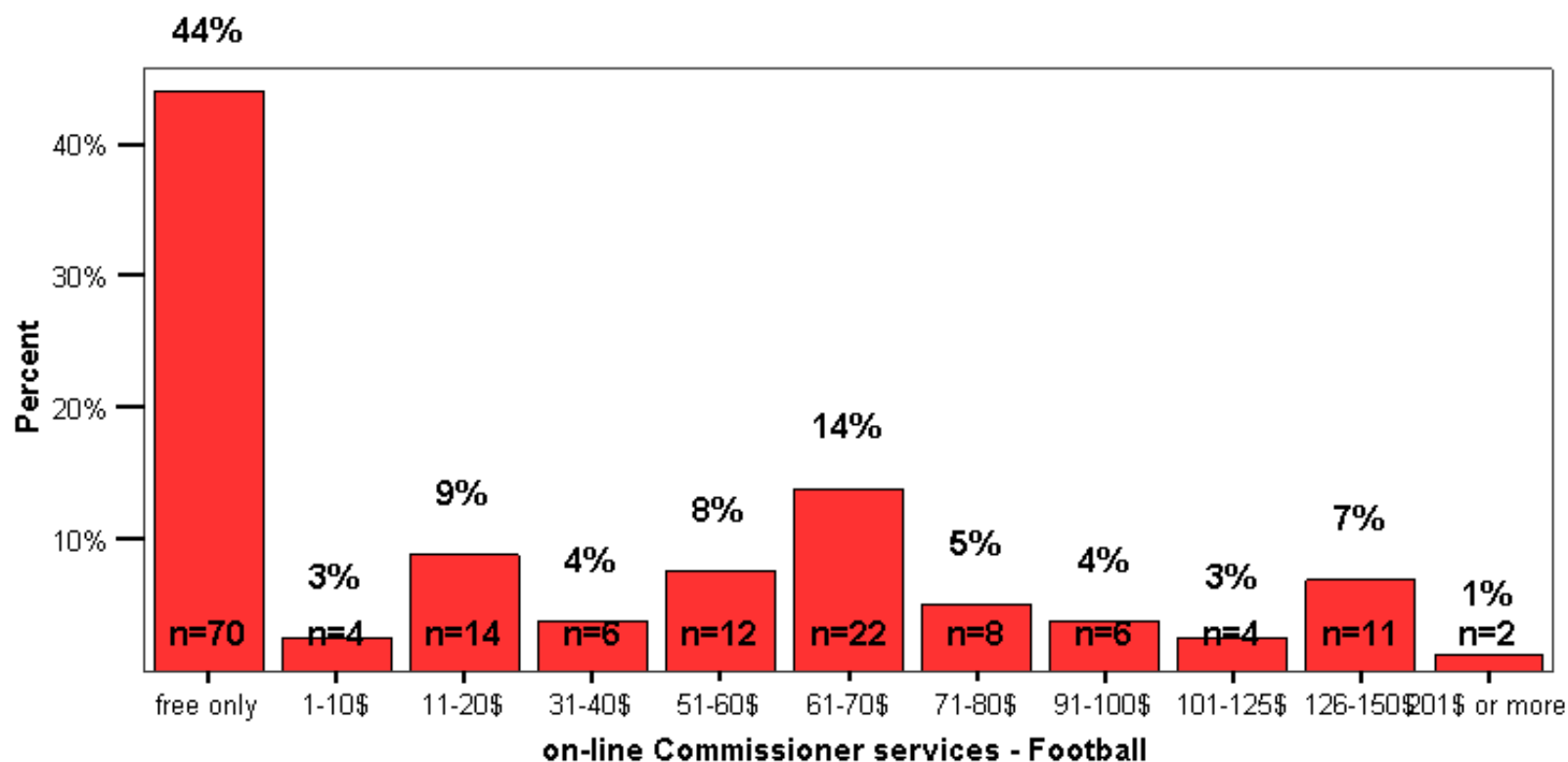
# Fantasy Football

- Indicate whether you purchased the following fantasy sport products or services the past year and approximately how much you spent. Please only consider products you personally purchased for the categories listed. Please only choose products you purchased for the fantasy sports you played the past year.

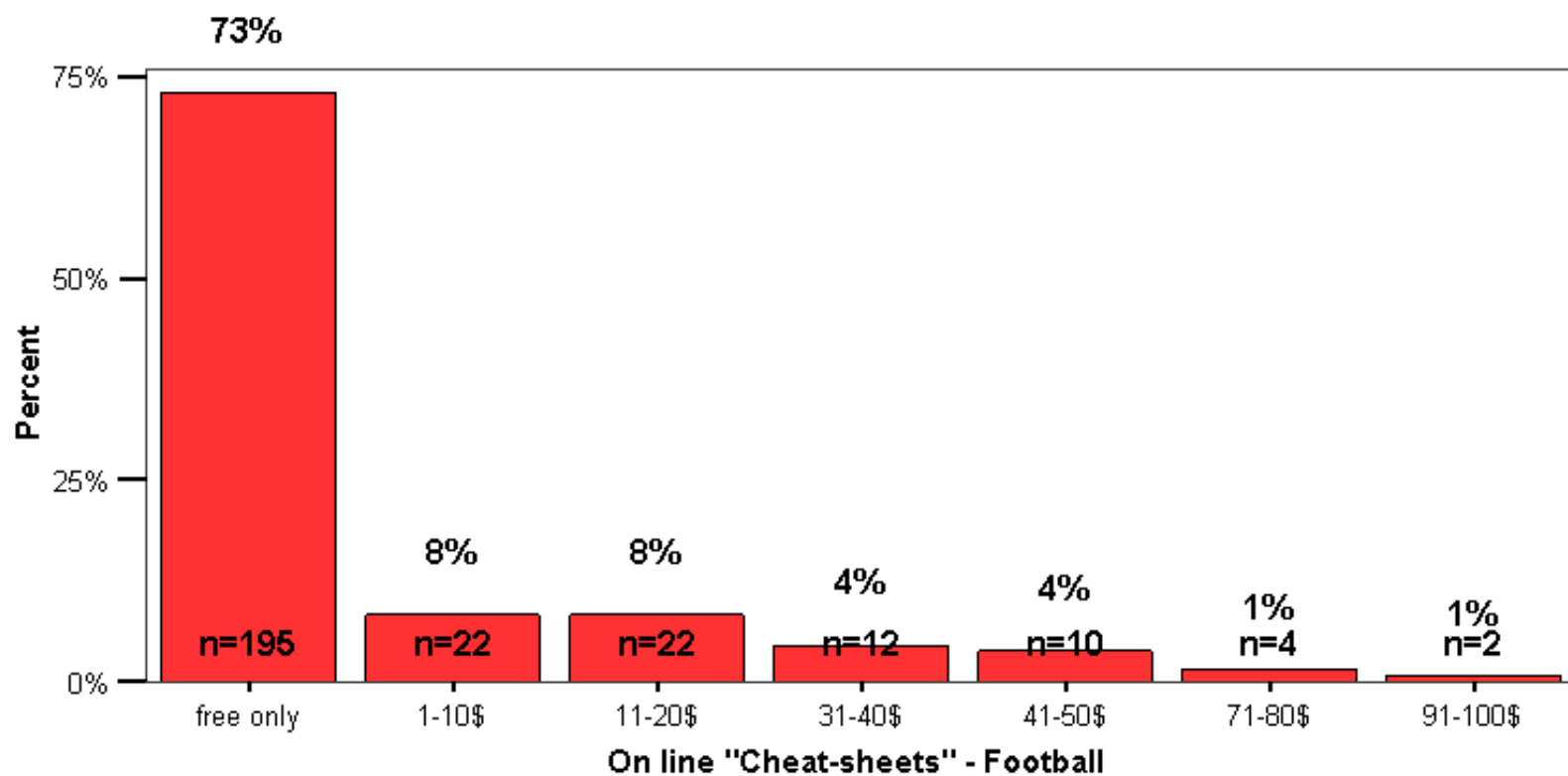
# Fantasy Football consumers who used...

|                                             | N   | Percent |
|---------------------------------------------|-----|---------|
| on-line Commissioner services - Football    | 159 | 14.9%   |
| On line "Cheat-sheets" - Football           | 267 | 25.0%   |
| Draft kits - Football                       | 154 | 14.4%   |
| Fantasy Sport Printed magazines - Football  | 286 | 26.8%   |
| Draft boards with labels - Football         | 143 | 13.4%   |
| Draft software (PC or web based) - Football | 114 | 10.7%   |
| Online premium web sites - Football         | 140 | 13.1%   |

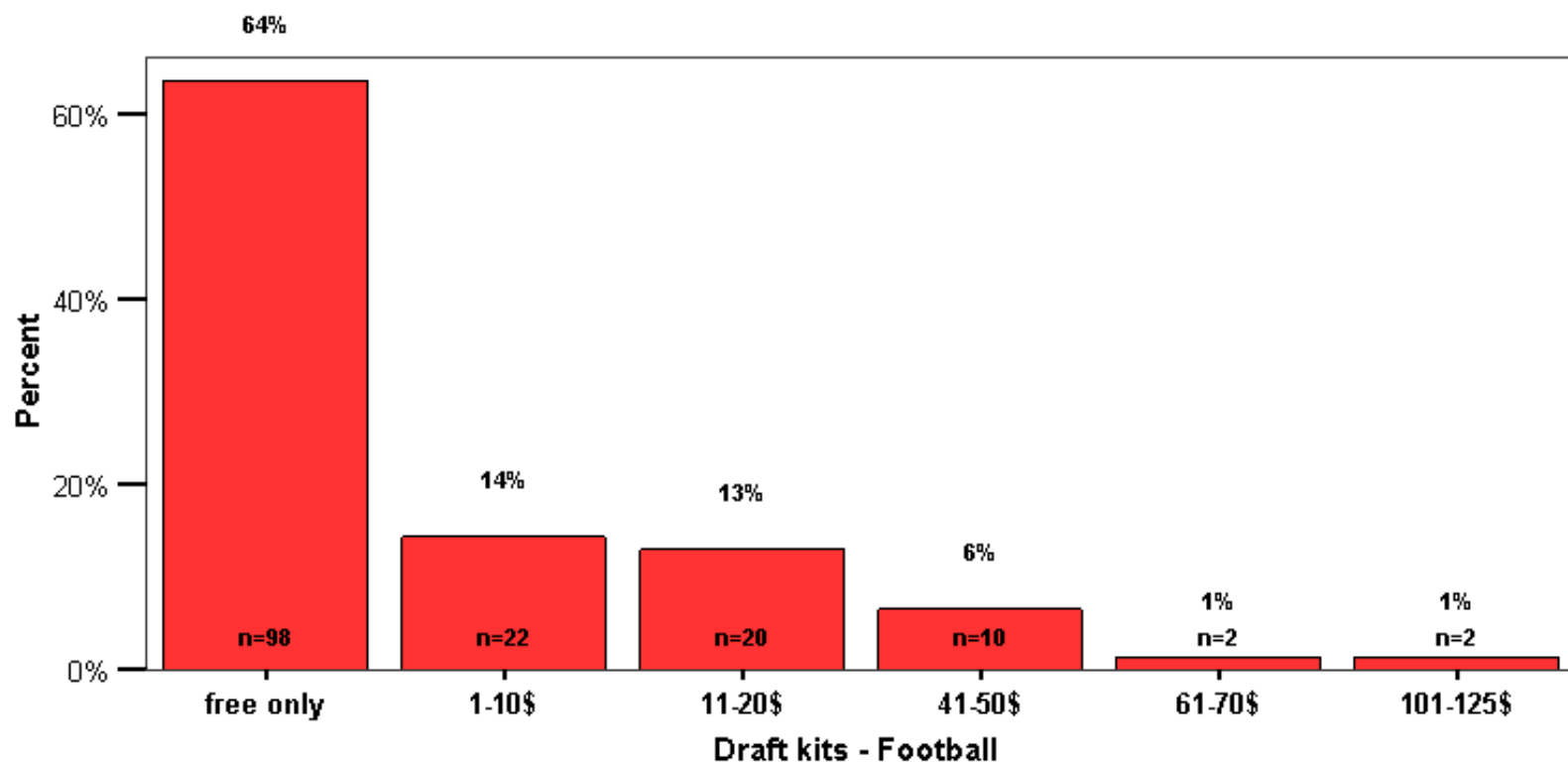
# Football- Online Commissioner Services



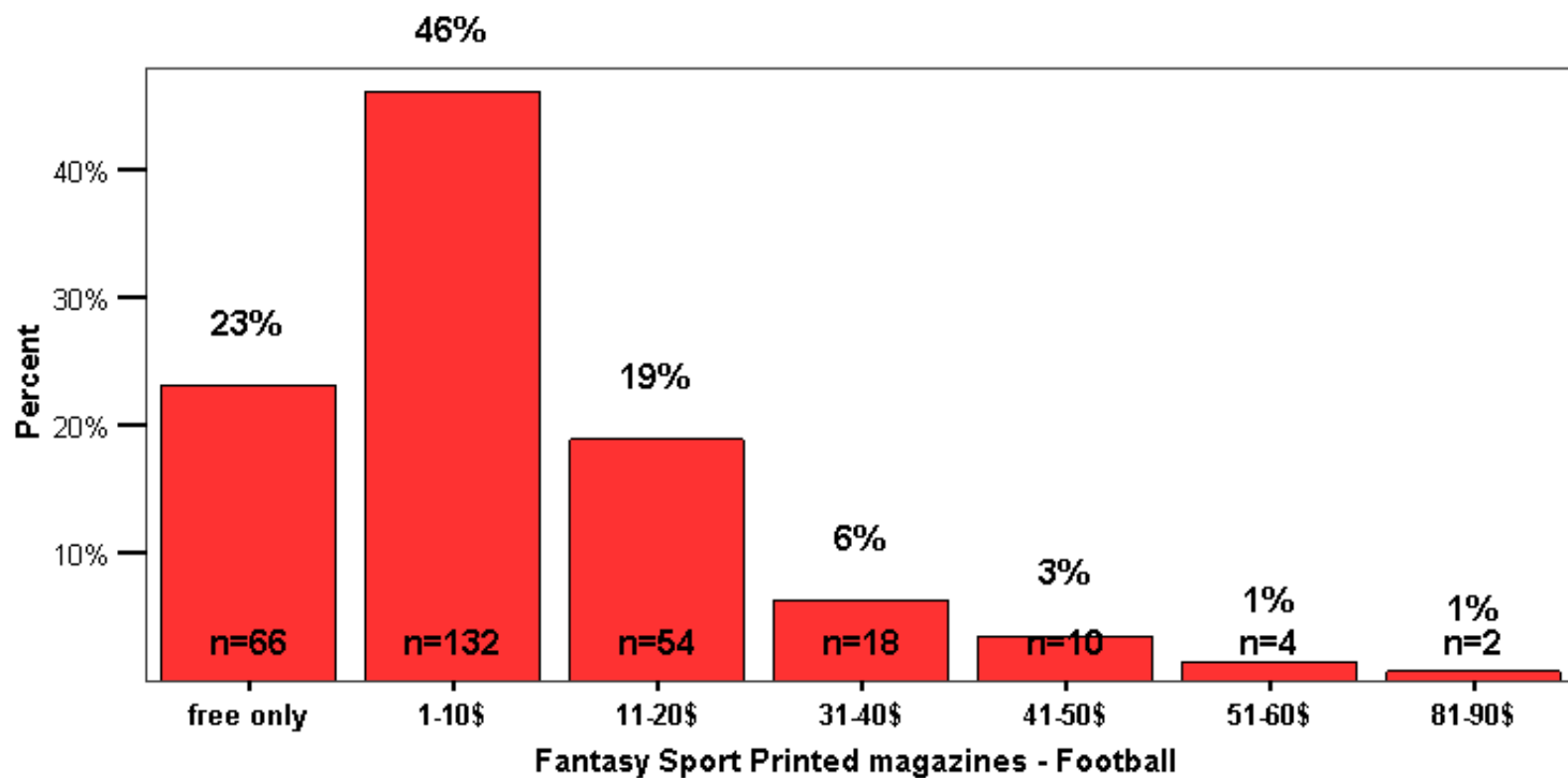
# Football-"Cheat-Sheets"



