



FANTASY SPORTS TRADE ASSOCIATION

Fantasy Sports Market Study

June 22/23, 2015



Jason Allsopp
Vice President
Ipsos, Gaming & Lottery Practice



Danielle MacLean
Director, Fantasy Sports
CBS Sports and CBS Interactive
FSTA Research Committee Chair

Today's Agenda



**FANTASY SPORTS
PARTICIPATION**



**FANTASY SPORTS LEAGUE
SPENDING**



**FANTASY SPORTS MEDIA
USAGE**



Phase One:

Incidence of Fantasy Sports Participation



Research Objectives

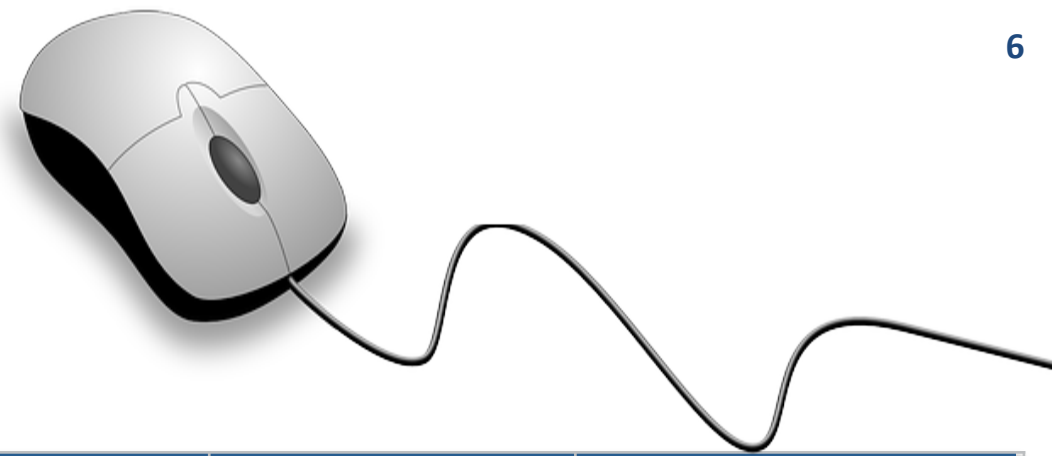
1 Phase One: Incidence of Fantasy Sports Participation

Determine fantasy sports market size in the U.S. and Canada among the population 12+ years of age. Specifically:

- Determine the number of overall fantasy sports players (participants).
- Discover the key demographic breakdown of fantasy sports players.
- Understand what percentage of fantasy sports players participate in different sports.
- Determine the shifts in these metrics over time.



Phase 1



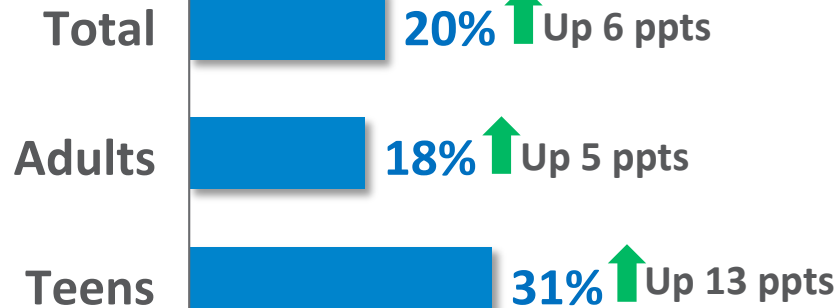
Methodology	Date	Who	Qualifications	Length of Time
Online interviewing methodology	April 27 to May 11, 2015	n=1,212 respondents (12+) within the U.S. Added respondents in AZ, IA, WA, LA, IL, TX, CA, FL to reach 200 responses in each state for question 2. n=1,238 respondents (12+) within Canada (these respondents were only asked the incidence question, not the follow-up question).	To qualify for the study, respondents must have been aged 12+.	The survey averaged approximately 1 minute in length.

Accuracy:
The precision of online polls is measured using a credibility interval. In this case, the polls have a credibility interval of plus or minus 2.7 percentage points. Statistical margins of error are not applicable to online polls. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error and measurement error.

Are There More North Americans Playing Fantasy Sports This Year Compared To Last?

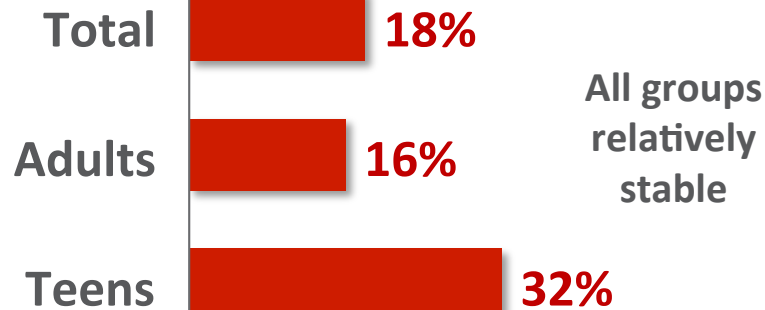
There are approx. 56.8 million total Fantasy Players aged 12+ in North America, the most ever recorded by Ipsos.

51.6 million
people play fantasy
sports in the U.S.
(42 million adults 18+).



2014	2013
14%	14%
13%	13%
18%	20%

5.2 million
people play fantasy
sports in Canada |
(4.2 million adults 18+).



2014
19%
18%
30%

* Caution: small sample size among teens.

Base: All U.S. and Canadian respondents aged 12+ (Teens defined as aged 12-17)



Phase Two: Fantasy Sports Play and Spending



Research Objectives

2

Phase Two: Fantasy Sports Play and Spending

Spending Habits of Players

Determine the size of spend and any shifts in spending habits by revisiting previously conducted research from 2012. This included the amount spent on the following:

- Initial league fees;
- Pay site entry fees;
- Fantasy transactions;
- Fantasy sports sites' league hosting fees; and,
- Informational materials, draft and/or roster management tools, and other media.

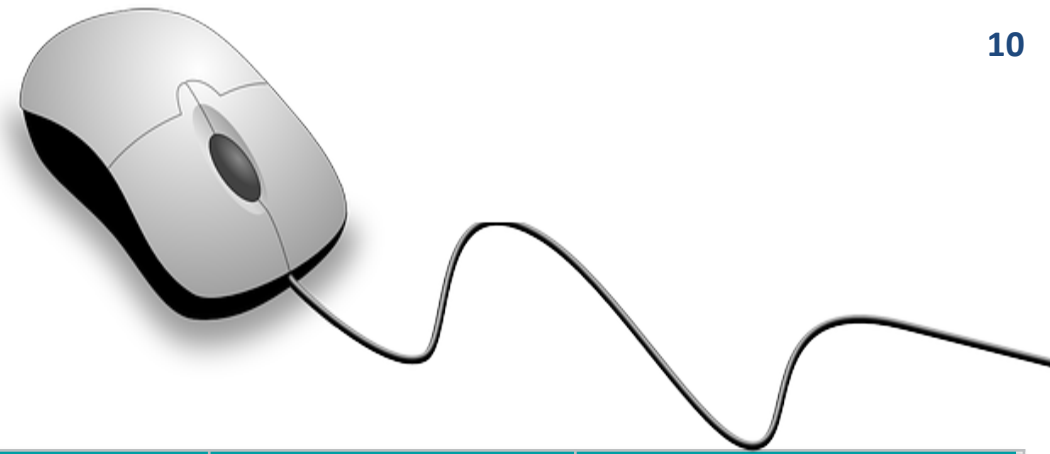


Mobile & Over the Top Consumption

Determine how fantasy players are partaking in fantasy activities, with a specific focus on mobile devices and Over the Top platforms such as Apple TV, Xbox, PlayStation, Amazon Fire, and connected TVs.



Phase 2



Methodology	Date	Who	Qualifications	Length of Time
Online interviewing methodology	May 25 to 29, 2015	n=1,000 respondents (18+) within the U.S.	To qualify for the study, respondents must have been aged 18+ and have played fantasy sports in the past year.	The survey averaged approximately 11 minutes in length.

Accuracy:
The precision of online polls is measured using a credibility interval. In this case, the polls have a credibility interval of plus or minus 2.7 percentage points. Statistical margins of error are not applicable to online polls. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error and measurement error.



Fantasy Sports Players Are Younger, Better Educated, With Higher HH Incomes and More Likely To Have FT Employment



Gender		Fantasy Players
	Male	66%
	Female	34%

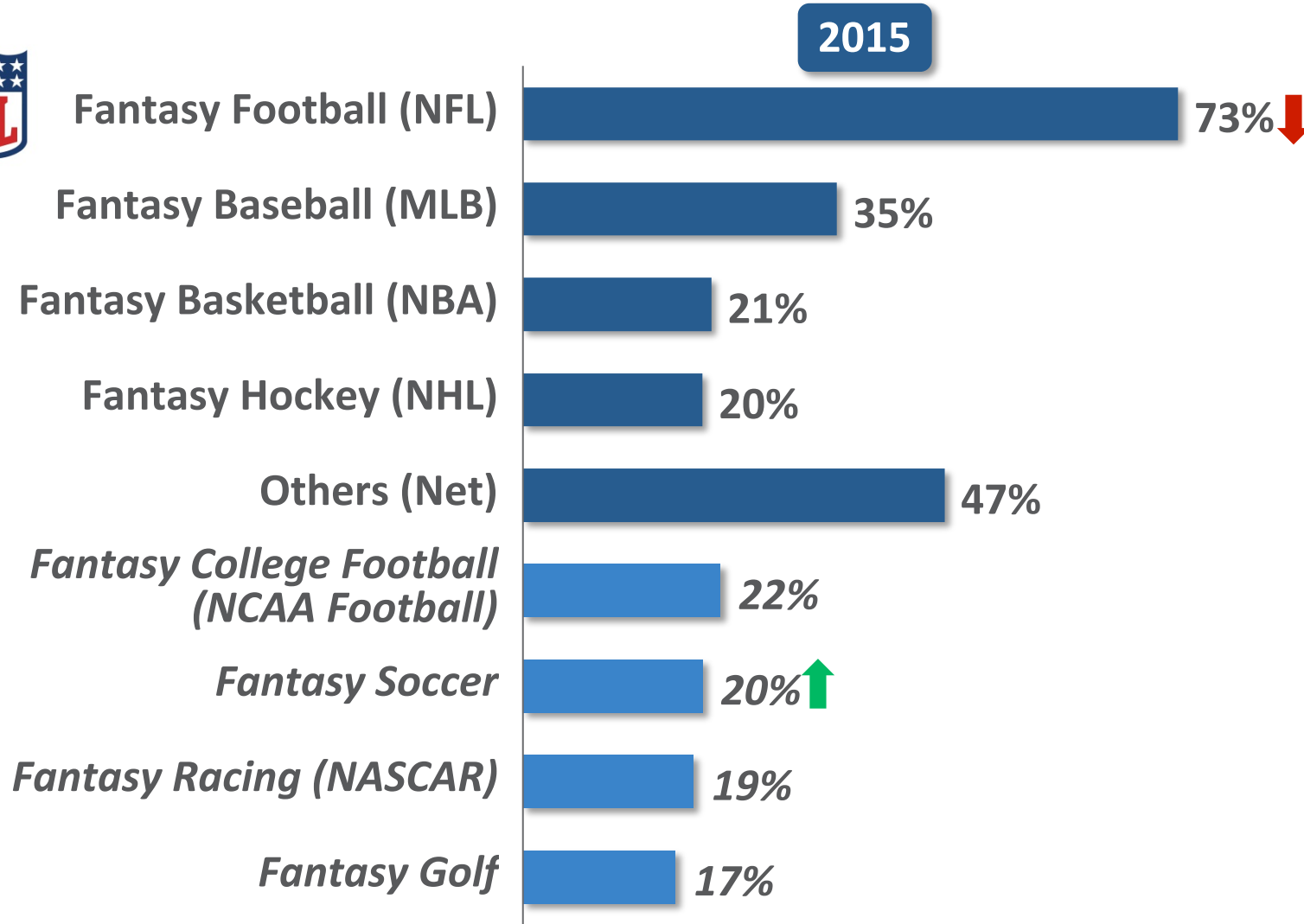
Age		Fantasy Players
	Average age	37.7
	18 to 34	54%
	35 to 54	31%
	55+	16%