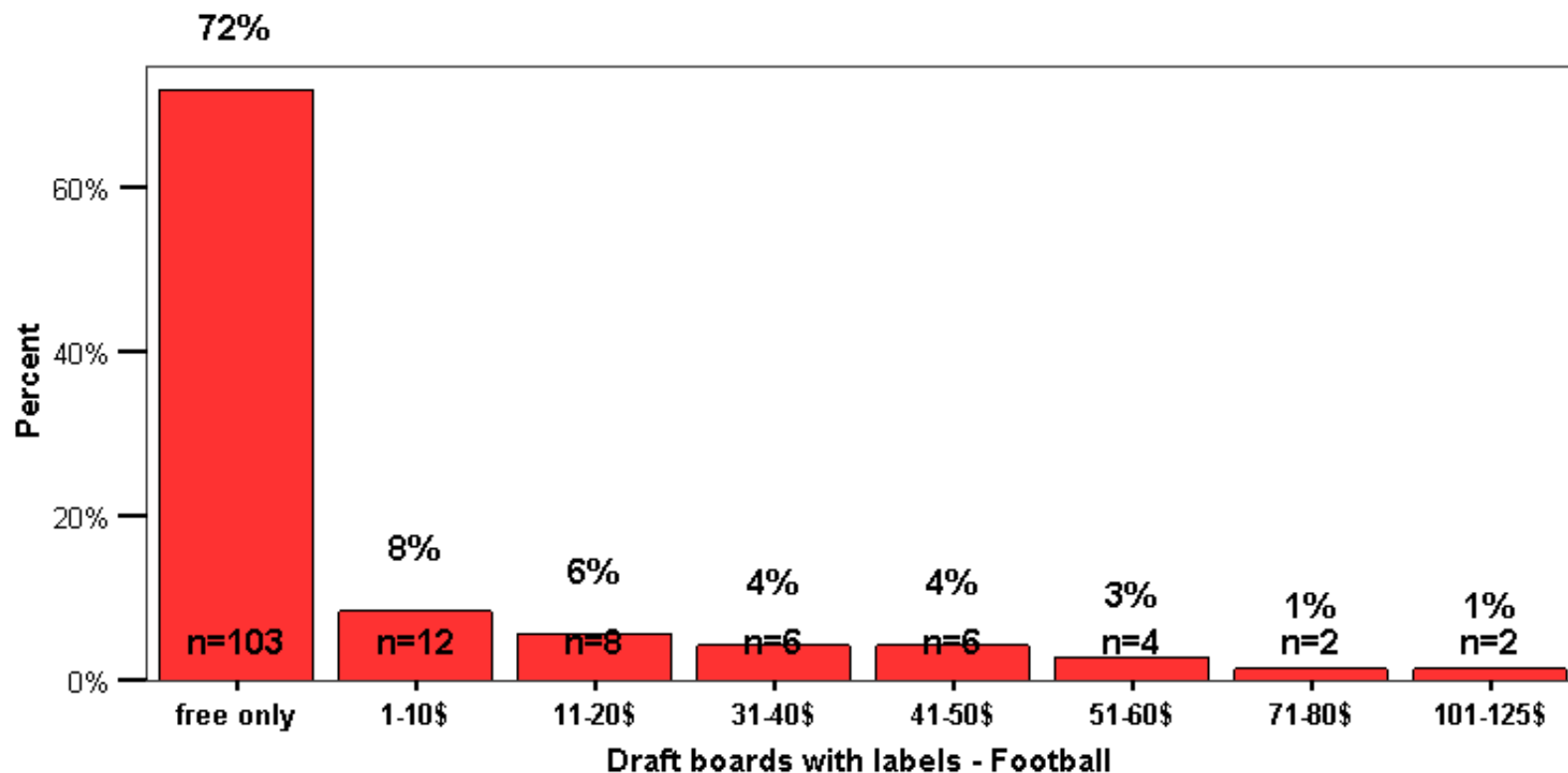
# Football-Draft Kits



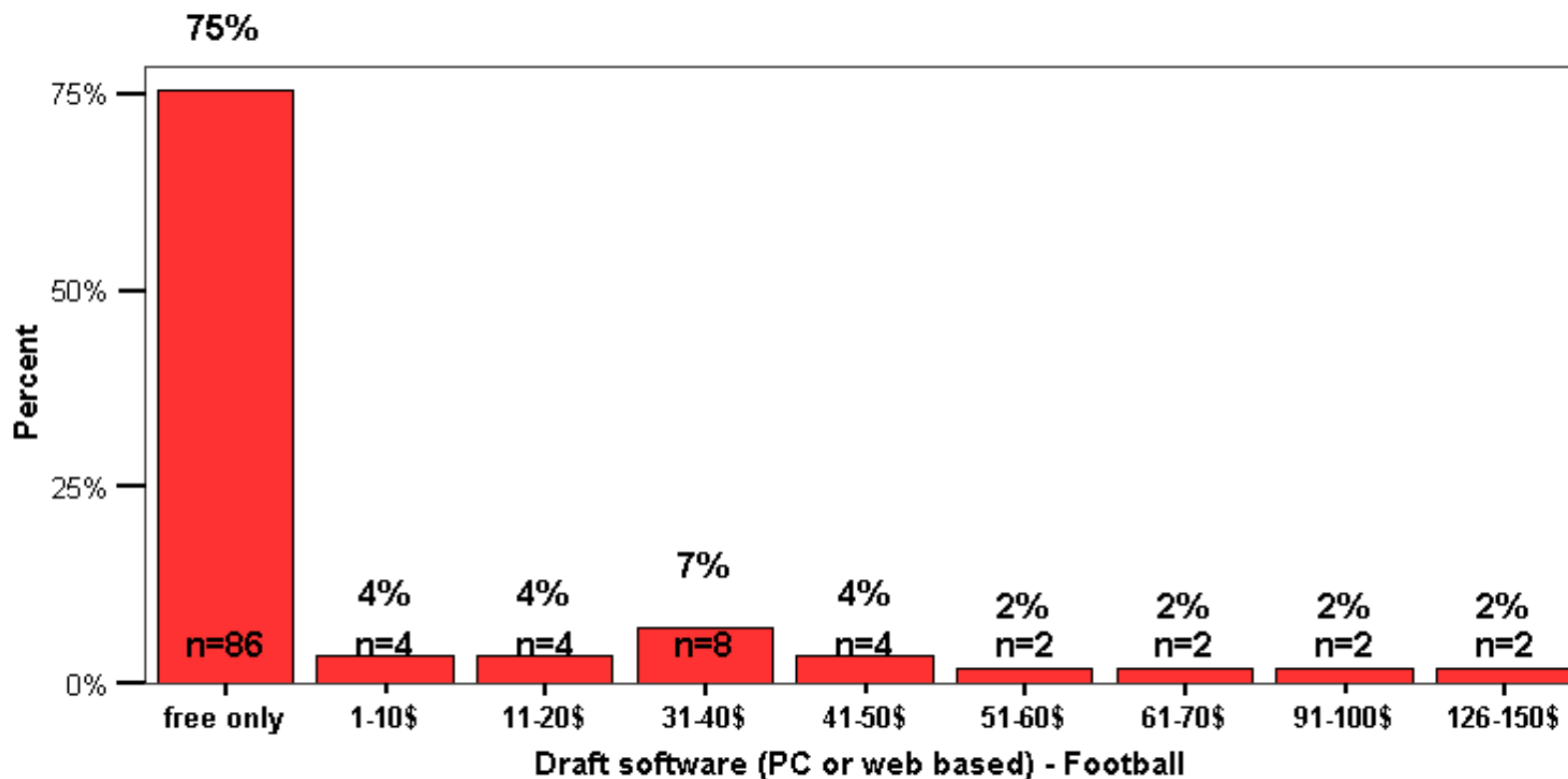
# Football-Print Magazines



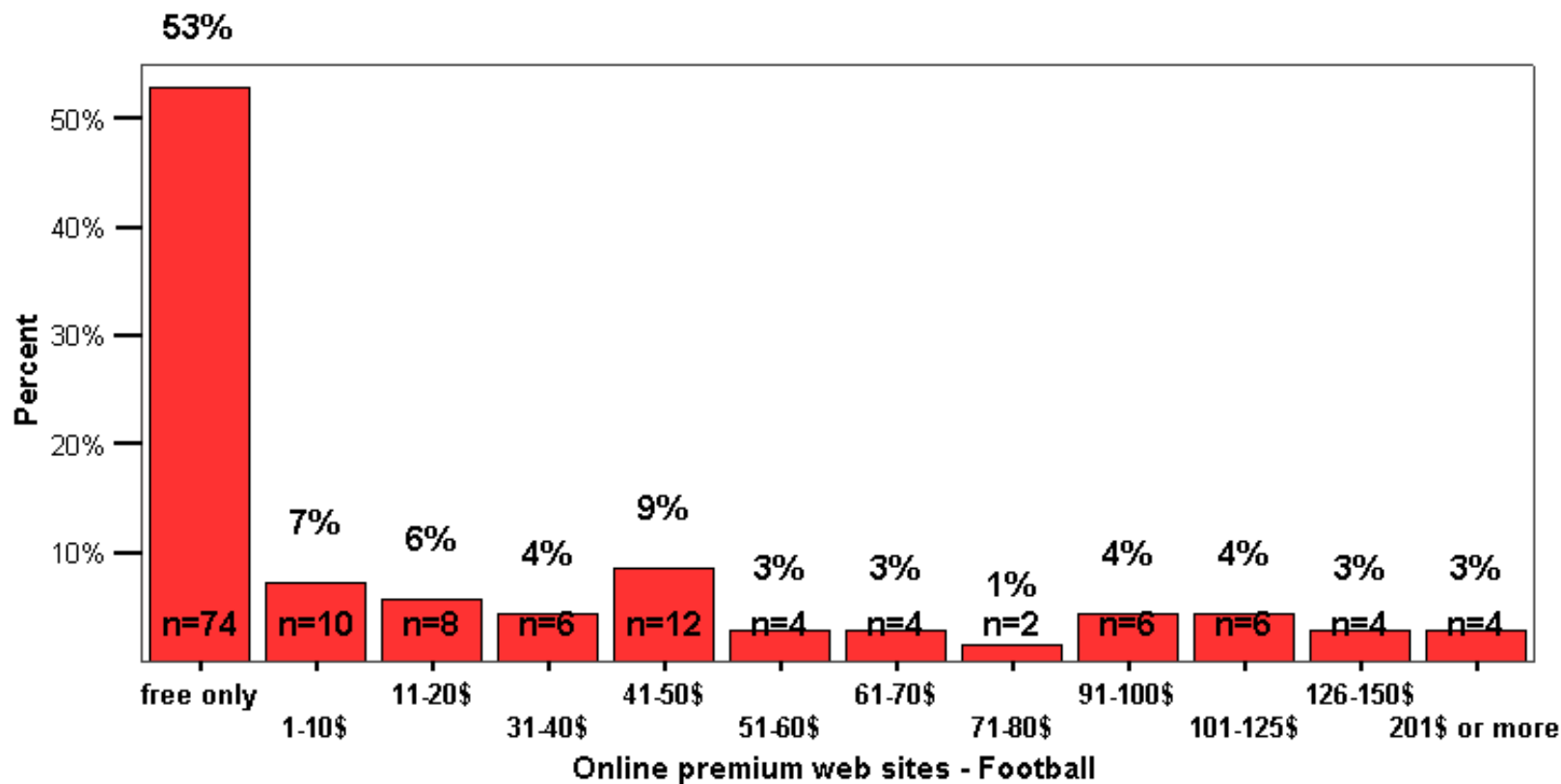
# Football- Draft Board W/Labels



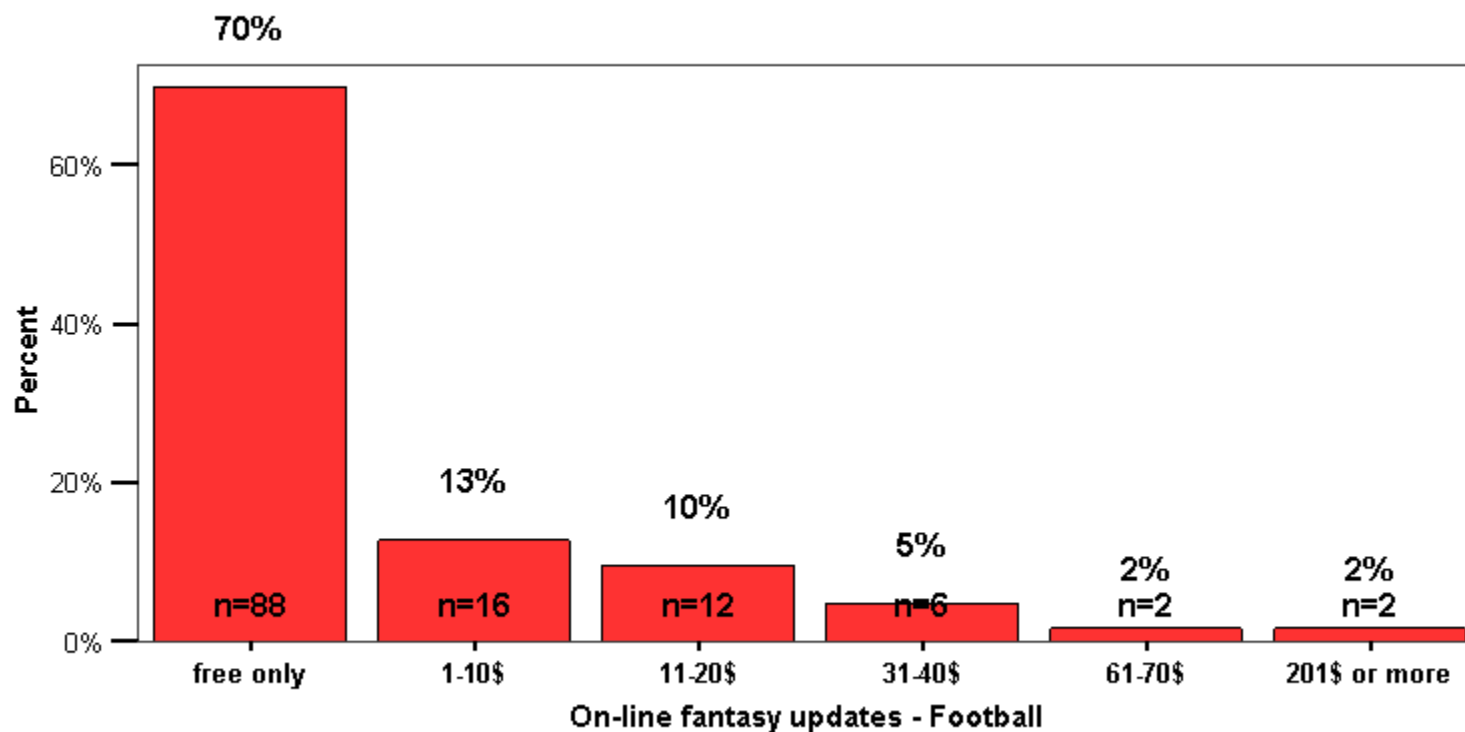
# Football- Draft Software



# Football- On-Line Premium Sites



# Football-On-line Updates



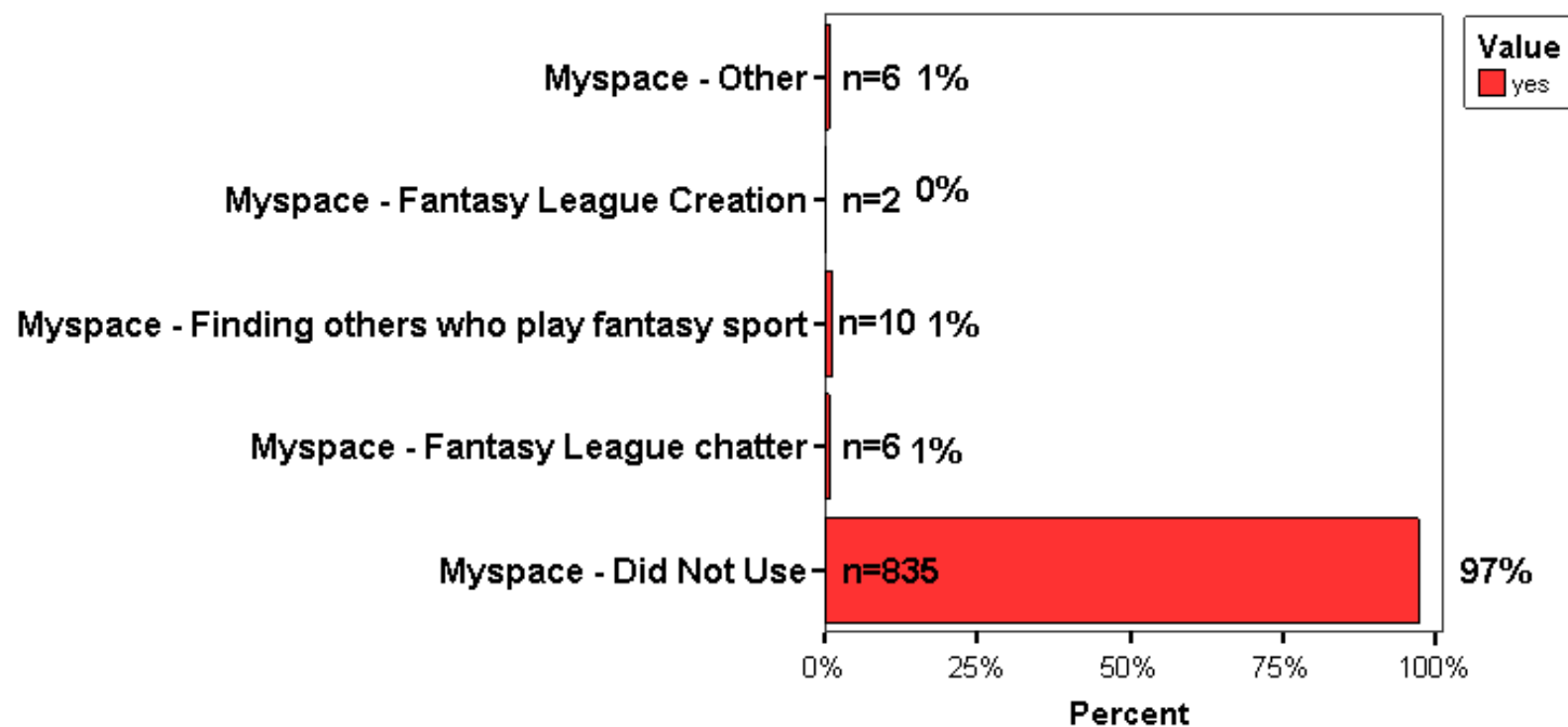
# New for 2008

## -Social Networks

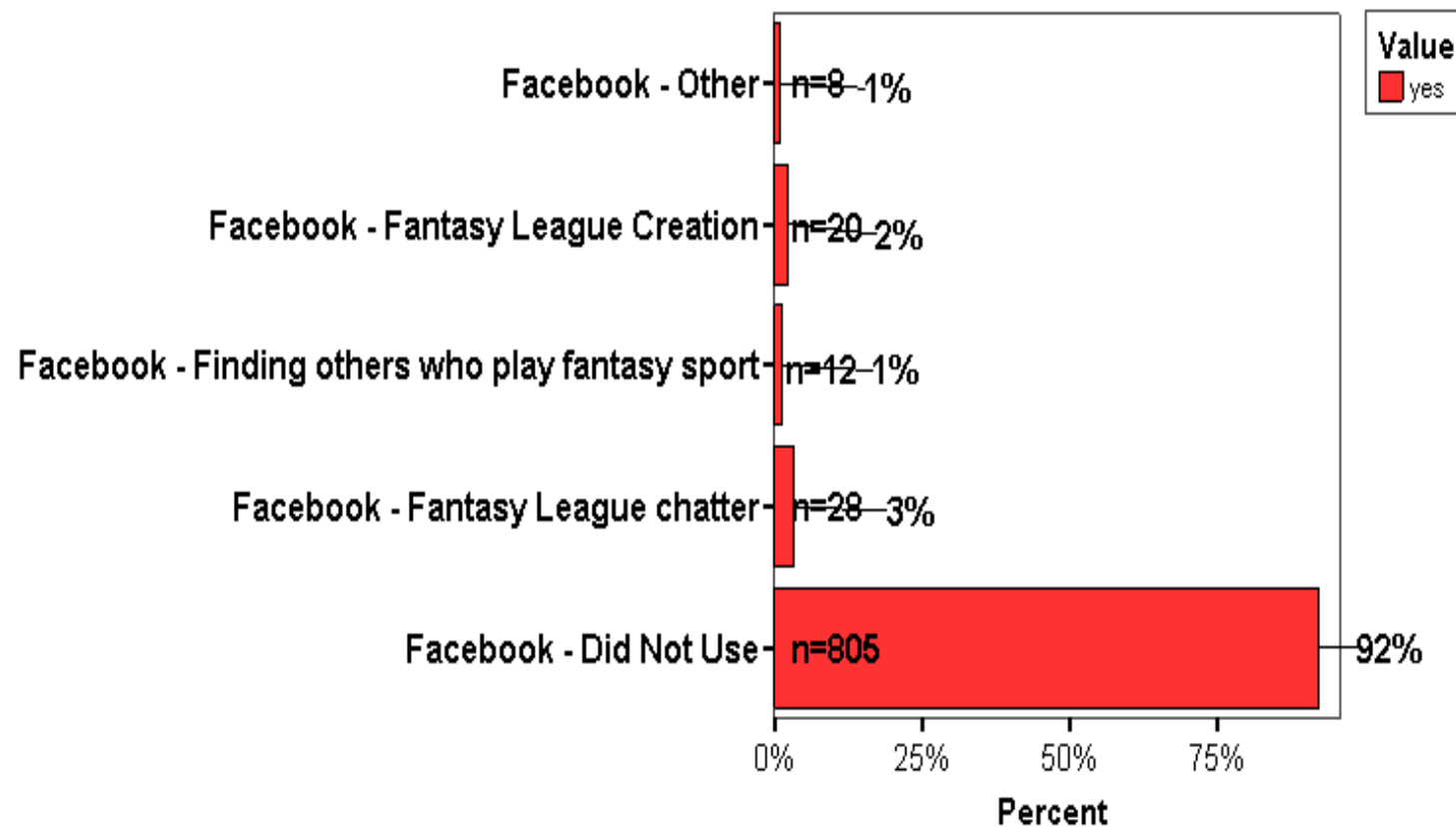
# On-line Social Networks and FS

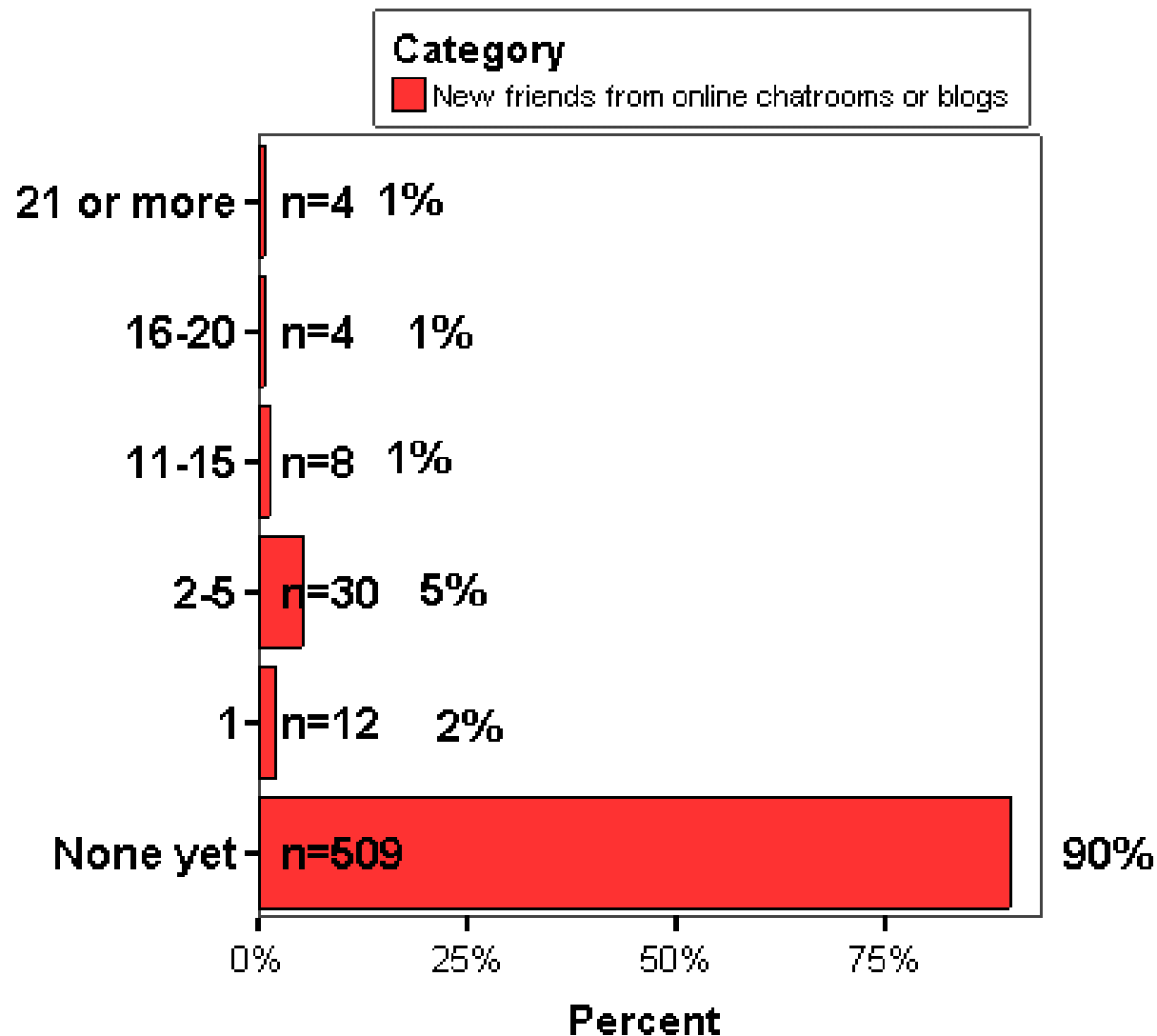
- Asked Consumers: “Have you used any of the following social networks to manage your fantasy teams? How did you use them?” (Did Not Use, Fantasy League chatter, Finding others who play fantasy sport, Fantasy League Creation, Other).
  - Facebook
  - Twitter
  - Myspace
  - Multiply
  - Tagged
  - Live Spaces
  - Bebo
  - Xanga