Education		Fantasy Players
	HS or less	13%
	Some college	30%
	Bachelor's degree	37%
	Post-grad degree	20%

HH Income		Fantasy Players
	<\$50K	29%
	\$50K to <\$75K	22%
	\$75K+	47%

Employment		Fantasy Players
	Full-time	66%
	Part-time	9%
	Retired/ homemaker	10%
	Student	6%
	Unemployed	4%

Participation For Most Sports Has Remained Constant, With Football and Soccer Exceptions



2013 (n=1,226)	2012 (n=502)
77%	74%
33%	32%
21%	21%
18%	16%
20%	16%
12%	14%
21%	16%
15%	13%

Base: All respondents (n=1,000)

Q1. Please select the responses below that best describe your participation level in Fantasy Sports or Daily Fantasy Sports since May of 2014 (within the past 12 months).
(Please select all that apply.)

Despite A Lower Proportion Of The Pie, Football Still Gained 7 Million More Players

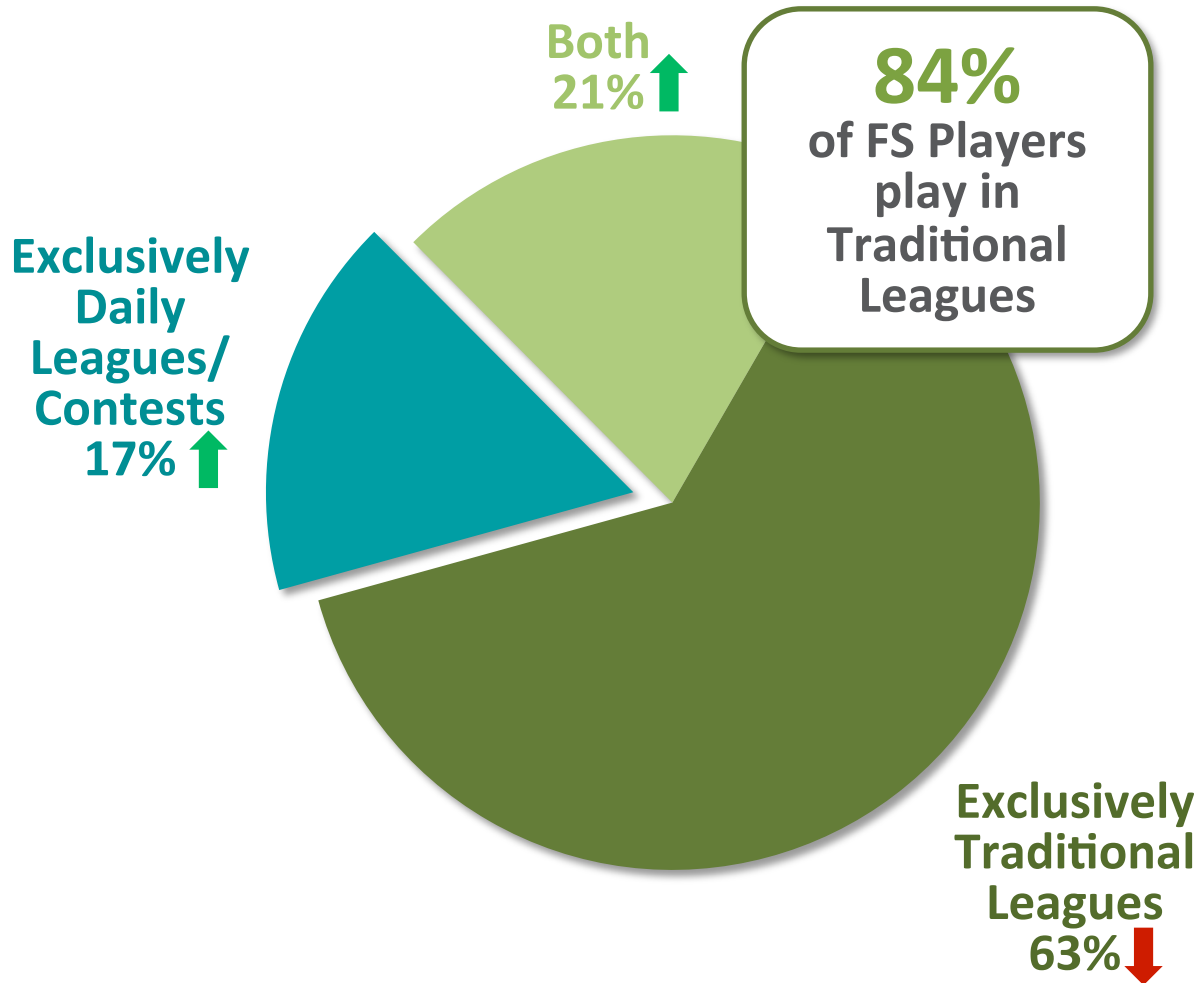
	Players 18+ (millions)		
	2013 (n=1,226)	2015 (n=1,000)	Change
All Fantasy Sports	30.3		
Fantasy Football (NFL)	23.3		
Fantasy Baseball (MLB)	10.0		
Fantasy College Football (NCAA Football)	6.1		
Fantasy Basketball (NBA)	6.4		
Fantasy Hockey (NHL)	5.5		
Fantasy Soccer	3.6		
Fantasy Racing (NASCAR)	6.4		
Fantasy Golf	4.5		



Base: All respondents

Q1. Please select the responses below that best describe your participation level in Fantasy Sports or Daily Fantasy Sports since May of 2014 (within the past 12 months). (Please select all that apply.)

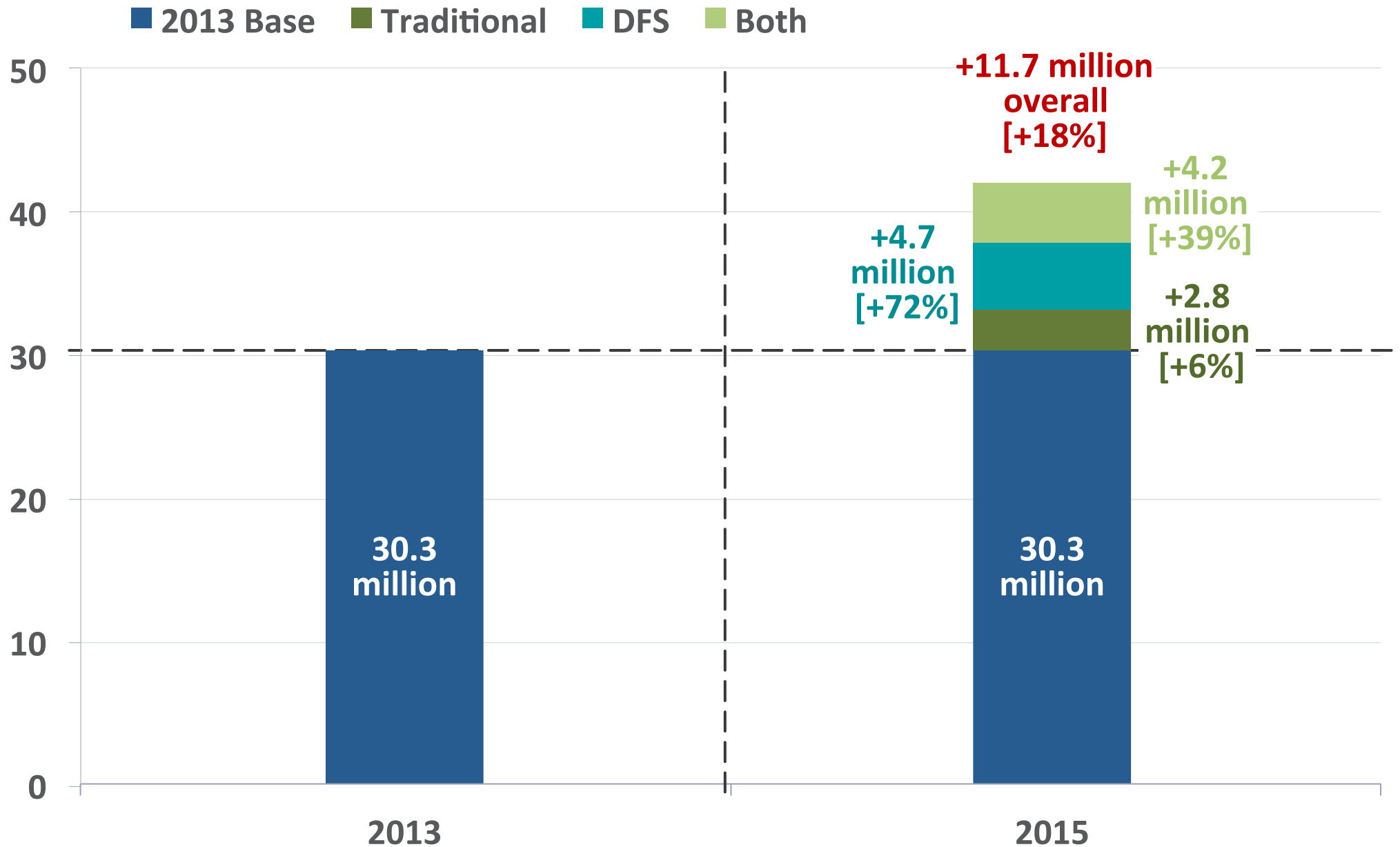
Although Most Still Play In Traditional Leagues, The Proportion is Declining



	2013 (n=1,226)	2012 (n=502)
Exclusively Traditional Leagues	78%	67%
Exclusively Daily Leagues/Contests	8%	13%
Both	15%	20%

18-34	57%
35-54	65%
55+	74%

Growth In Fantasy Is Being Driven By DFS, With Almost 9 Million New DFS Players Entering the Market In The Past 2 Years