# MySpace

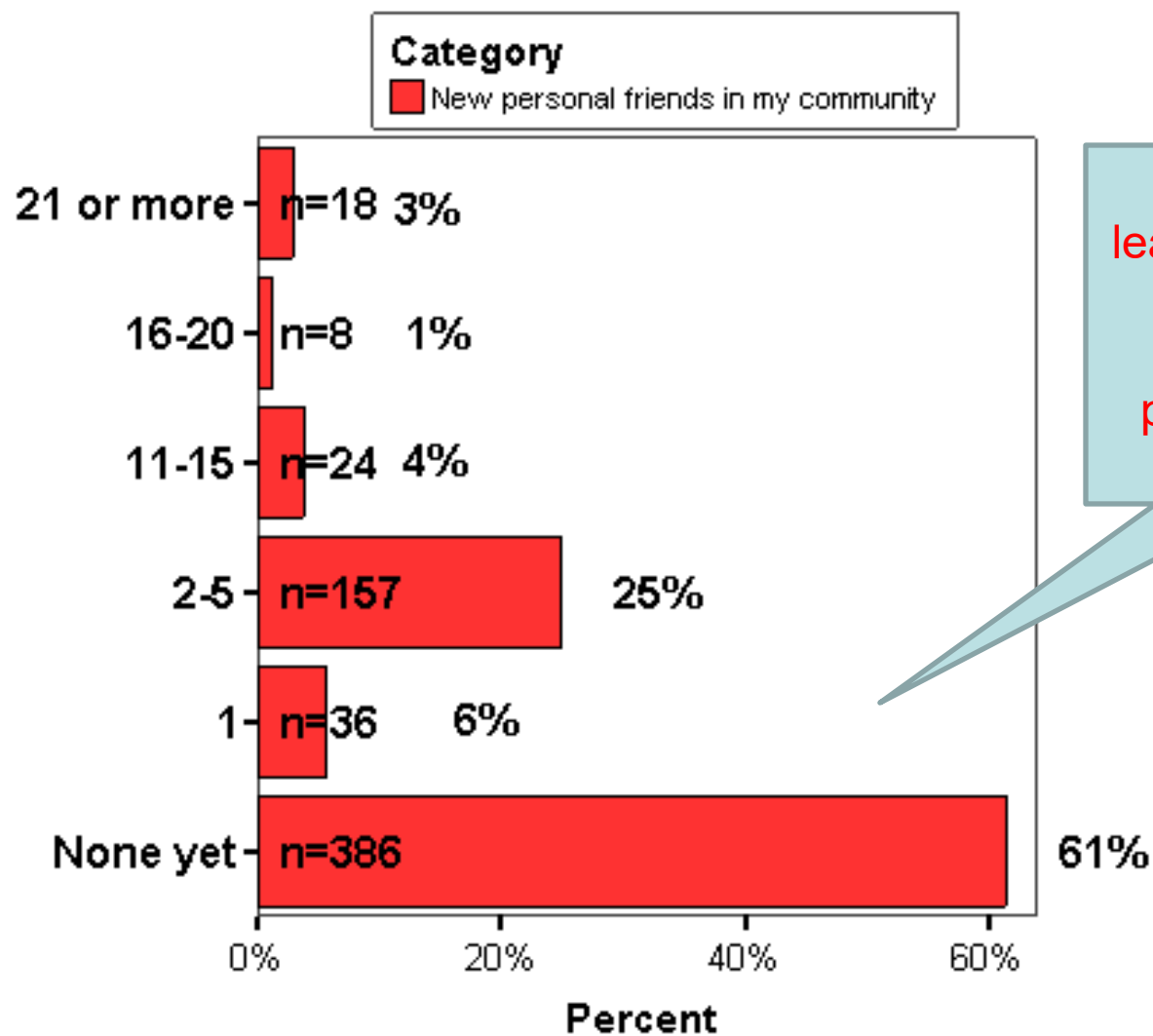


# FaceBook

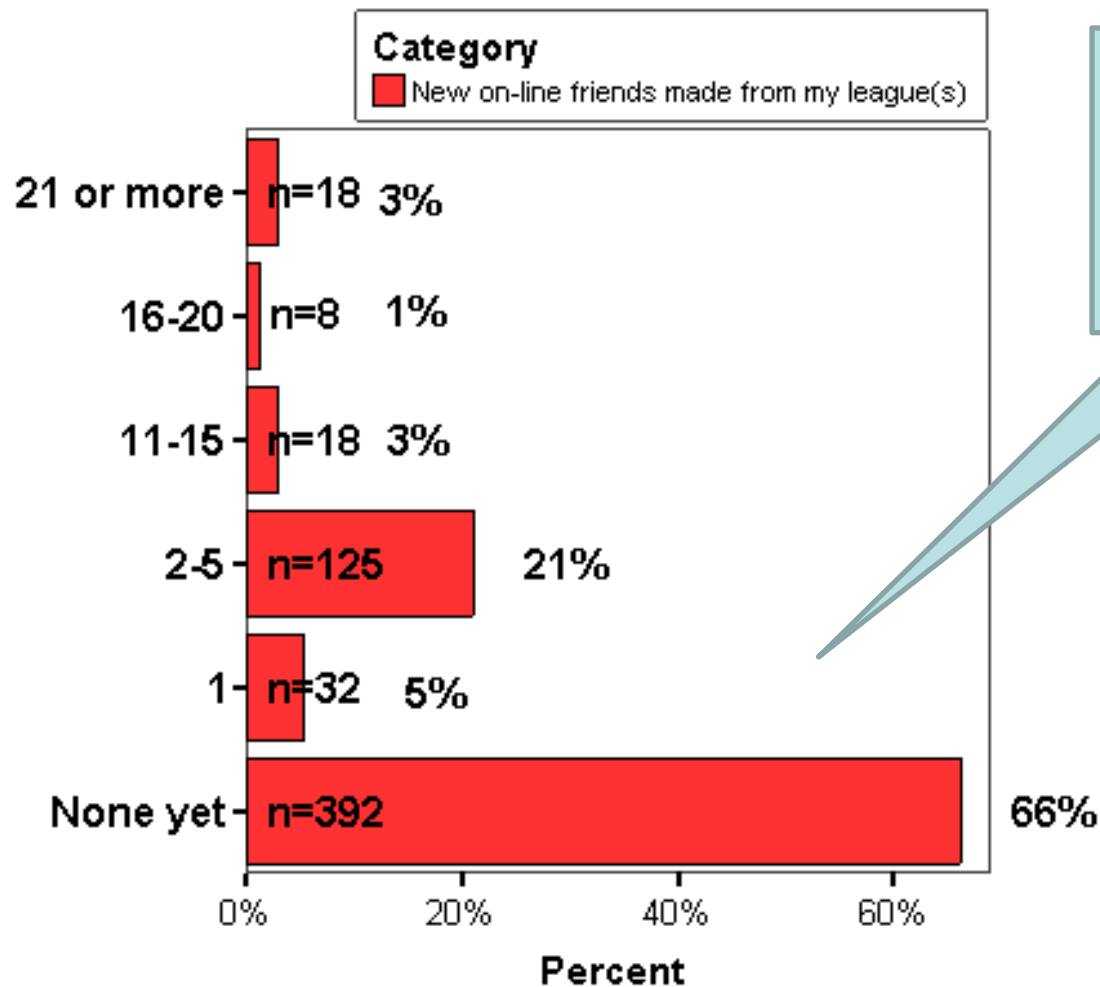




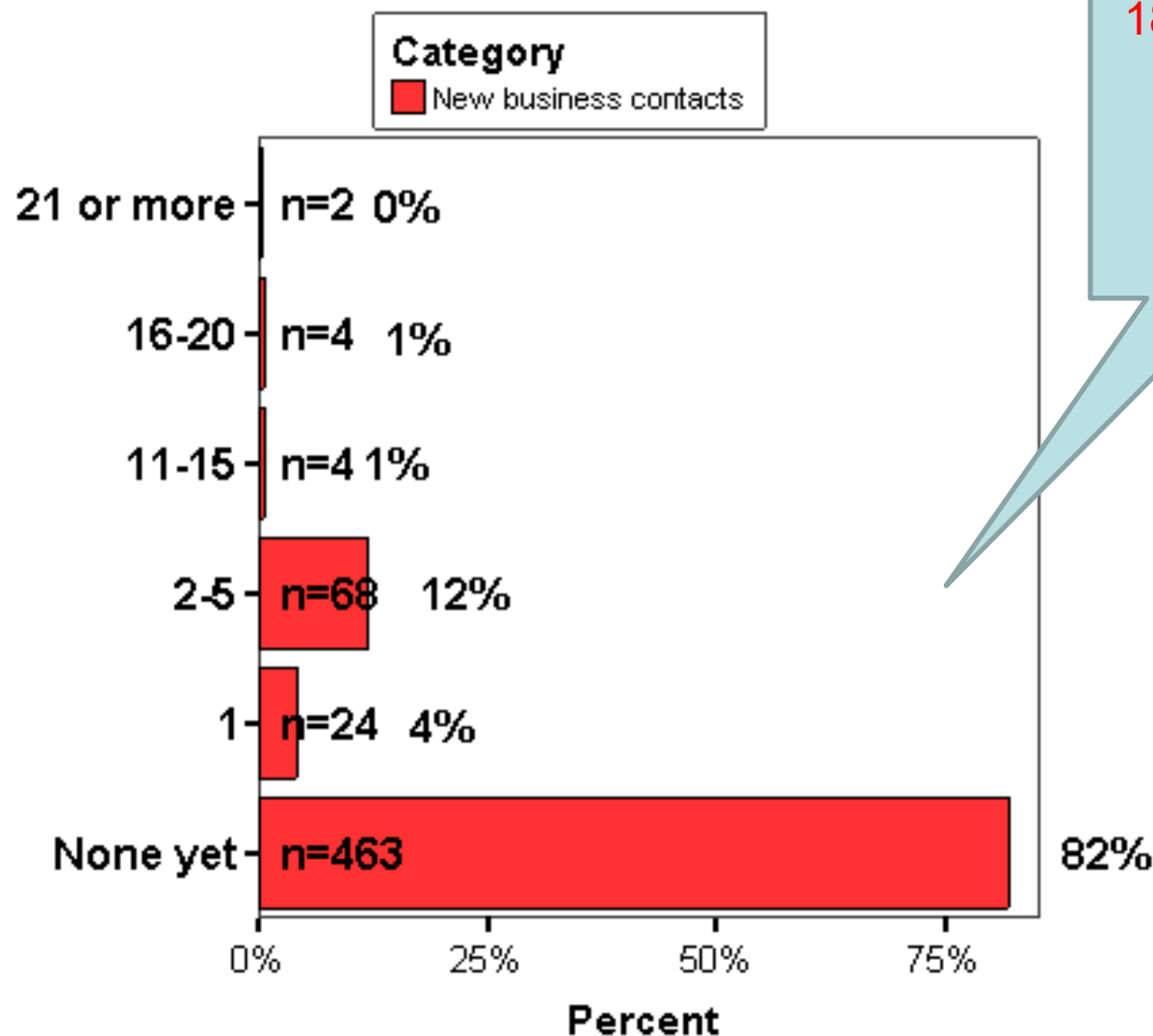
Only 10% have made a friend in a chat room or blog from playing fantasy sport



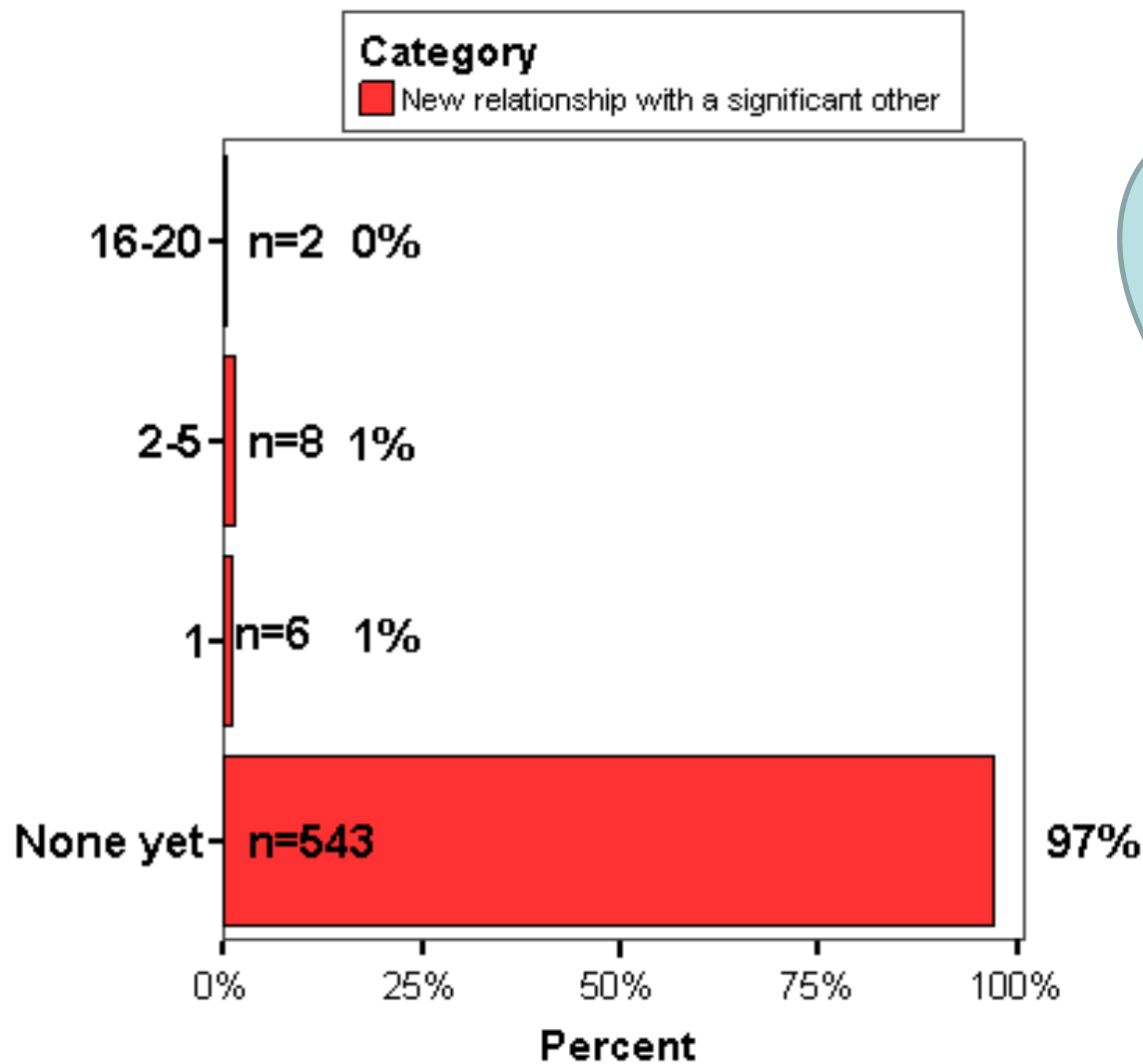
39% Made at least one friend in their neighborhood playing fantasy sport



34% have made at least one on-line friend through fantasy sport



18% Made at  
Least one  
valuable  
business  
contact



Love is in  
the air for  
3%!

# New for 2008

## Professional Sport Media and FS

“We would now like to focus on services that you may use to access or enjoy fantasy sports. Of the following, select any you use to enhance playing fantasy sport”

“We would like to focus on services that you may use to access or enjoy fantasy sports. Of the following, select any **you use to enhance playing fantasy sport.**”

|                                                                                 | Column Total N % | Count |
|---------------------------------------------------------------------------------|------------------|-------|
| NFL Sunday Ticket on Direct TV (shows most NFL games on TV)                     | <b>56.1%</b>     | 249   |
| NFL Sunday Ticket Red Zone (add on to Sunday Ticket that shows goal line plays) | <b>38.9%</b>     | 133   |
| MLB Extra Innings (shows most MLB games on TV)                                  | <b>35.2%</b>     | 122   |
| NHL Center Ice (shows most NHL Games on TV)                                     | <b>15.4%</b>     | 42    |
| NBA League Pass (shows most NBS teams on TV)                                    | <b>12.5%</b>     | 34    |
| Satellite Television                                                            | <b>65.3%</b>     | 375   |
| Cable Television                                                                | <b>71.7%</b>     | 535   |
| Internet Access                                                                 | <b>81.7%</b>     | 809   |
| XM/ Sirius Radio                                                                | <b>53.9%</b>     | 247   |
| MLB TV Online(Allows you to watch live MLB games online)                        | <b>29.9%</b>     | 101   |

# New for 2008

## Other On-line Media Sites Visited

“Which of the following kinds of websites do you visit on a regular basis?”

Which of the following kinds of websites do you visit on a regular basis?

|                                                                                  | Column Total N % | Count      |
|----------------------------------------------------------------------------------|------------------|------------|
| <b>A user generated video site (e.g., YouTube.com, Break.com)</b>                | <b>33.5%</b>     | <b>358</b> |
| <b>A video on demand site (e.g., Hulu.com, Veoh.com, Vongo.com)</b>              | <b>9.0%</b>      | <b>96</b>  |
| <b>A social networking site (e.g., Facebook.com, MySpace.com)</b>                | <b>30.4%</b>     | <b>325</b> |
| <b>A local newspaper's site (e.g., NYTimes.com, ChicagoTribune.com)</b>          | <b>41.3%</b>     | <b>441</b> |
| <b>A national news site (e.g., CNN.com, NYTimes.com)</b>                         | <b>42.4%</b>     | <b>453</b> |
| <b>A cable network's site (e.g., ComedyCentral.com, ESPN.com, CNN.com)</b>       | <b>55.9%</b>     | <b>597</b> |
| <b>A national broadcast network's website (e.g., ABC.com, NBC.com, CWTV.com)</b> | <b>25.3%</b>     | <b>270</b> |
| <b>A local TV station's site (e.g., www.myfoxny.com, www.CBS2.com)</b>           | <b>16.5%</b>     | <b>176</b> |
| <b>A national newspaper's site (e.g., USAToday.com, WSJ.com)</b>                 | <b>25.3%</b>     | <b>270</b> |
| <b>A video store site (e.g., Blockbuster.com, Netflix.com)</b>                   | <b>15.7%</b>     | <b>168</b> |

# New for 2008

## General On-line Activity

“Which of the following activities do you routinely conduct on-line?”

# Which of the following activities do you routinely conduct on-line?

|                                                                                | Column Total N % | Count |
|--------------------------------------------------------------------------------|------------------|-------|
| Instant Messaging (e.g., Yahoo! Messenger, Skype, AIM, etc.)                   | 27.8%            | 297   |
| Participated in chat rooms                                                     | 6.5%             | 69    |
| Participated in a discussion group or board                                    | 20.4%            | 218   |
| Used an online dating site (e.g., eHarmony.com, Match.com, etc.)               | 4.3%             | 46    |
| Joined a Social Networking site (e.g., MySpace, FaceBook, ClassMates, etc.)    | 27.6%            | 295   |
| Joined a Virtual World (e.g., Second Life, Kaneva, Outback, etc.)              | .7%              | 8     |
| Participated in multi-player online game (e.g., World of Warcraft, Halo, etc.) | 10.1%            | 108   |
| Played casual games (e.g., Games.yahoo.com, Pogo.com, Popcap.com)              | 29.7%            | 317   |
| Participated in an online community                                            | 8.1%             | 86    |
| Created a webpage/website                                                      | 15.0%            | 160   |
| Traded stocks/managed investments                                              | 16.0%            | 171   |
| Online banking (e.g., manage checking or savings, bill pay, etc.)              | 55.1%            | 589   |
| Watched TV                                                                     | 29.0%            | 310   |
| Listened to music                                                              | 44.2%            | 472   |
| Made phone calls                                                               | 8.2%             | 88    |
| Watched movies                                                                 | 20.2%            | 216   |
| Video conference using webcam                                                  | 6.8%             | 73    |

# New for 2008

## FS Consumers Technology in the Home

“...your usage of media and entertainment. Which of the following do you own or have in your home? Please select all that apply.”

# In the Home

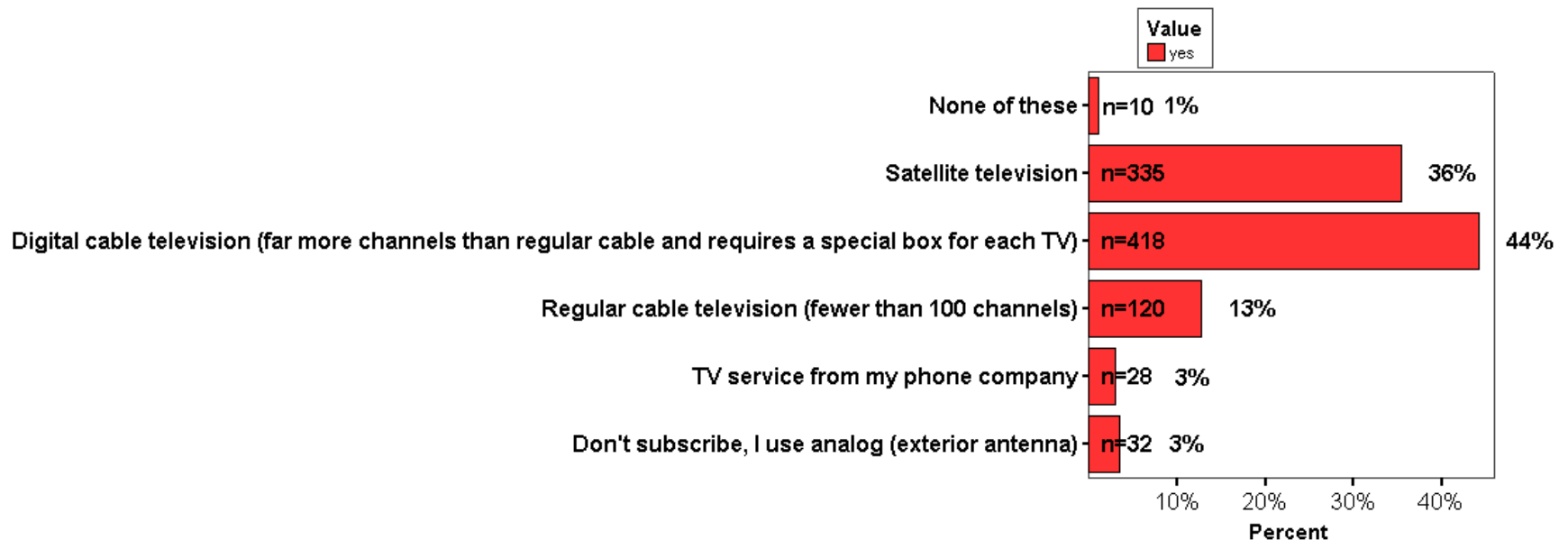
|                                                                                                                            | Column Total N % | Count |
|----------------------------------------------------------------------------------------------------------------------------|------------------|-------|
| A Blu-ray disc player                                                                                                      | 11.8%            | 126   |
| A DVD player                                                                                                               | 76.3%            | 815   |
| A HD DVD player                                                                                                            | 14.2%            | 152   |
| A HDTV                                                                                                                     | 49.0%            | 523   |
| Apple TV                                                                                                                   | 1.3%             | 14    |
| iPhone                                                                                                                     | 7.5%             | 80    |
| iPod with video playback                                                                                                   | 23.2%            | 248   |
| iPod without video playback                                                                                                | 19.0%            | 203   |
| Microsoft Zune                                                                                                             | 2.1%             | 22    |
| Nintendo Game Cube                                                                                                         | 6.2%             | 66    |
| Nintendo Wii                                                                                                               | 28.2%            | 301   |
| None of these                                                                                                              | .7%              | 8     |
| Satellite radio                                                                                                            | 24.8%            | 265   |
| Satellite television                                                                                                       | 28.6%            | 305   |
| Sony PlayStation                                                                                                           | 5.2%             | 56    |
| Sony PlayStation 2                                                                                                         | 26.6%            | 284   |
| Sony PlayStation 3                                                                                                         | 9.7%             | 104   |
| The external HD-DVD drive for the Xbox 360                                                                                 | 2.2%             | 24    |
| TiVo or another type of personal video recorder (PVR) or digital video recorder (DVR)                                      | 36.6%            | 391   |
| Xbox                                                                                                                       | 8.7%             | 93    |
| Xbox 360                                                                                                                   | 15.7%            | 168   |
| Another portable multimedia device that can play videos and music (not an iPod, cell phone, portable DVD player or laptop) | 11.0%            | 118   |
| Another type of portable music player that does not play video                                                             | 13.9%            | 148   |

# New for 2008

## FS Consumers Television Service in the Home

“Which of the following television services do you currently  
subscribe to?”

# Which of the following television services do you currently subscribe to?



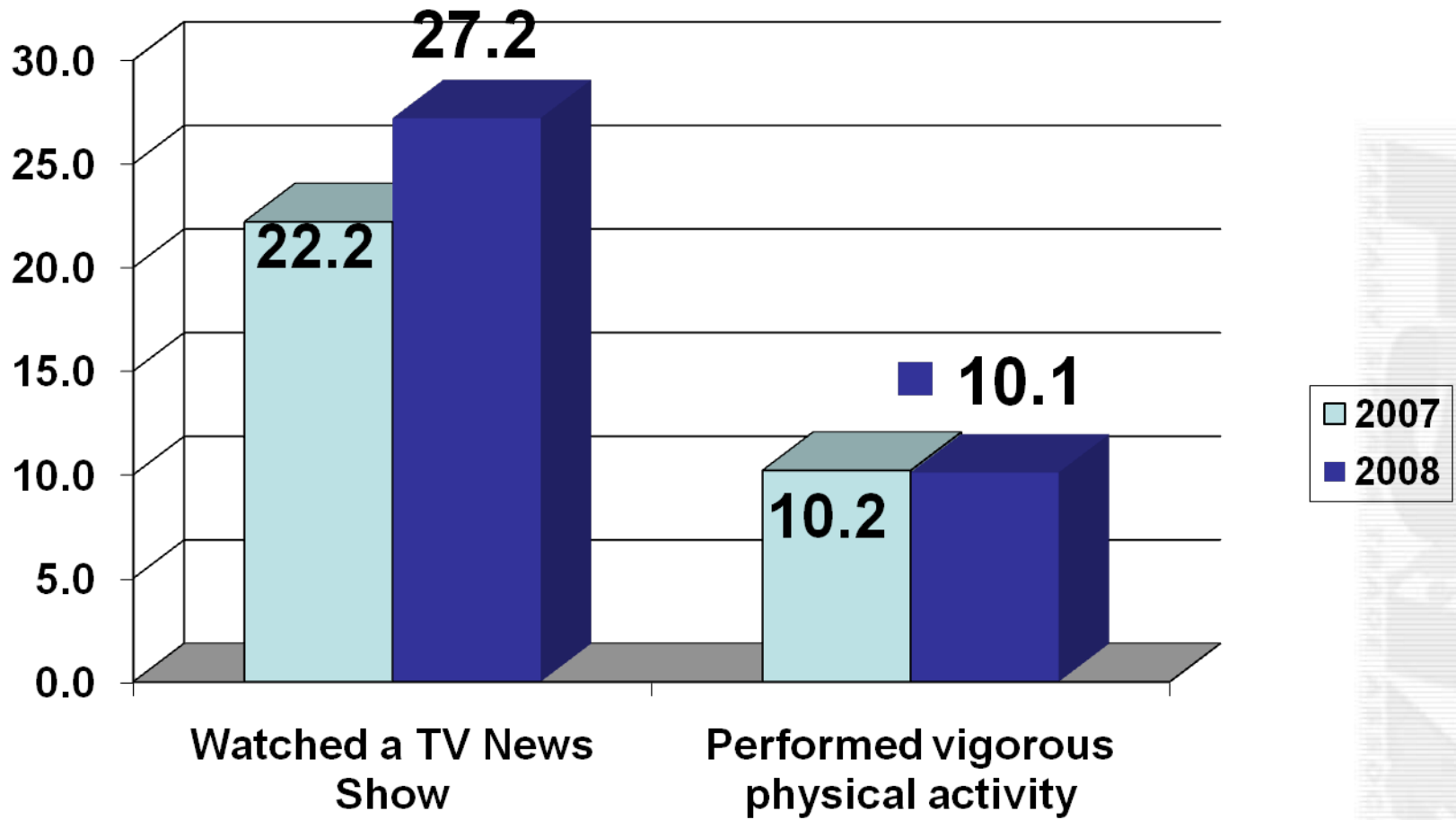
# General Information

# Other Fantasy Contests

|                             |   |
|-----------------------------|---|
| Arena Football League       |   |
| F1 Racing                   |   |
| Jam band / widespread panic |   |
| NCAA wrestling              |   |
| Poker                       | 2 |
| Bass Fishing Wed            | 8 |
| college basketball          | 3 |
| College Bowl Pickem         | 3 |
| Dead pool                   |   |
| Fantasy Stock Market        | 2 |
| Figure Skating              |   |
| Hollywood Movie contest-    | 2 |
| Hollywood Stock Exchange    |   |