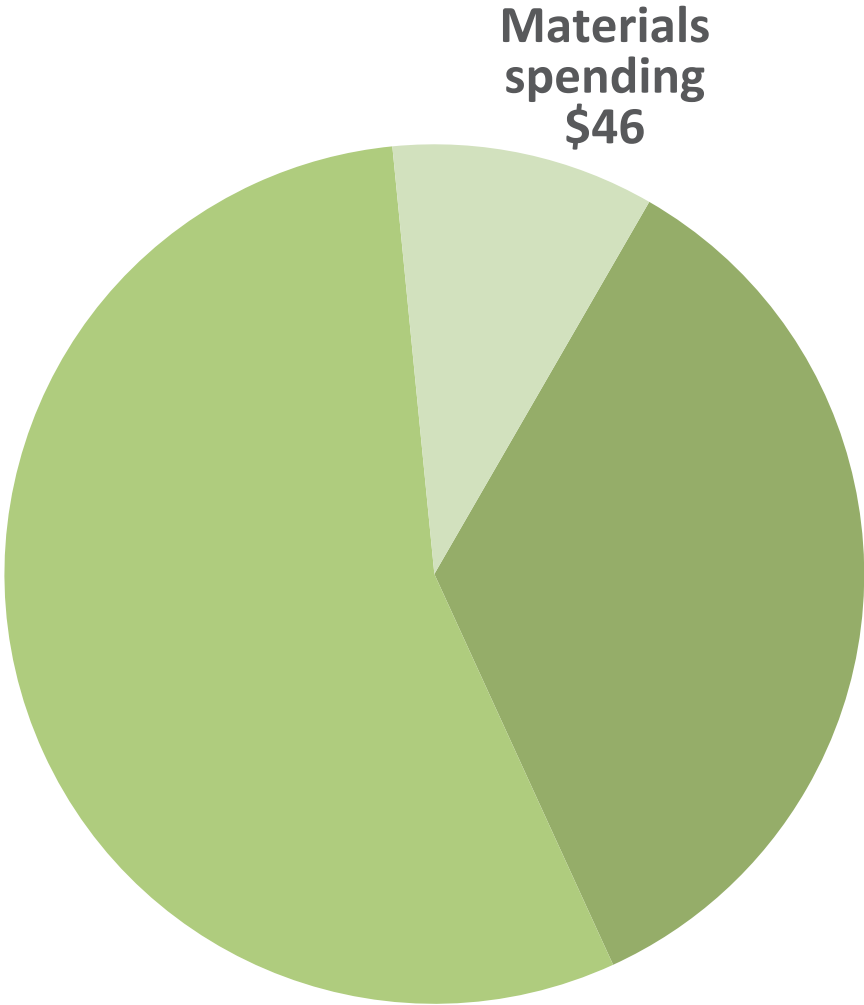




Overall Fantasy Spending Has Skyrocketed Since 2012, Up 70% YOY From \$95.



Daily Fantasy Sports spending \$257



Materials spending \$46

Traditional League spending \$162

Average Annual Spending Per Fantasy Player

\$465

Spending	2012	YOY Growth
DFS	\$15	158%
Traditional	\$60	39%
Materials	\$15	32%

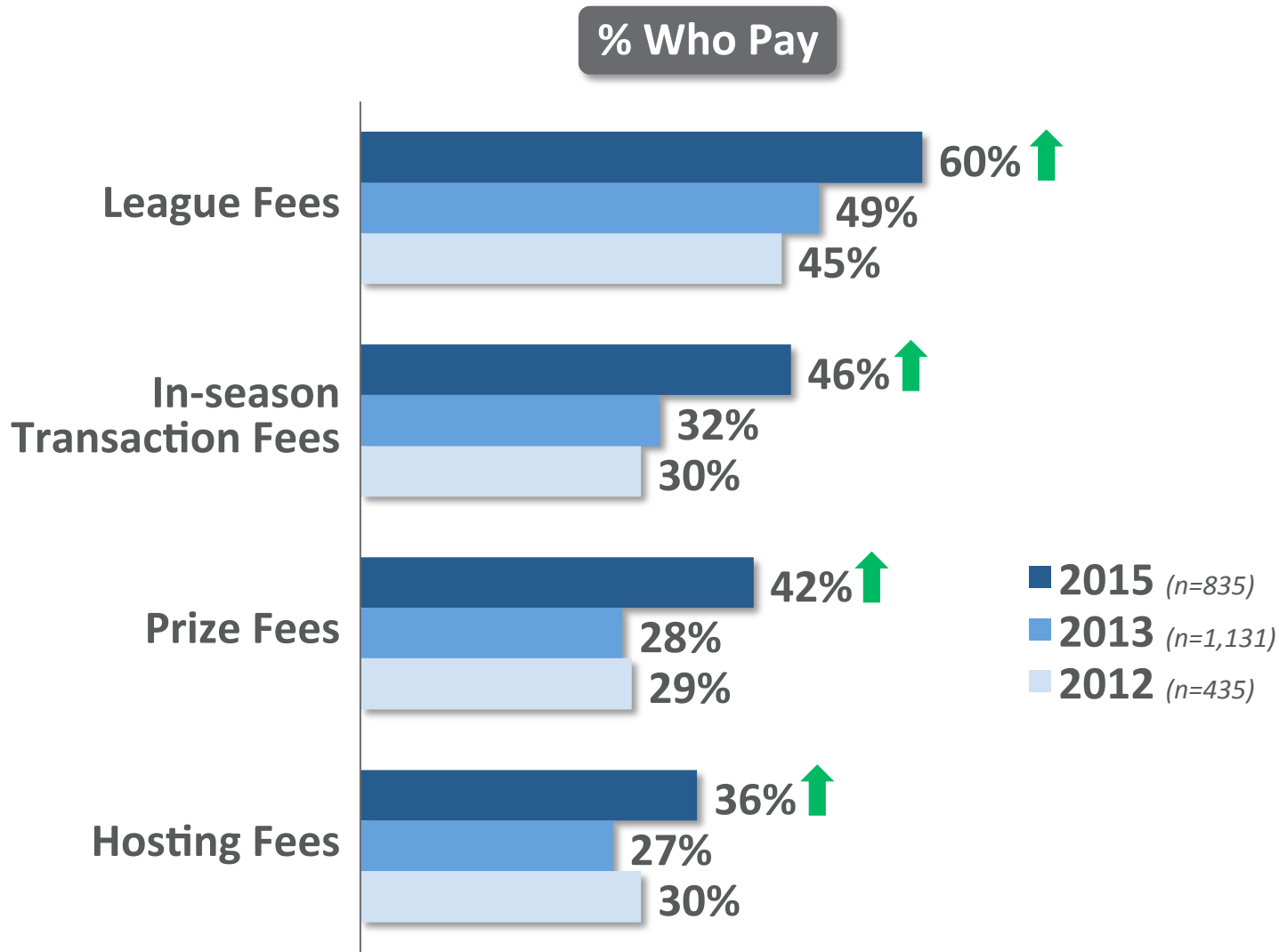
Base: All fantasy players (n=1,000)



Traditional Leagues



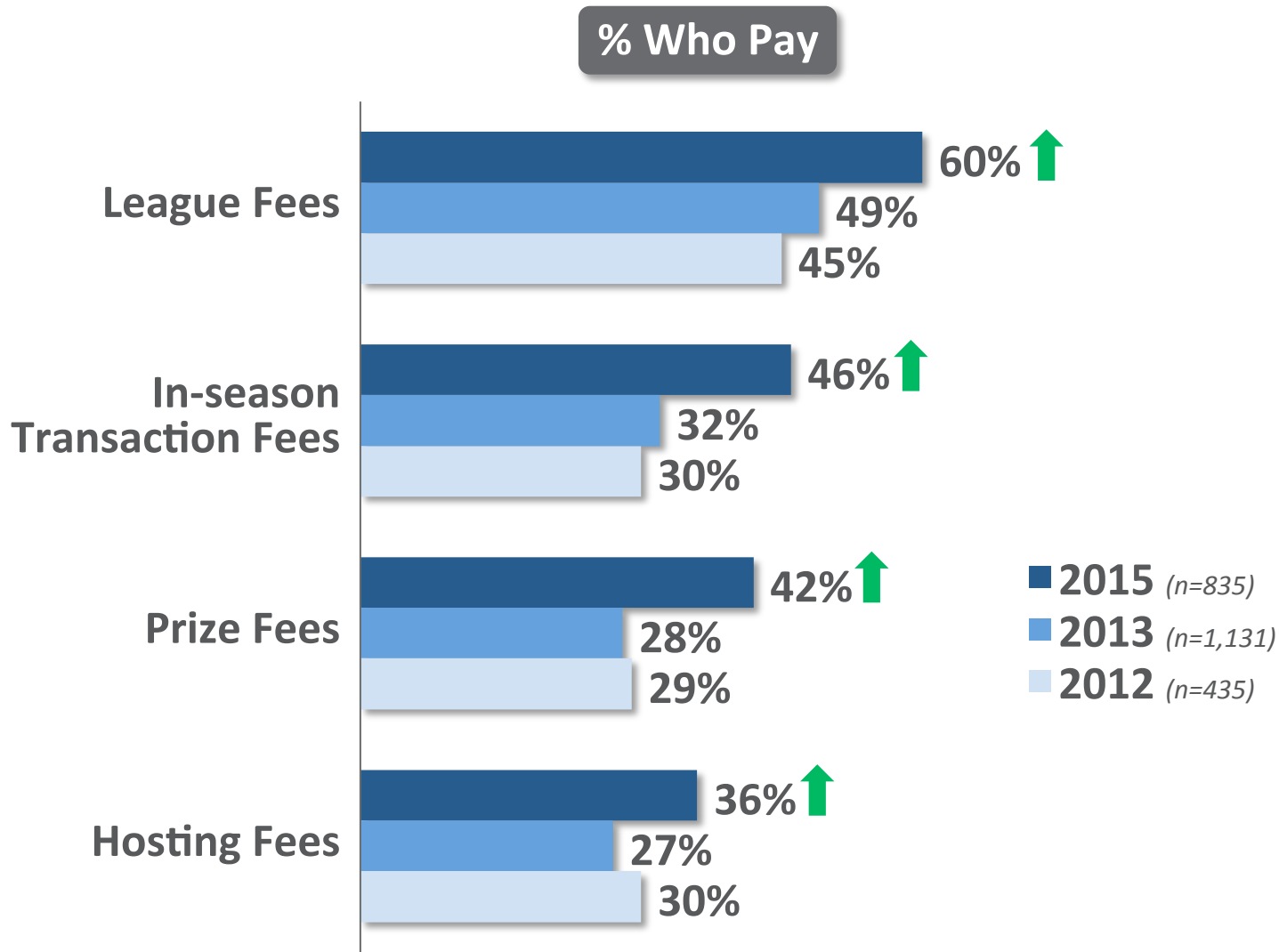
More Players, And More of Them Spending



Base: Traditional Players

Q5A/B/C/D. For any of your traditional leagues, do you pay [answer], or do you play only in leagues without any league fees?