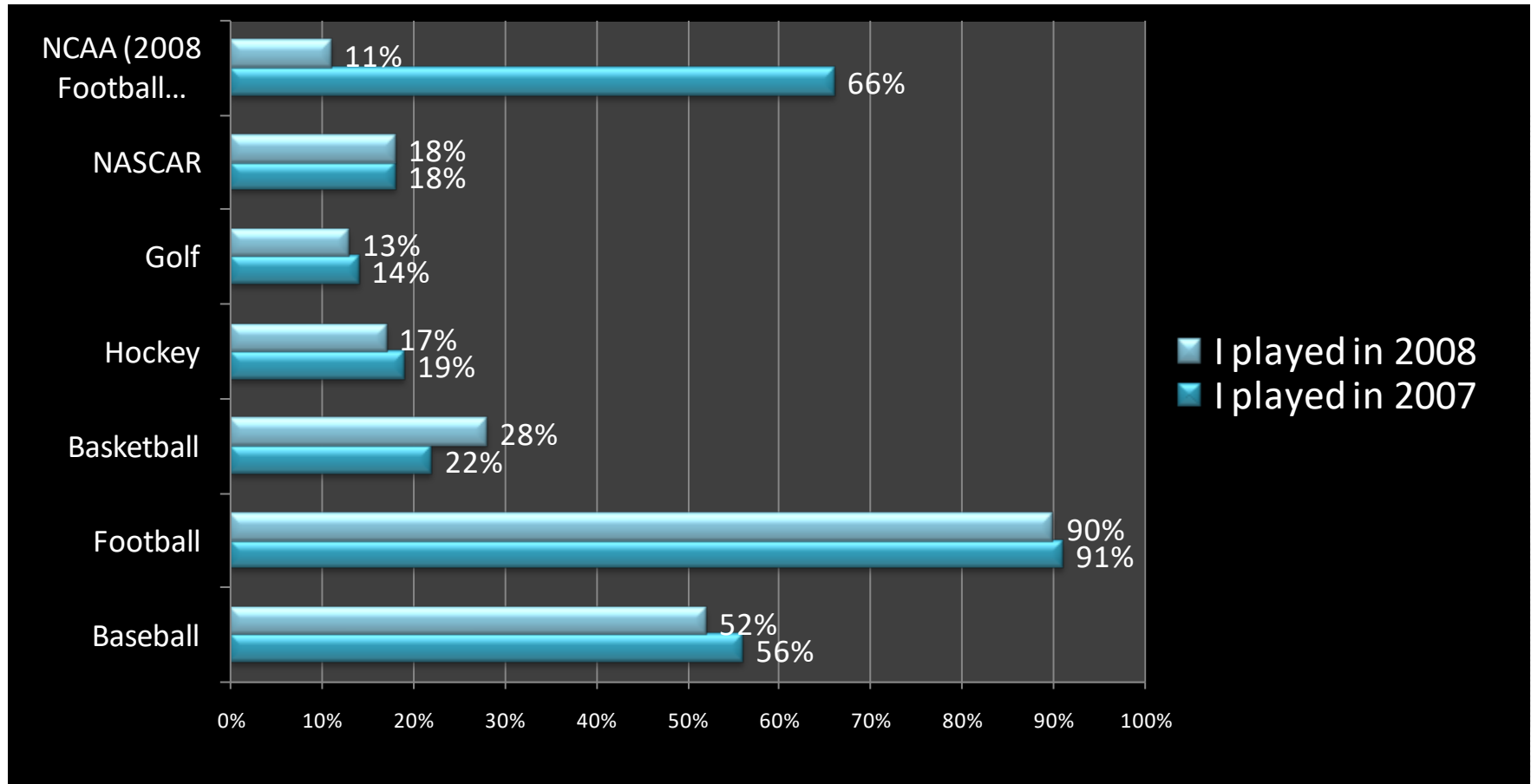
|                                     |    |
|-------------------------------------|----|
| Horse Racing                        | 5  |
| MLB Umpires League                  |    |
| NCAA Baseball                       |    |
| NCAA basketball tournament pick 'em | 34 |
| NCAA College Football               | 2  |
| Olympic Games                       | 4  |
| Rodeo                               |    |
| Stock market baseball               |    |
| Surfing                             |    |
| Survivor fantasy                    | 2  |
| Tennis                              |    |
| Ultimate Fighting Championship      |    |
| WWE Wrestling                       |    |
| XFL Football                        | 2  |

# How many news shows in last 30 days

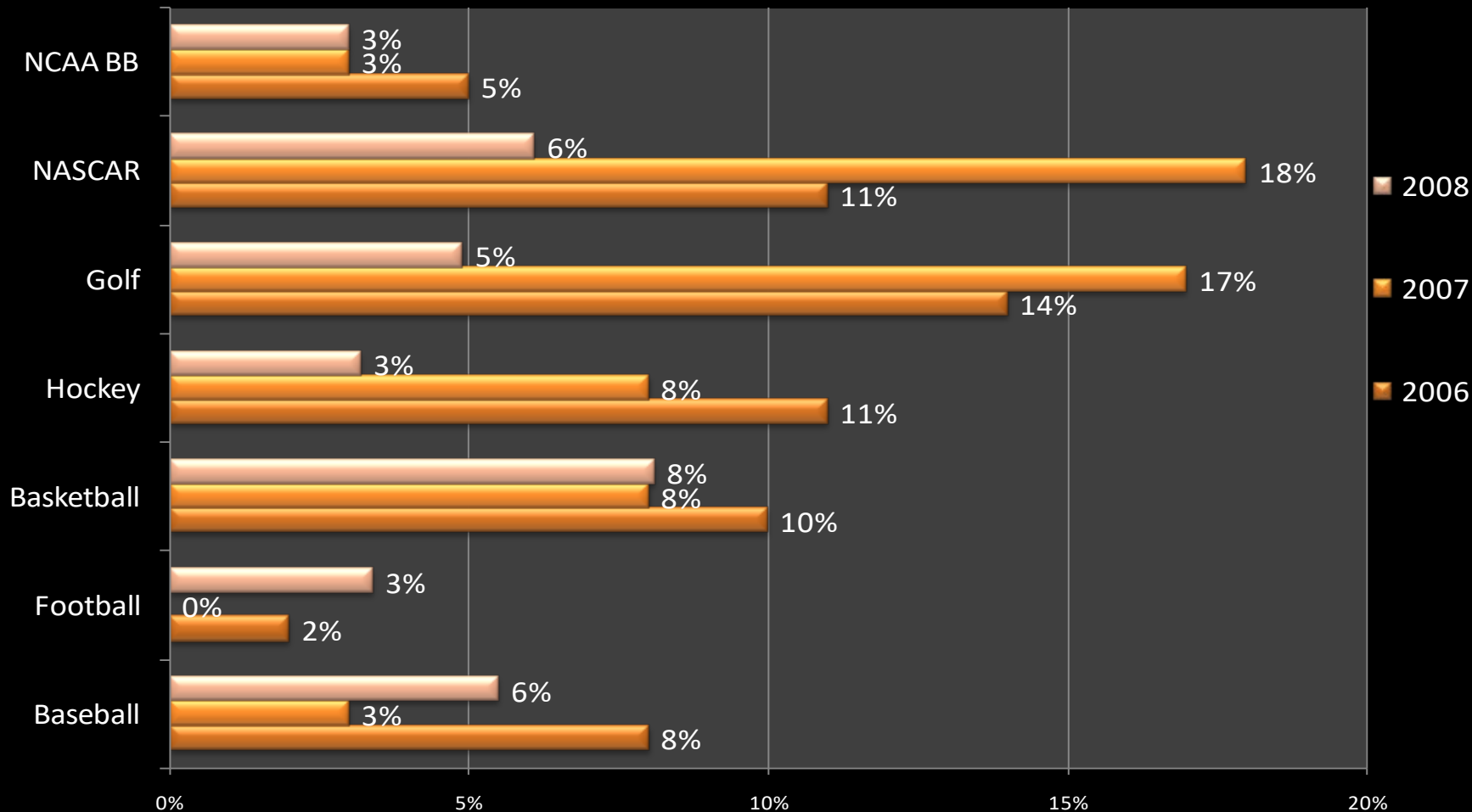


# Participation, Growth, and Drop Out Rates

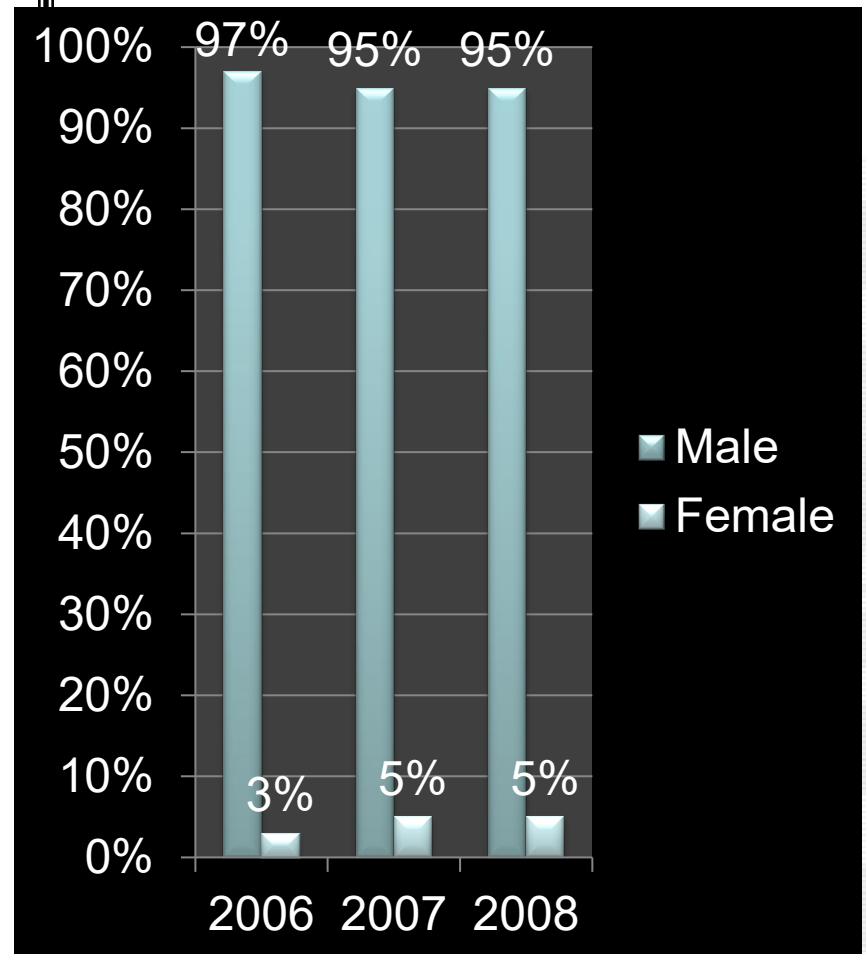
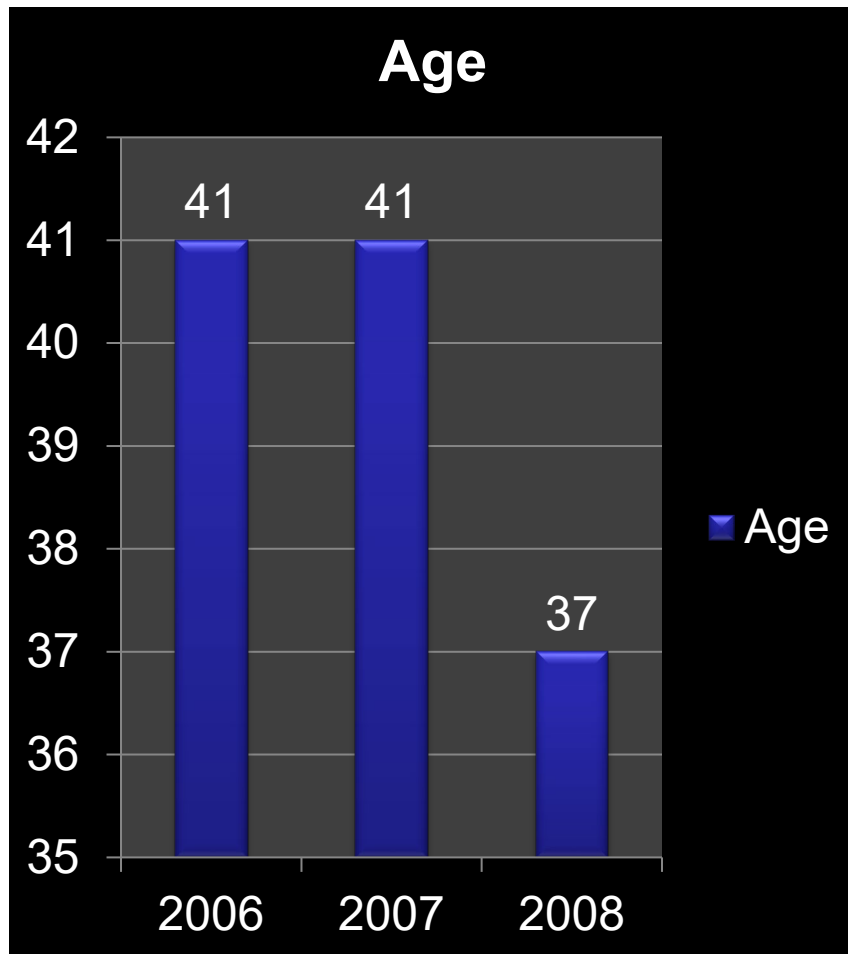
# 2007 Participation Rates