More Players, And More of Them Spending, Particularly Among Younger Players



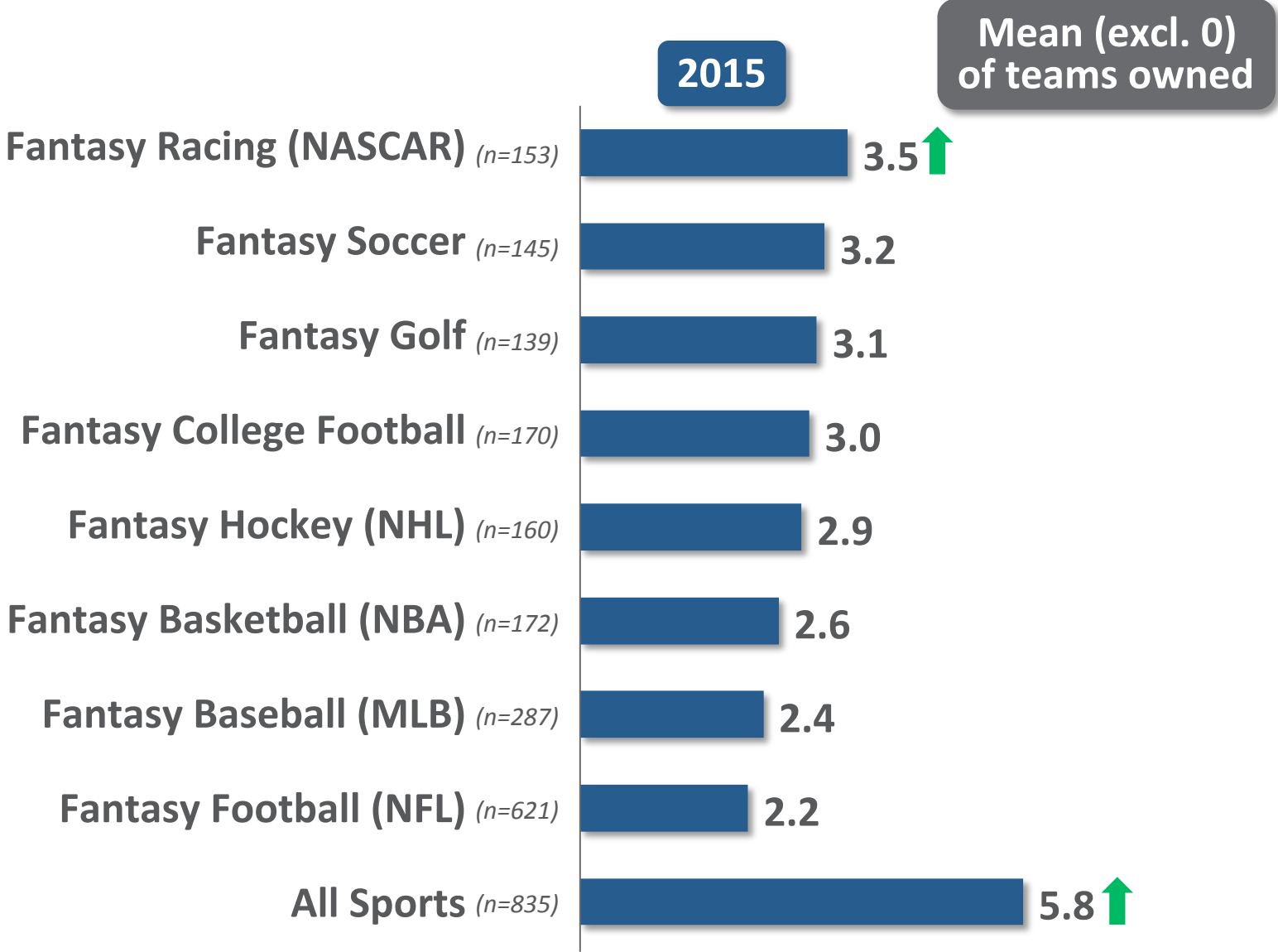
2015 Age Groups		
18 to 34 (n=431)	35 to 54 (n=266)	55+ (n=138)
71%	54%	37%
56%	38%	31%
54%	36%	18%
44%	29%	21%

Base: Traditional Players

Q5A/B/C/D. For any of your traditional leagues, do you pay [answer], or do you play only in leagues without any league fees?



More Participants, And More Leagues Across The Board. However, The More Niche Sports Are The Ones With Greater Numbers of Teams



2013 (n=varies)	2012 (n=varies)
2.1	2.2
3.0	1.9
2.5	2.2
2.5	2.1
2.2	2.3
2.3	2.4
2.4	2.1
2.1	2.0
4.7	4.1

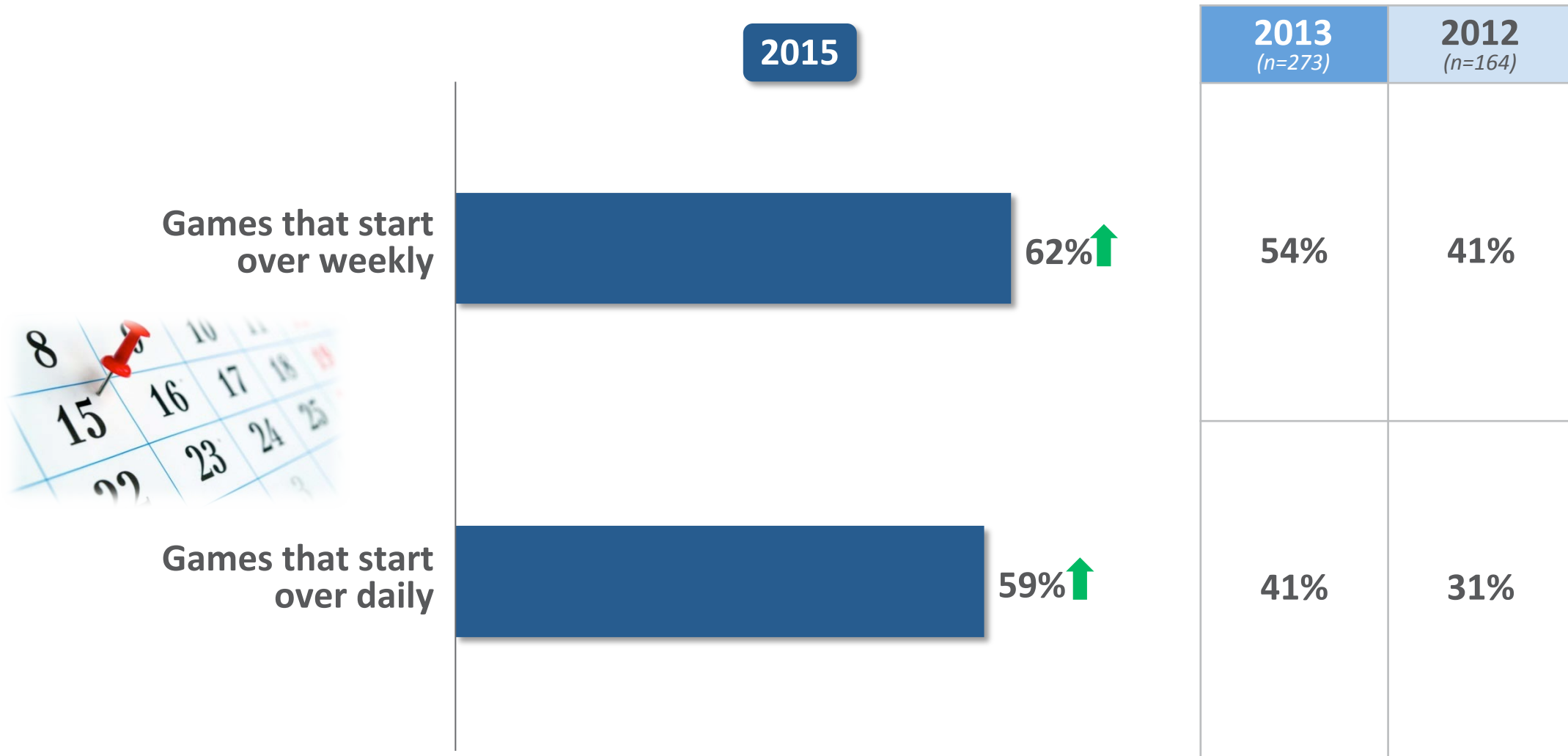
Base: Traditional Player of [INSERT SPORT] (n=varies)
Q3. You said you play in traditional fantasy sports leagues (Hyperlink to definition at Q2). Thinking only of these types of traditional leagues, please select the number of fantasy sports teams you “owned” in the past 12 months for each sport.



Daily Fantasy Sports



Daily Fantasy Sports Play Continues To Grow, And Particularly Among The Millennials



Base: Daily League Players (n=375)

Q7. You said you play in daily fantasy sports games (HYPERLINK TO DEFINITION IN Q2). Again, these games differ from traditional leagues in that you are joining a contest through a game lobby and typically and building a team with salary cap dollars. Also, you might only build a team for a day or a weekend playing in much shorter durations. And instead of competing against friends, family or co-workers in your own league, you are likely to compete against people you don't know as part of a larger field or pool. Which of the following types of daily fantasy sports games do you play by duration?

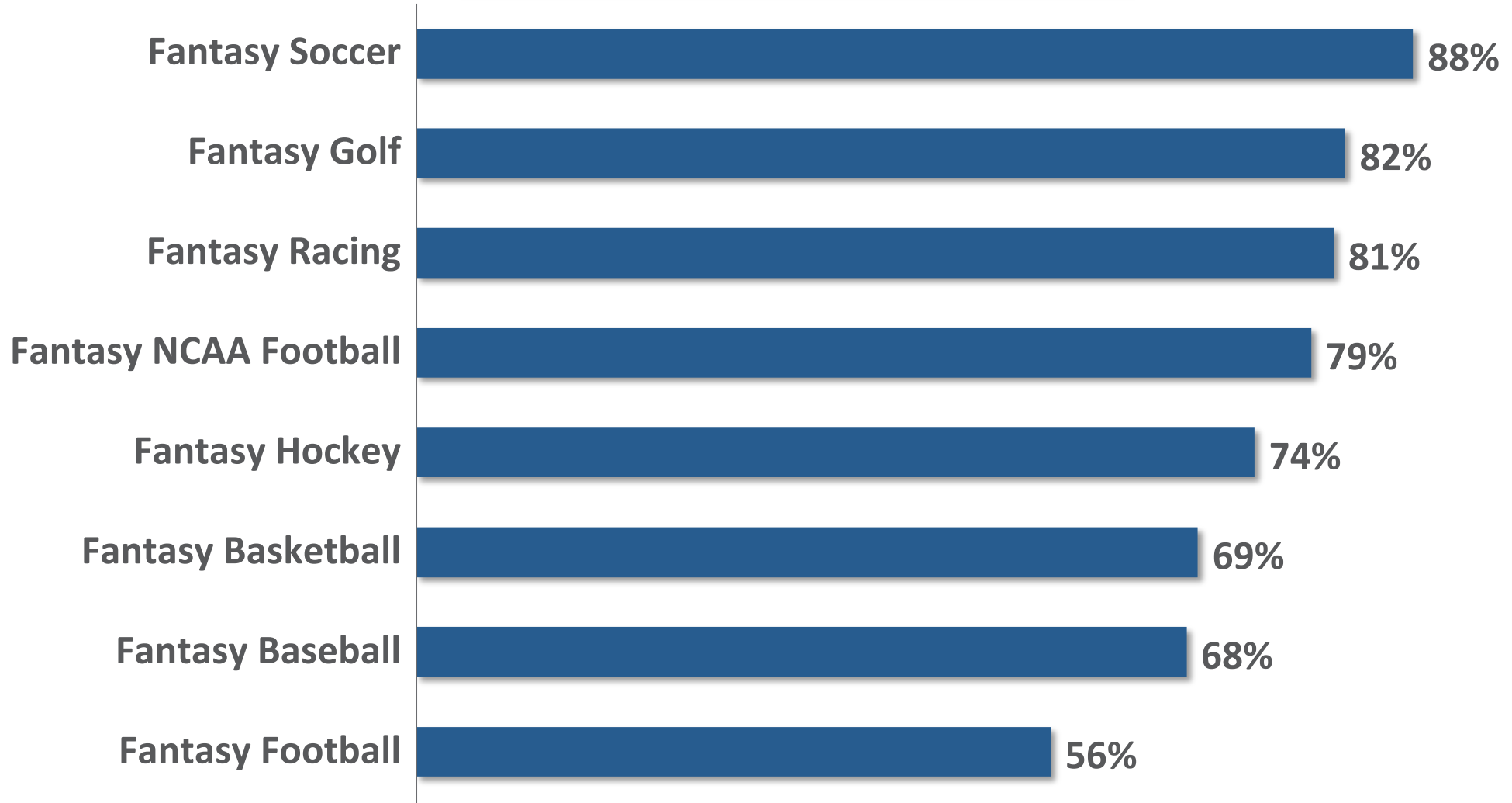


Fantasy Sports Materials and Media



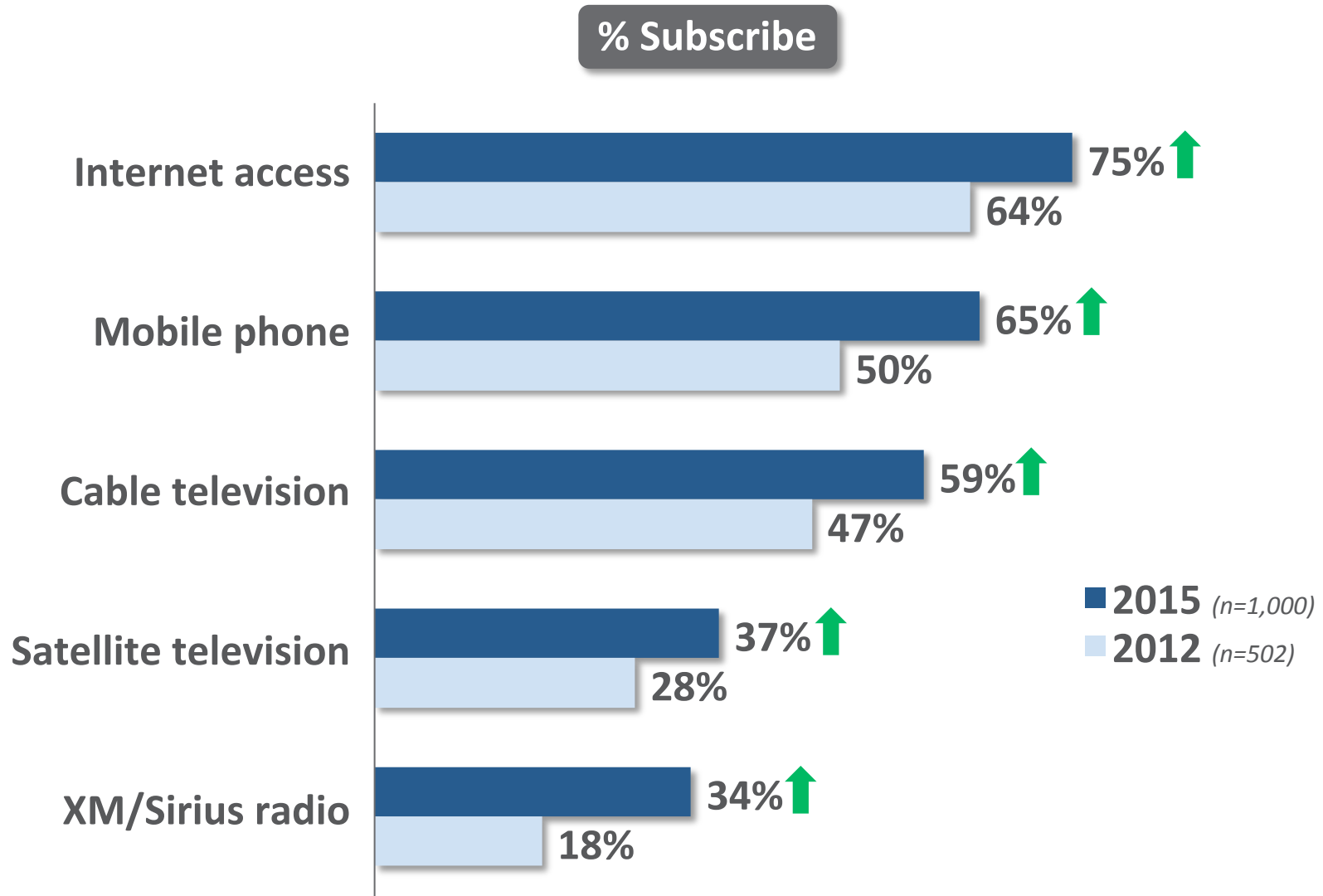
The More Niche The Sport, The More Likely You Are To Purchase Materials

Purchase Any Fantasy Sports Materials



Base: Play [INSERT SPORT]

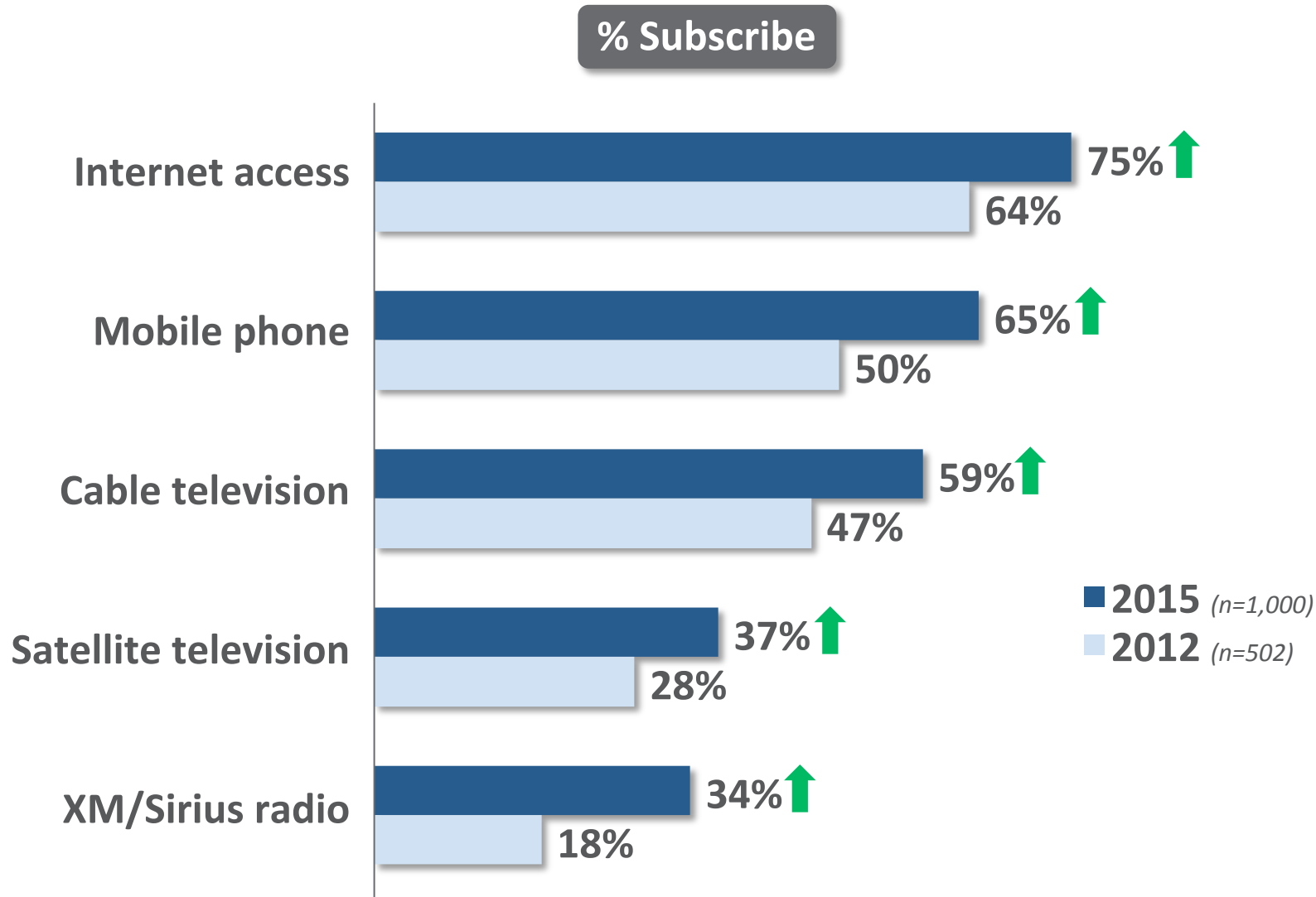
Q11A. For each fantasy sport you play, please select what materials or services you regularly pay for.



Base: All respondents
 Q12a. We would now like to focus on services that you may use. Do you pay for a subscription to any of the following services?
 Q12b. Of the following services, please enter what percentage of time you consume these services specifically for fantasy sports.