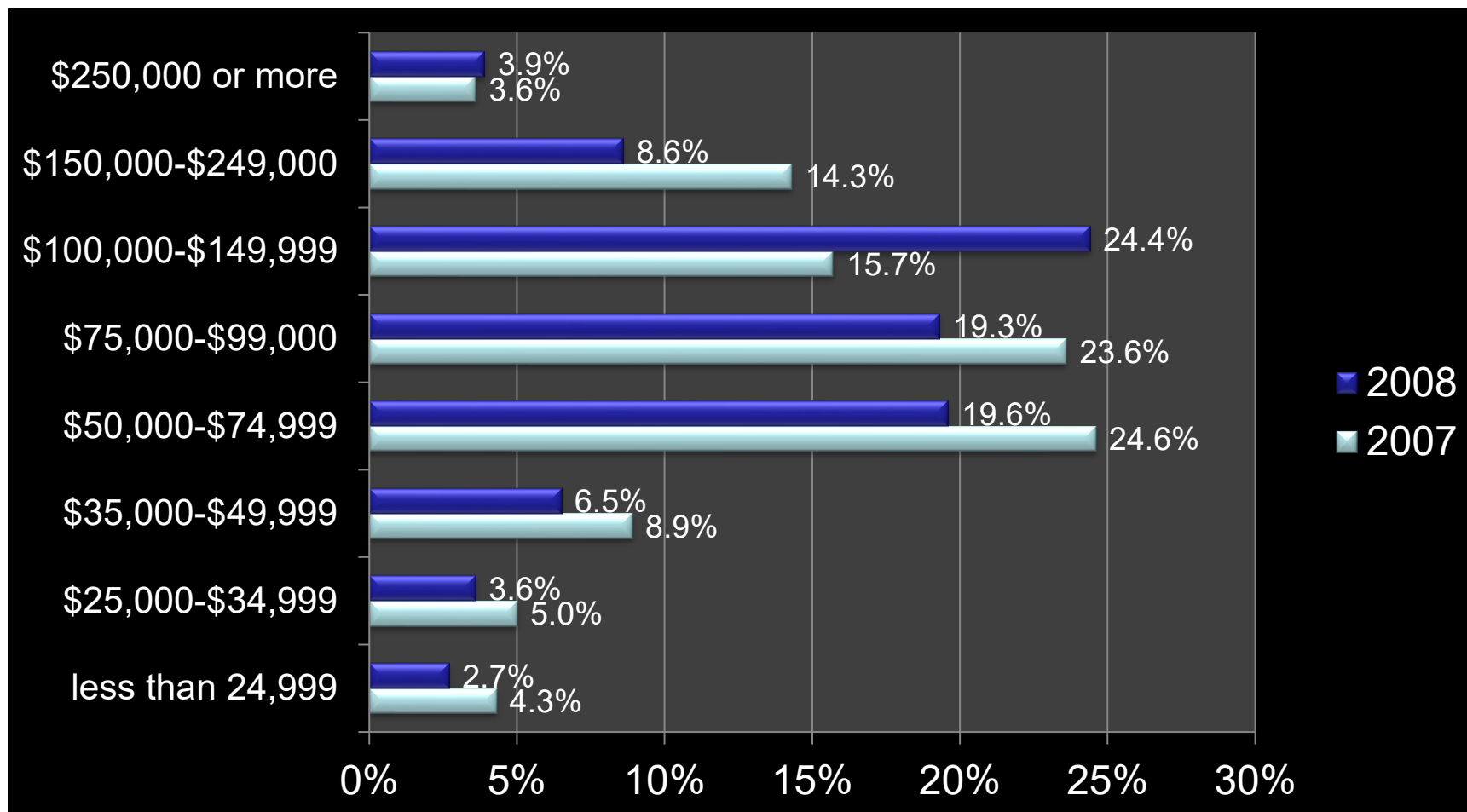
# Growth Rates



# Demographic Trends

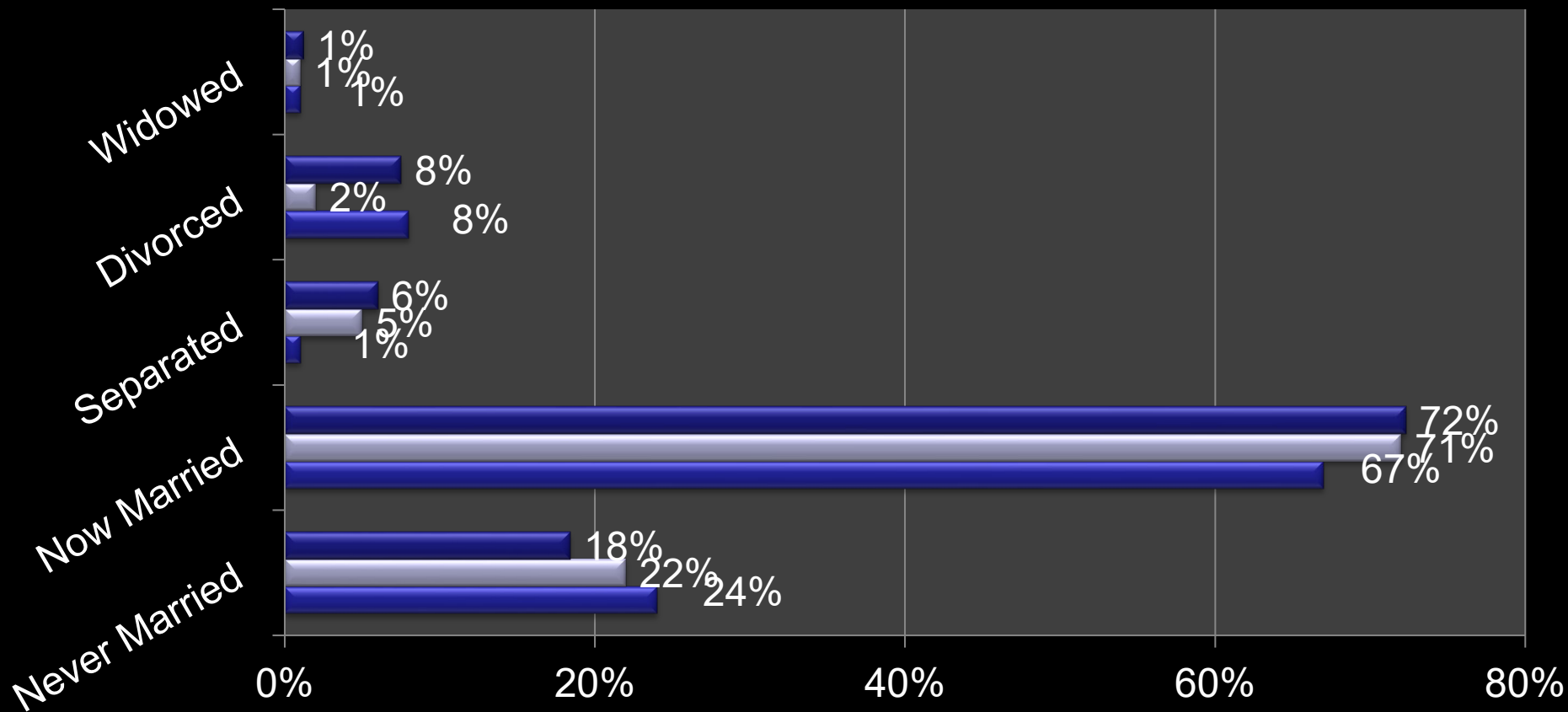


# Income



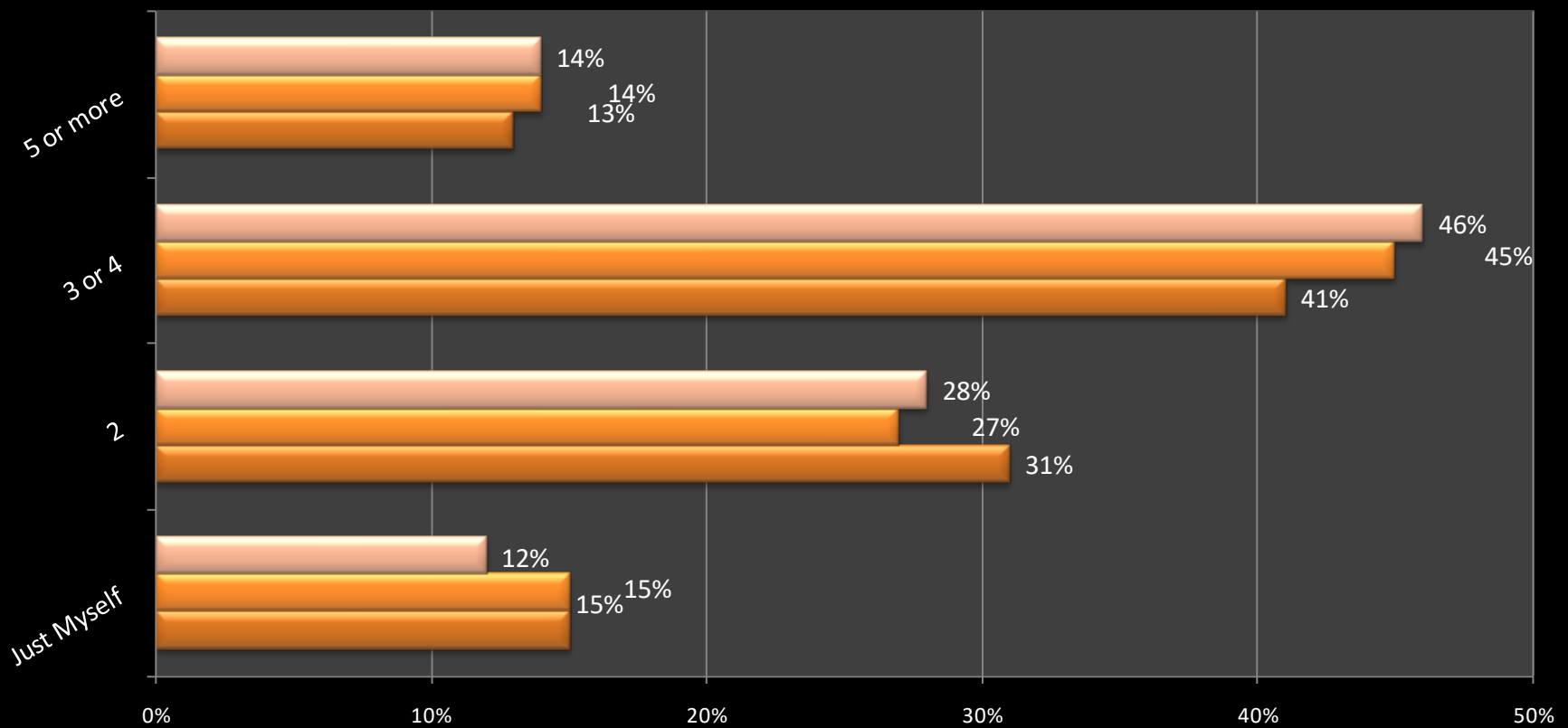
## Marriage Status

■ 2008 ■ 2007 ■ 2006

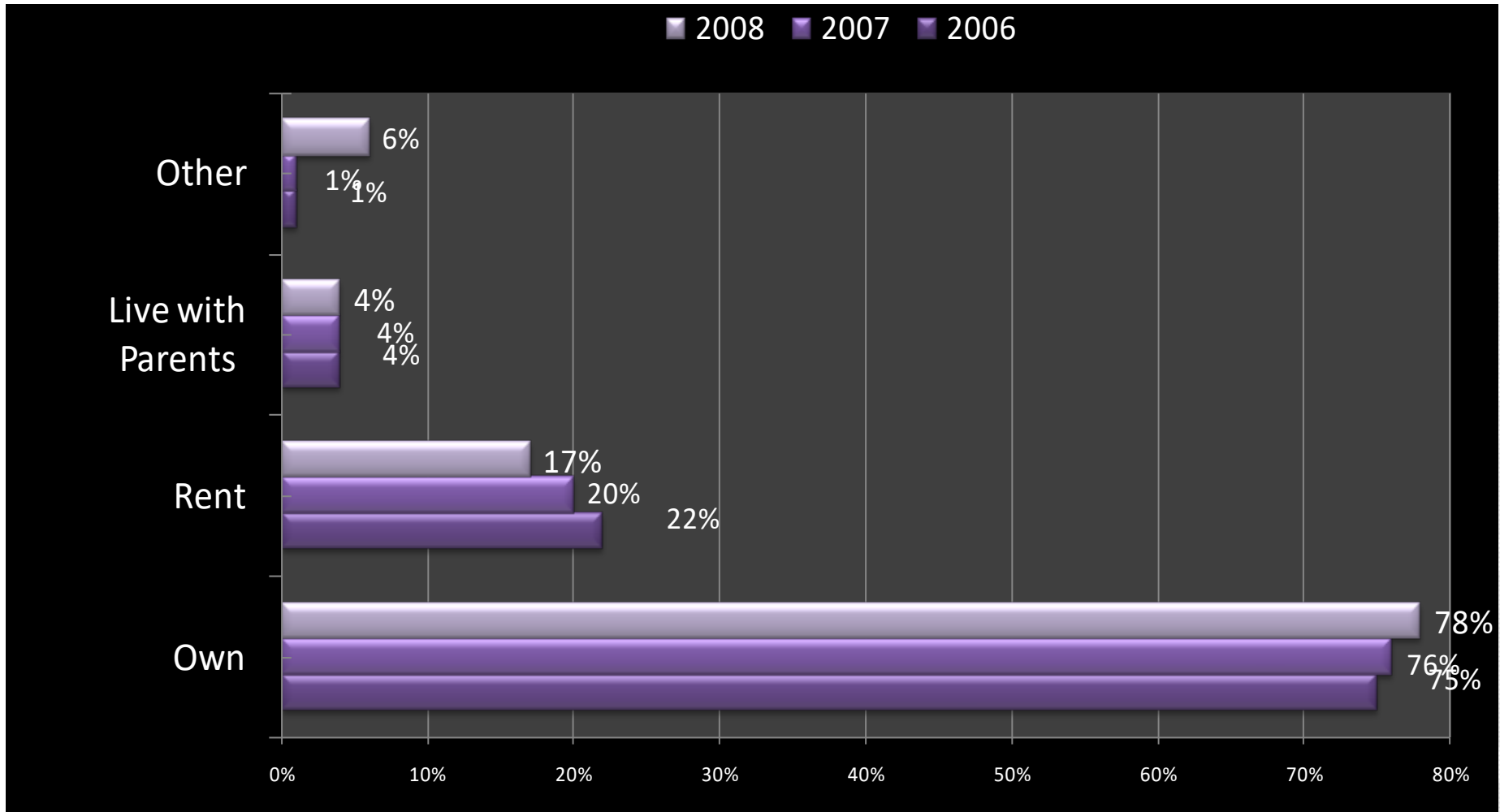


## Household Size

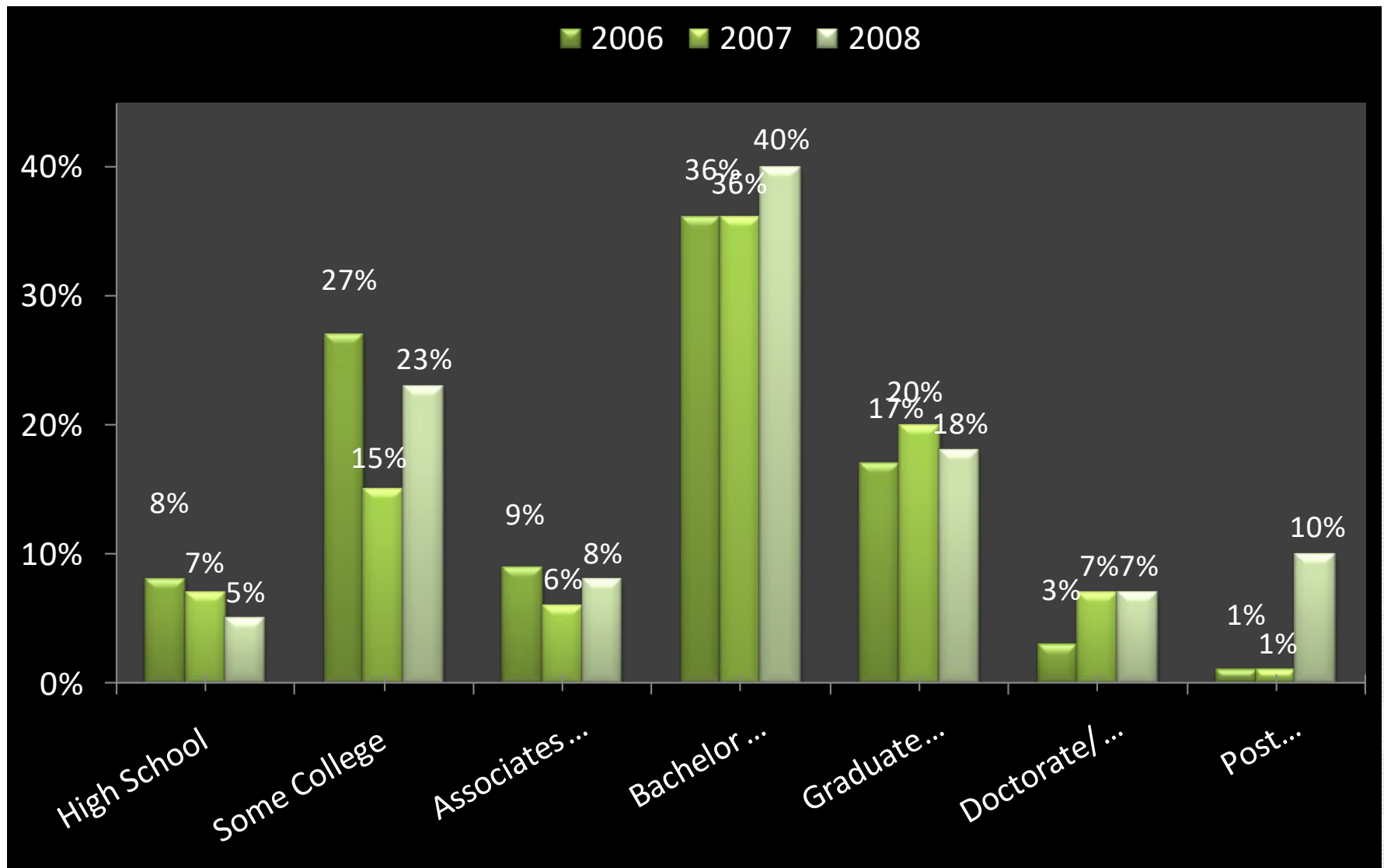
■ 2008 ■ 2007 ■ 2006



# Residence

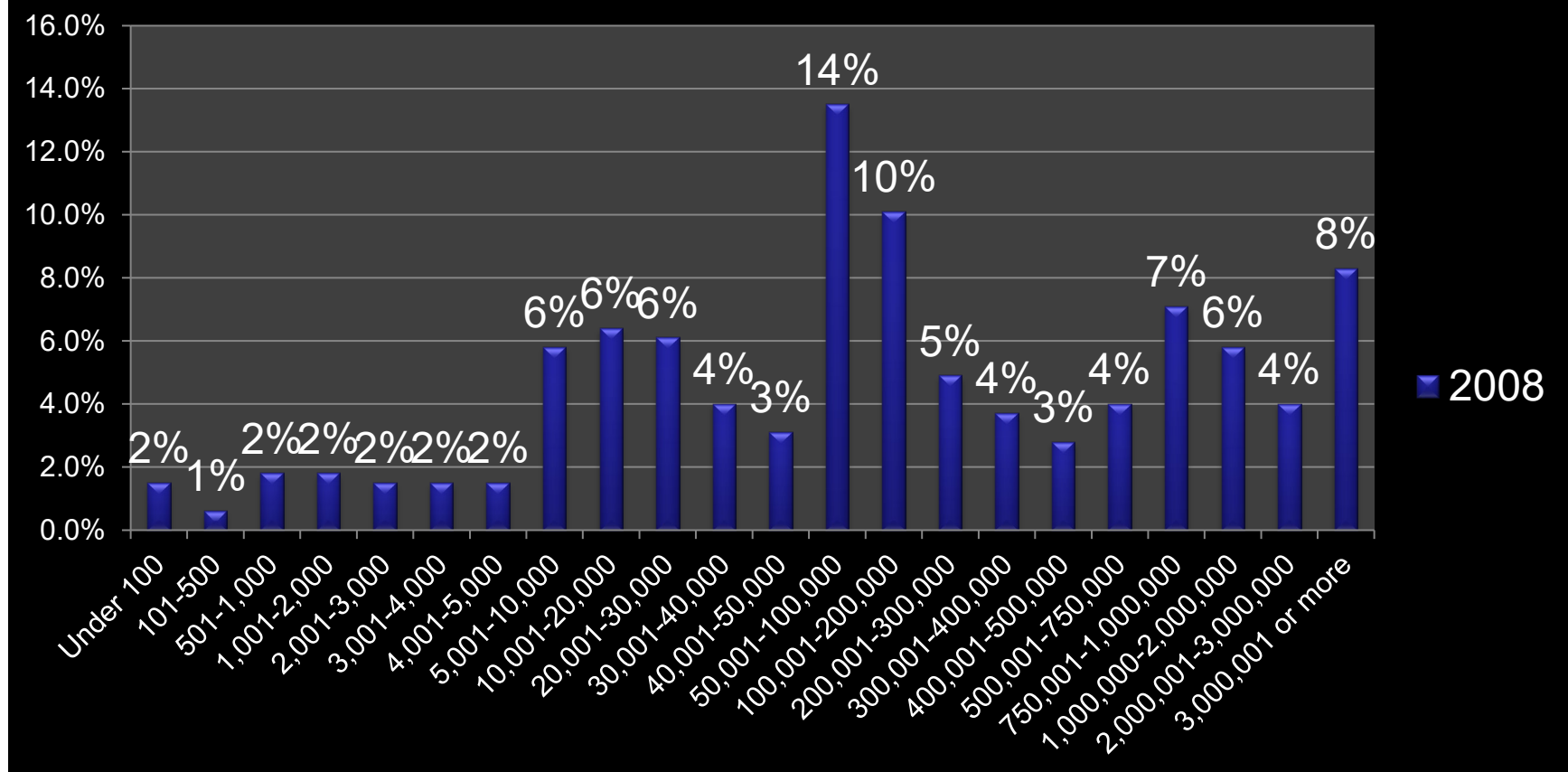


# Education



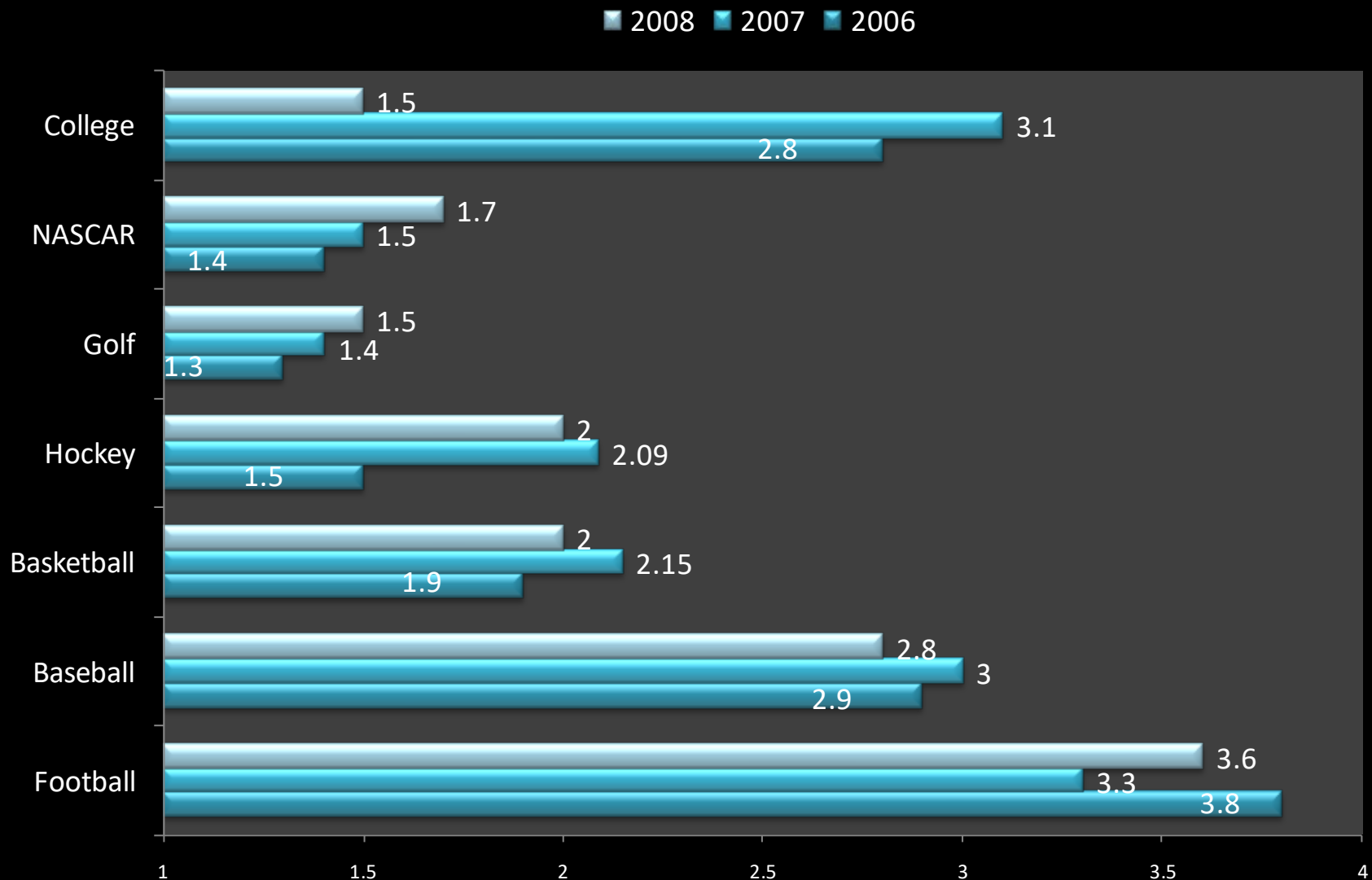
# Population of Consumer Community

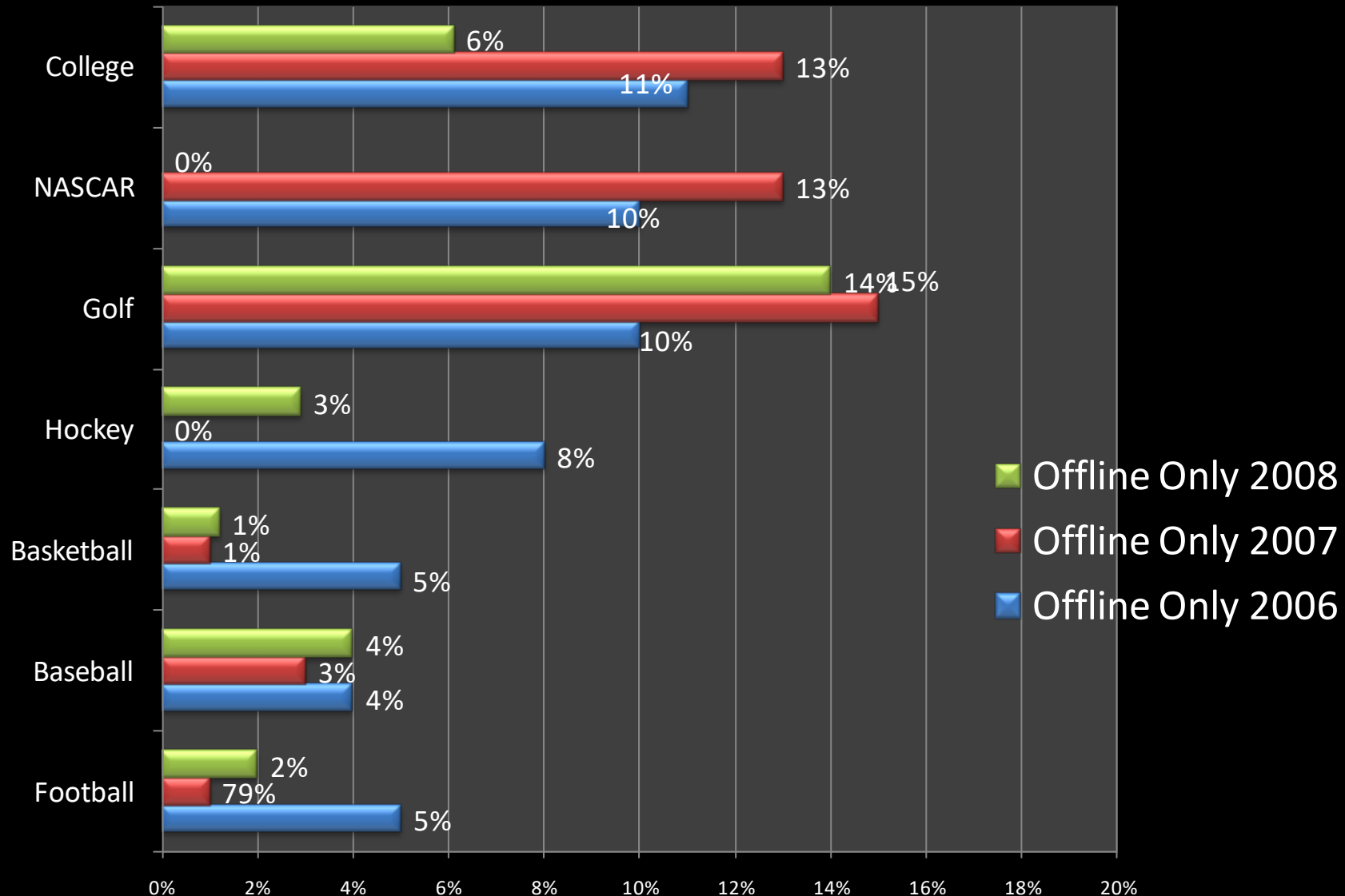
**2008**



# Consumer Player Trends

# Average number of teams managed





# Technology and Fantasy Sport

|                                                                                      |           | Count | Column Valid<br>N % |
|--------------------------------------------------------------------------------------|-----------|-------|---------------------|
| I used an iPhone to manage my teams                                                  | Yes I did | 74    | 7.6%                |
| I used email to communicate with other league members                                | Yes I did | 905   | 87.2%               |
| I checked my team(s) on-line during work hours                                       | Yes I did | 835   | 80.4%               |
| I watched a free fantasy sport shows on TV.                                          | Yes I did | 664   | 64.1%               |
| I used a cell phone to manage my fantasy team(s)                                     | Yes I did | 286   | 27.8%               |
| I used a cell phone to check scores of my fantasy teams                              | Yes I did | 417   | 40.4%               |
| I used a cell phone to text other managers in my fantasy league                      | Yes I did | 413   | 40.2%               |
| I used a cell phone to check scores of professional teams (not for fantasy purposes) | Yes I did | 447   | 43.3%               |
| I used a Blackberry to manage my fantasy team(s).                                    | Yes I did | 124   | 12.1%               |
| I used a Palm to manage my fantasy team(s).                                          | Yes I did | 36    | 3.5%                |
| I used WiFi to access the Internet and manage or check my fantasy team(s).           | Yes I did | 619   | 60.0%               |
| I checked my fantasy team(s) online while on vacation.                               | Yes I did | 801   | 77.0%               |

For further Information Please Contact:

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