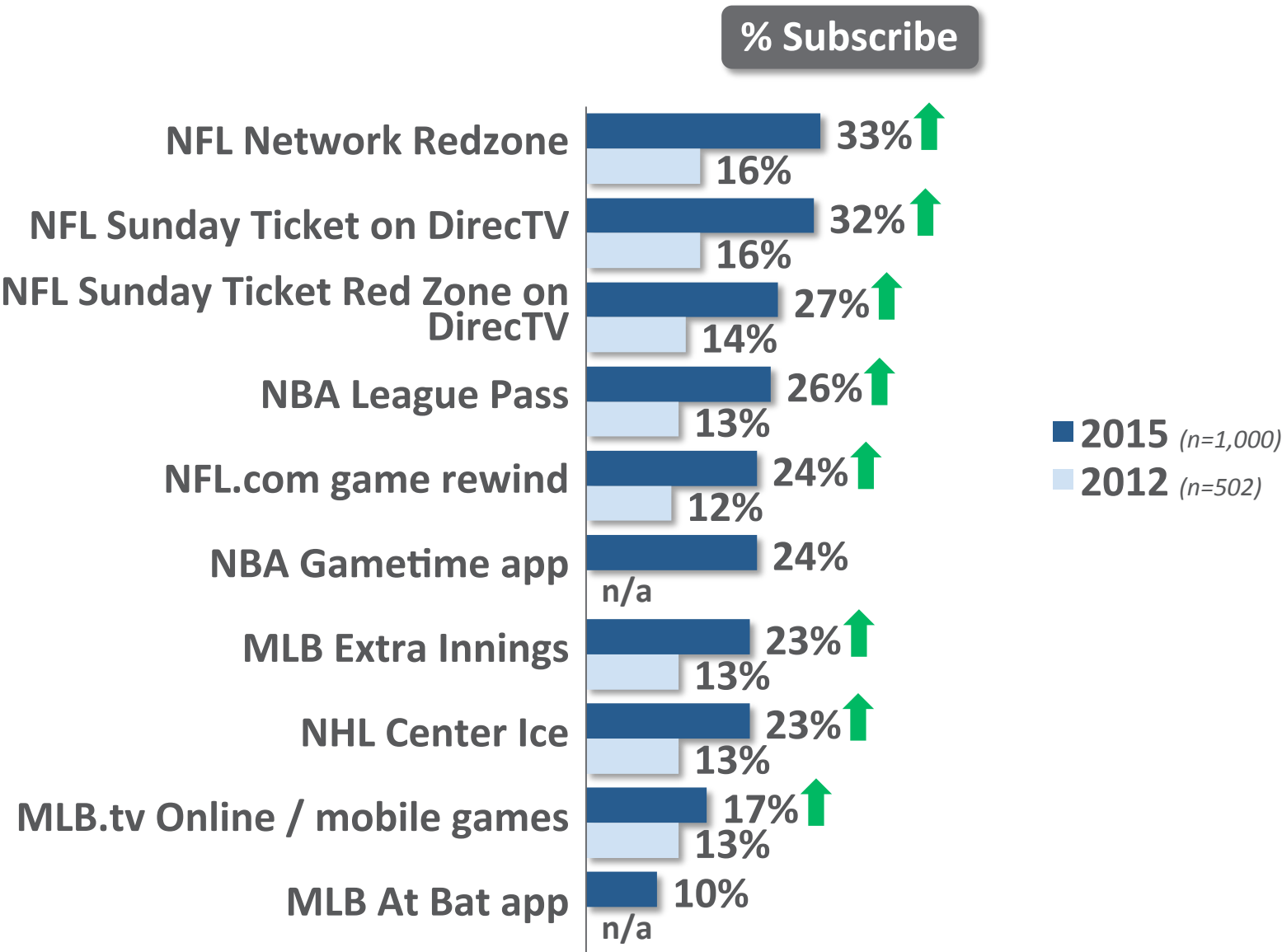
Usage of Media is Increasing, And The Time Used Specifically For Fantasy Is Also Rising



Time Used for Fantasy	
Mean (incl. 0)	
2015 (n=varies)	2012 (n=varies)
29%	27%
21% ↑	10%
21% ↑	16%
19%	16%
10%	9%

Base: All respondents
Q12a. We would now like to focus on services that you may use. Do you pay for a subscription to any of the following services?
Q12b. Of the following services, please enter what percentage of time you consume these services specifically for fantasy sports.

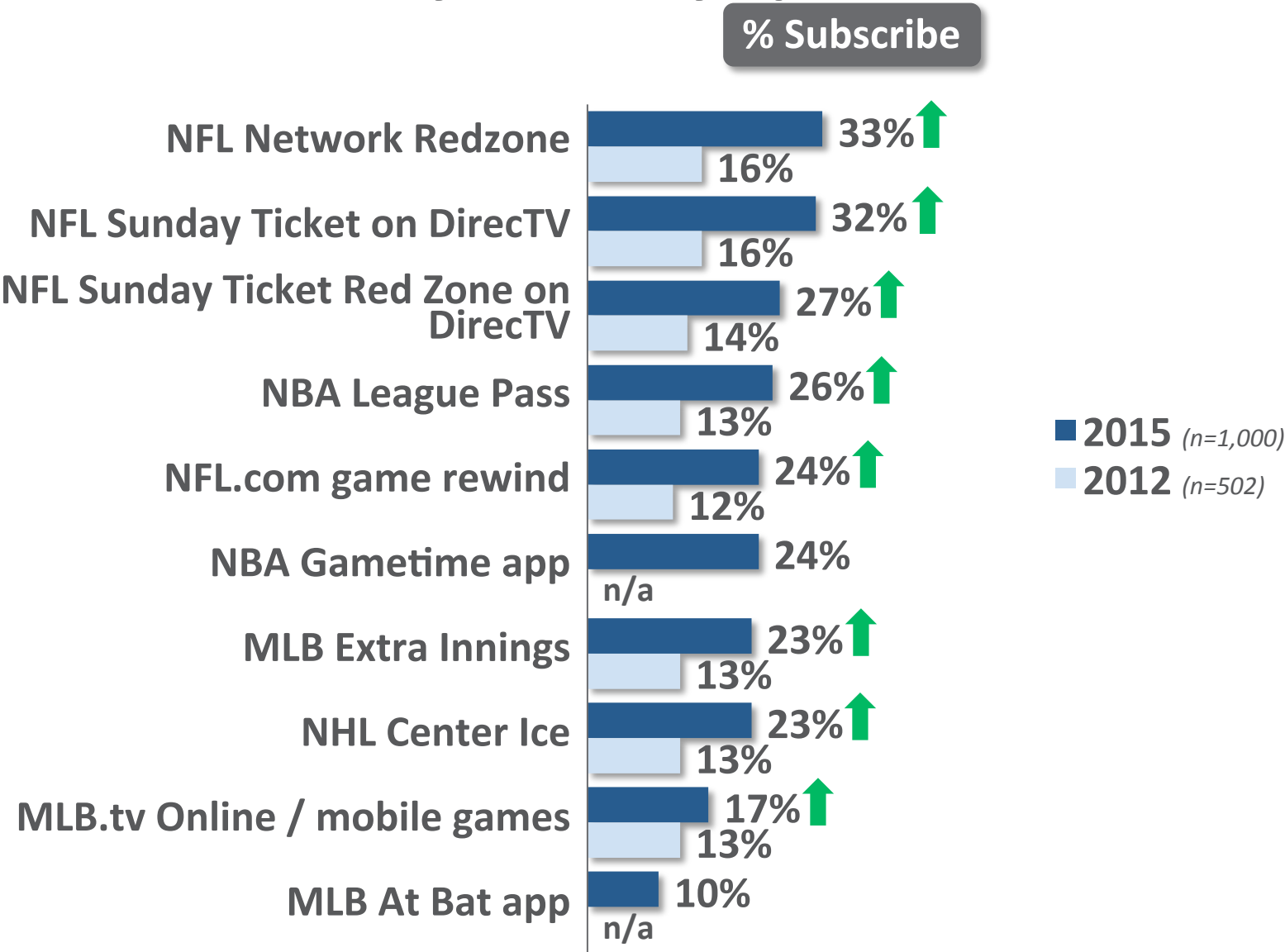
Subscription To All Services Continue To Rise Among Fantasy Players



Base: All respondents
 Q12a. We would now like to focus on services that you may use. Do you pay for a subscription to any of the following services?
 Q12b. Of the following services, please enter what percentage of time you consume these services specifically for fantasy sports.



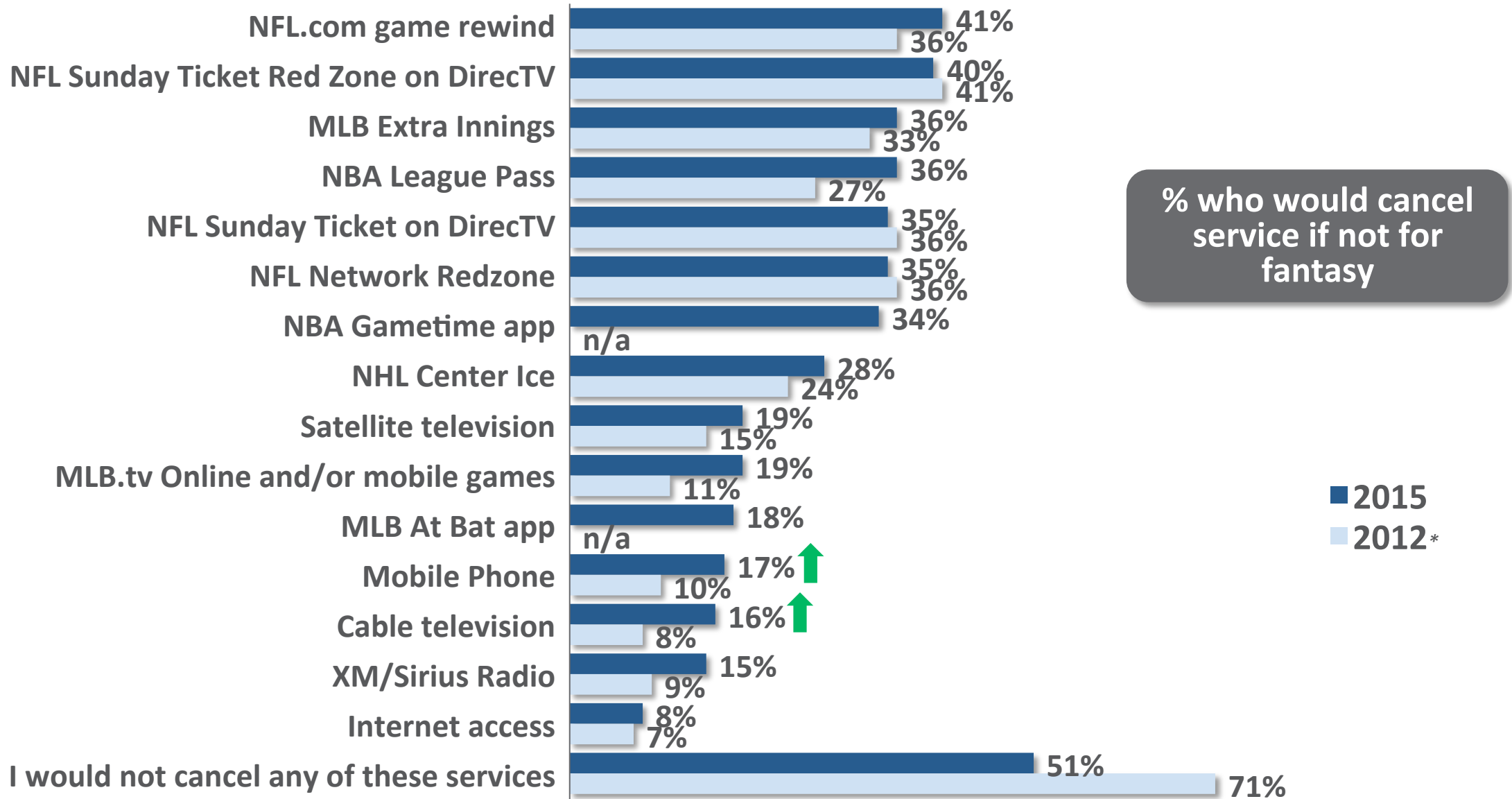
Subscription To All Services Continue To Rise Among Fantasy Players, With Time Dedicated To Fantasy Generally Up Also



Time Used for Fantasy	
Mean (incl. 0)	
2015 (n=varies)	2012 (n=varies)
18%	21%
19%	19%
18%	12%
16%	15%
14% ↑	9%
17%	n/a
15%	14%
16%	13%
16%	13%
18%	n/a

Base: All respondents
Q12a. We would now like to focus on services that you may use. Do you pay for a subscription to any of the following services?
Q12b. Of the following services, please enter what percentage of time you consume these services specifically for fantasy sports.

The Importance of Fantasy to Media/Subscriptions Remains High For Many



* Small base size, interpret with caution.

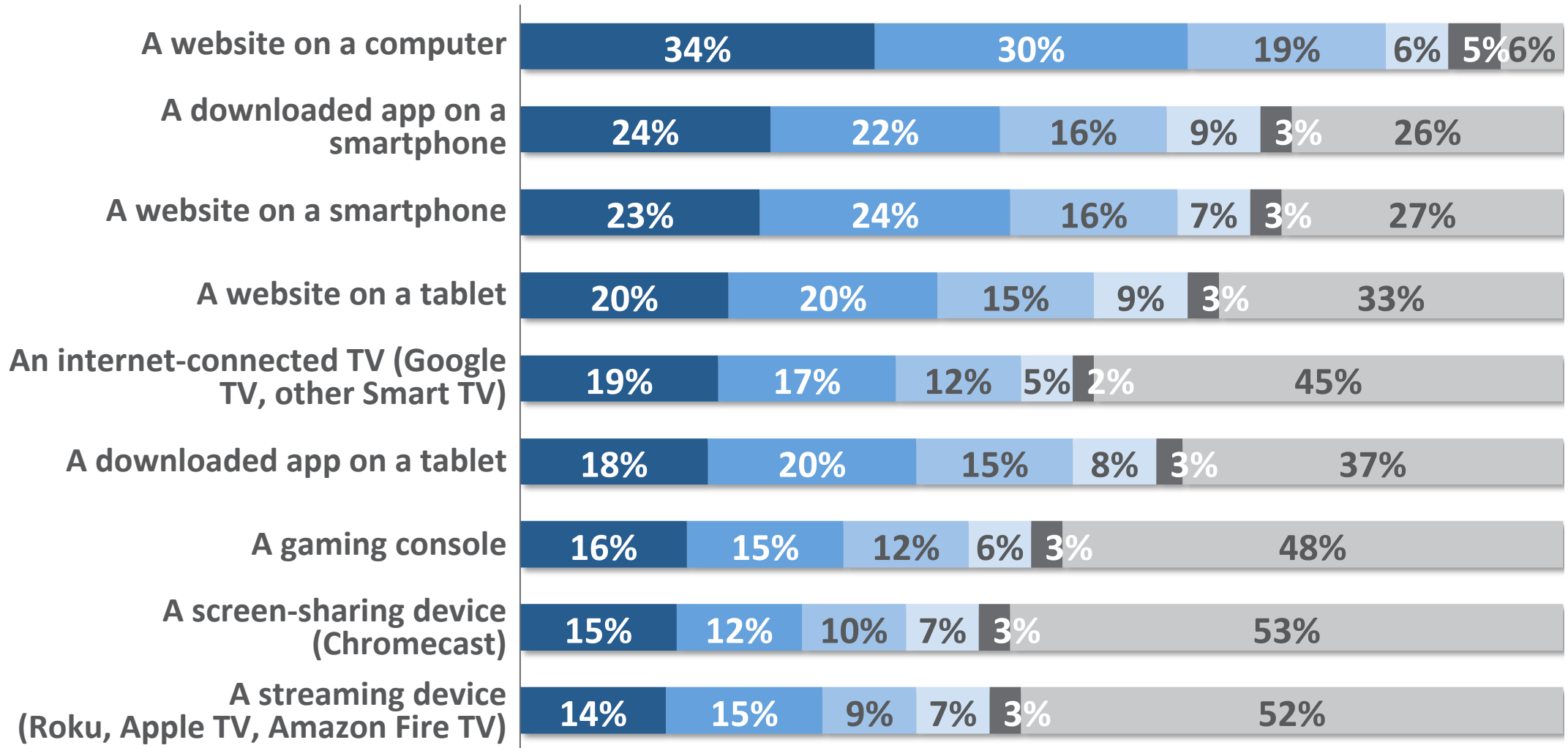
Base: Pay for a subscription to [service]

Q12c. Which, if any, of the following would you cancel if you did not play fantasy sports? (Select all that apply)

The Computer Is Still The Most Used Device, With Most Checking Weekly Or More Often. Only 6% Never Use It. Use of the Smartphone Trails Slightly

2015

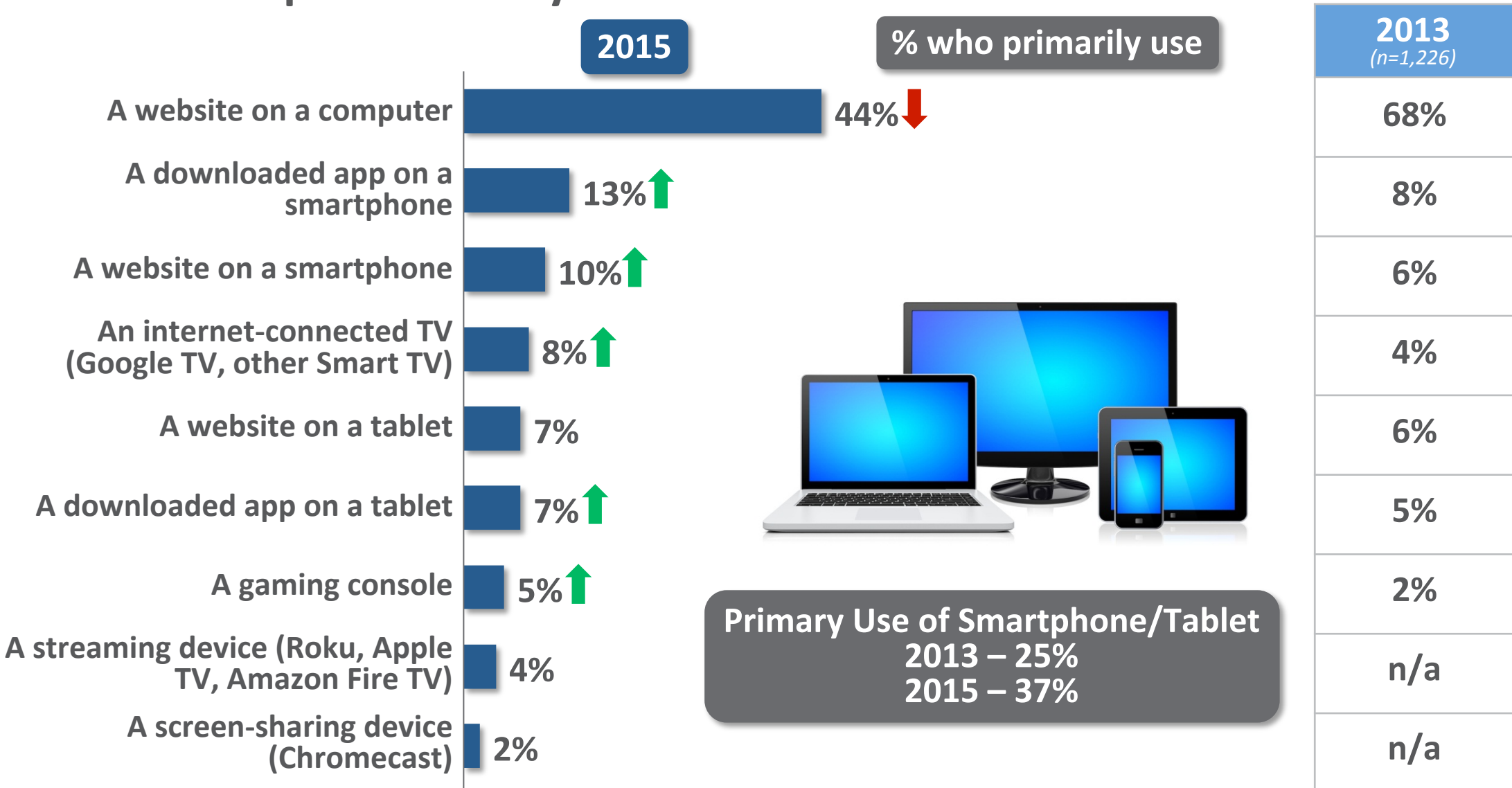
■ Daily ■ More than once a week but not daily ■ Weekly ■ Monthly ■ Yearly ■ Never



Base: All respondents (n=1,000)

Q14. How often do you use each of the following means for your fantasy sports-related activities? (Please select one device.)

Although it's the Primary Screen For Many, The Use of the Desktop/Laptop As The Primary Screen is Declining, With Smartphones, Tablets, Consoles, and Internet Connected TV All Up For Fantasy Activities

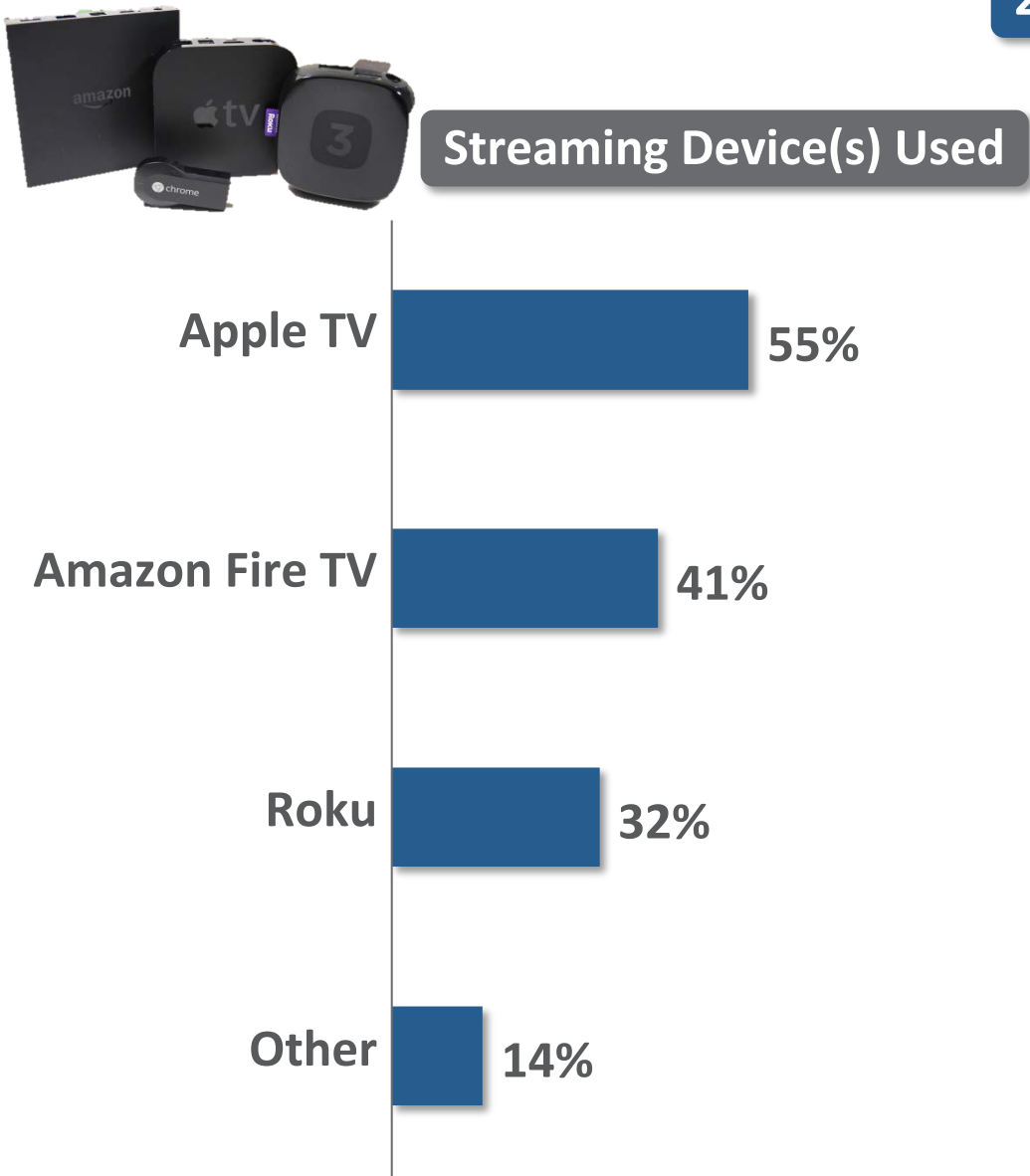


Base: All respondents (n=1,000)

Q13. Overall, which of the following means do you use most frequently for your fantasy sports-related activities? (Please select one device.)

For Those Who Use Streaming Devices, Apple TV and Amazon Fire TV Are The Most Used

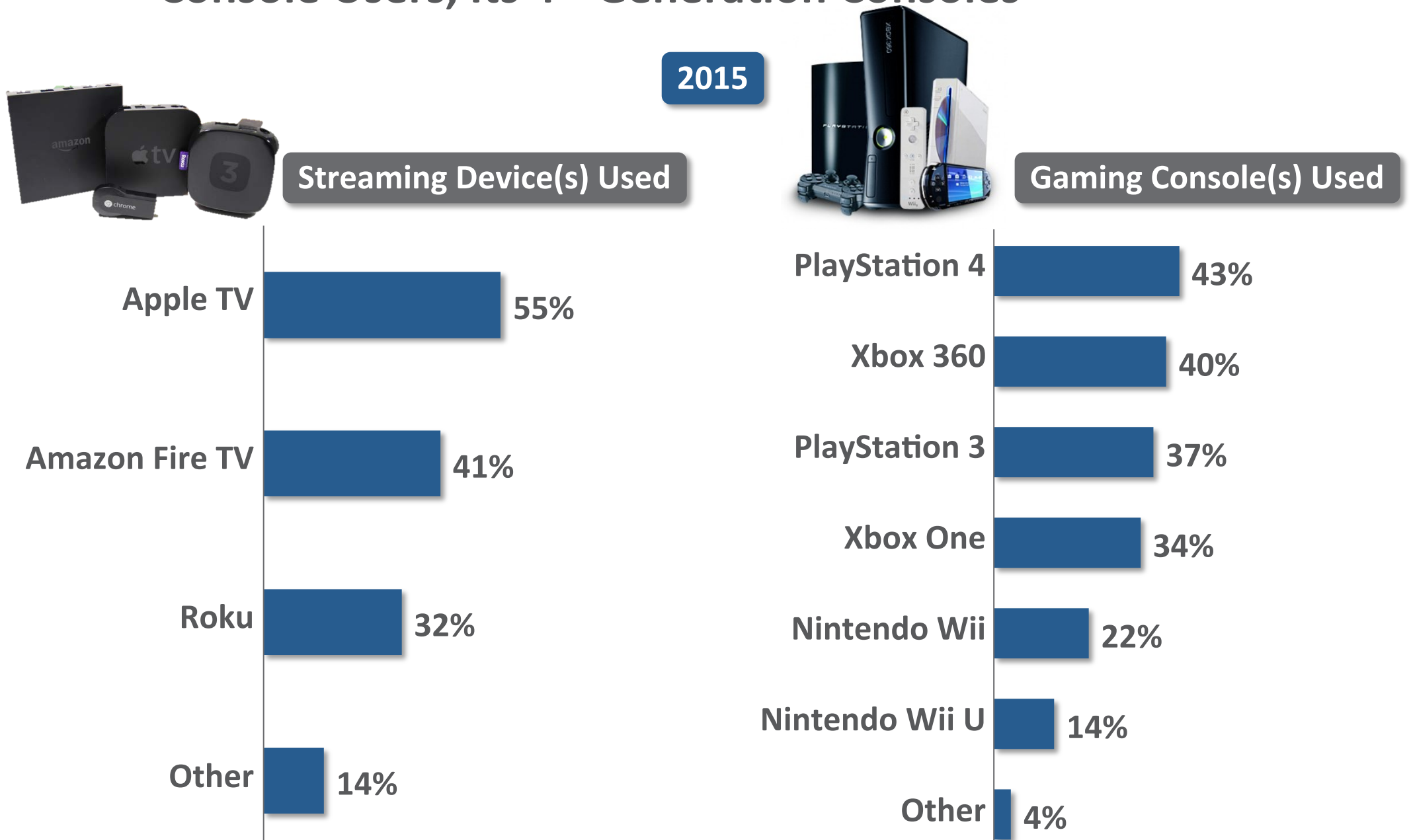
2015



Base: Use a streaming device (n=480)
 Q14b. Which streaming device(s) do you use for fantasy sports-related activities?

Base: Use a gaming console (n=516)
 Q14c. Which gaming console(s) do you use for fantasy sports-related activities?

For Those Who Use Streaming Devices, Apple TV and Amazon Fire TV Are The Most Used, While Among Gaming Console Users, Its 4th Generation Consoles



Base: Use a streaming device (n=480)

Q14b. Which streaming device(s) do you use for fantasy sports-related activities?

Base: Use a gaming console (n=516)

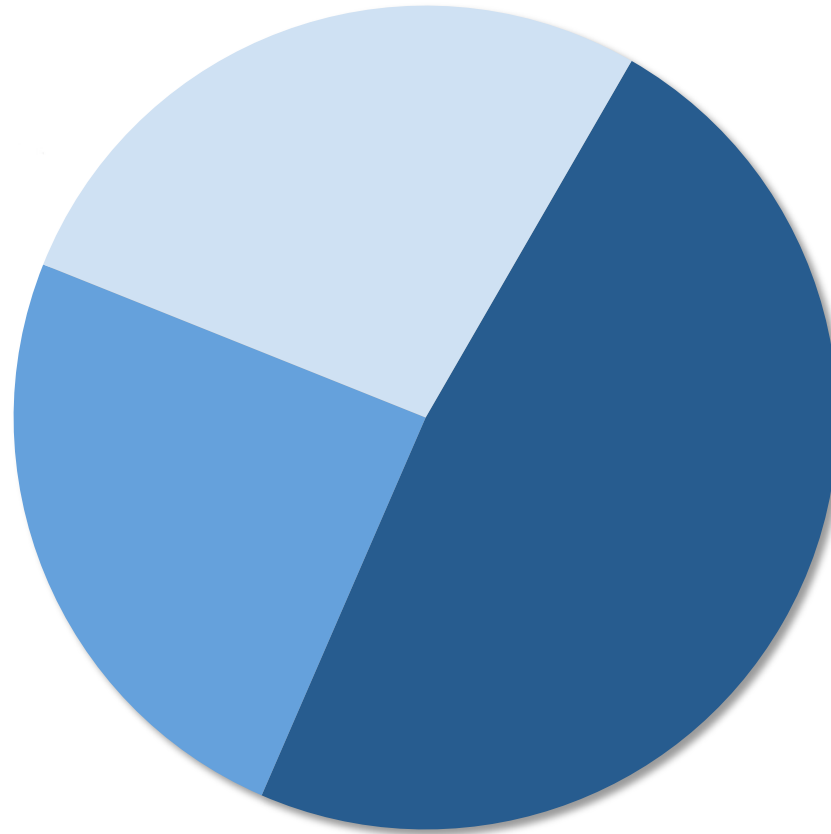
Q14c. Which gaming console(s) do you use for fantasy sports-related activities?

Fantasy App Downloaders Primarily Use Mobile Device For Fantasy Sports



I primarily use a
computer for
fantasy sports
activities
30%

I use both a
computer and
mobile device
equally for
fantasy sports
activities
27%



I primarily use
my mobile
device for
fantasy sports
activities
53%



Fantasy Participants Watch More Live Sports And Read More Articles Because They Play Fantasy Sports

2015

% Top-2-Box

■ Completely agree

■ Somewhat agree

I watch more live sports because I play FS

26%

35%

61%

I read more articles about sports (including online) because I play FS

23%

37%

60%

I watch TV programming focused on FS

22%

29%

51%

I watch online video focused on FS

19%

32%

51%

I am playing more FS now that I am able to play on my mobile device

21%

27%

48%

I listen to more sports radio because I play FS

19%

29%

48%

I listen to radio programs or podcasts focused on FS

18%

26%

45%

I am more likely to go to sports games now that I can play FS from my mobile device

18%

26%

44%

Now that I can play FS on my mobile device, I don't have to watch sports games at home if I don't want to

16%

24%

40%

Base: All respondents (n=1,000)

Q17. How much do you agree or disagree with each of the following statements?

Key Takeaways

1

Fantasy Sports Participation has risen, particularly in Daily Fantasy Sports.

- 20% of all U.S. residents 12+ and 18% of U.S. adults (18+) play fantasy sports.
- Three-in-five (63%) players play exclusively in traditional leagues, compared to 78% in 2013 and 67% in 2012.
- Almost one-in-five (17%) players play Daily Fantasy Sports exclusively, compared to 8% in 2013.



Key Takeaways

2

Fantasy Sports Players are paying an average of \$465 a year for fantasy.

- \$162 in traditional league spending.
- \$46 in materials spending.
- \$257 in Daily Fantasy Sports spending.



Key Takeaways

3

Reliance on computers for fantasy activities has declined.

- Less than half (44%) of players primarily use a website on a computer for fantasy activities, compared to 68% in 2013.
- 37% of players primarily use a mobile device (smartphone or tablet), compared to 25% in 2012.



Key Takeaways

4

Players are more interested in sports because of fantasy.

- 61% say they are watching more live sports because of fantasy.
- 60% say they read more about sports because of fantasy.





Contact Information



Jason Allsopp
Jason.Allsopp@ipsos.com

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