



FANTASY SPORTS TRADE ASSOCIATION

Fantasy Sports Market Study Presentation

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About Us



Jason Allsopp

Vice President

Ipsos, Gaming & Lottery Practice



Greg Ambrosius

General Manager of Consumer
Fantasy Games, STATS LLC

FSTA Board Member

What are we here to talk about today?



**FANTASY SPORTS
PARTICIPATION**



**FANTASY SPORTS LEAGUE
SPENDING**



**FANTASY SPORTS MEDIA
USAGE**



Phase One:

Incidence of Fantasy Sports Participation



Research Objectives

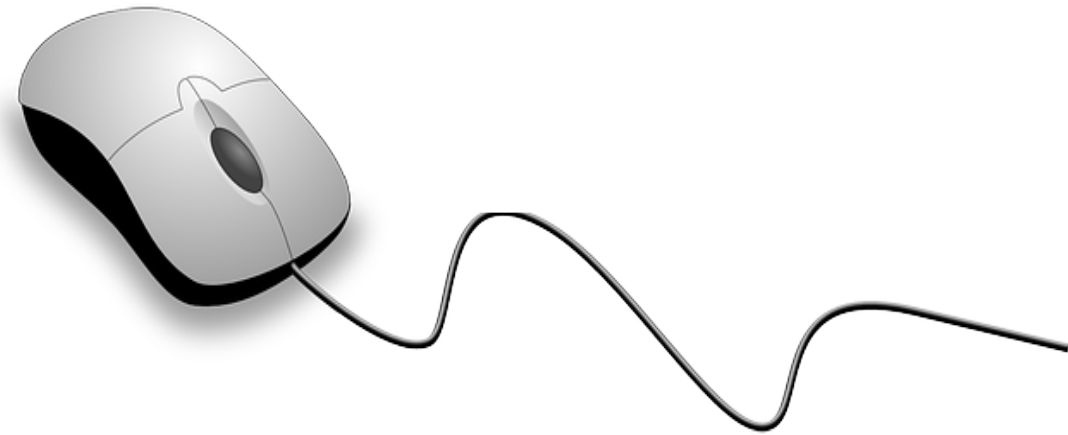
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Phase One: Incidence of Fantasy Sports Participation

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.
- Determine the shifts in these metrics over time.





Phase 1

Methodology	Date	Who	Qualifications	Length of Time
Online interviewing methodology	January 22 to February 1, 2016	n=1204 respondents (12+) within the U.S. Added respondents in CA, CO, FL, GA, IL, IN, MI, MN, MO, NJ, NY, NC, OH, PA, TN, TX, VA, and WI to reach 200 responses in each state for question #2. n=1204 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.

Was the rise we saw last year sustained in 2016?

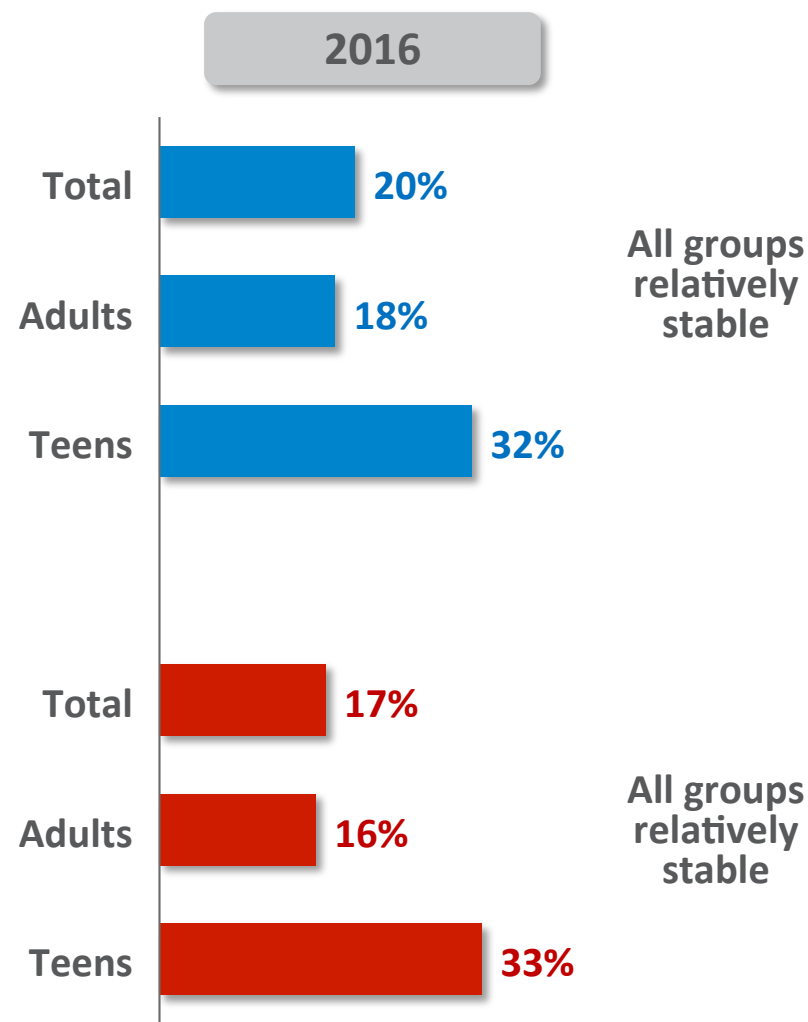
There are approx. 57.4 million total Fantasy Players aged 12+ in North America, the most ever recorded by Ipsos.



52.5 million
people play fantasy sports in
the U.S.
(42.8 million adults 18+).



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



* Caution: small sample size among teens.

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

Q1. Please select the responses below that best describe your participation level in Fantasy Sports and Daily Fantasy Sports since January of 2015 (within the past 12 months).

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%

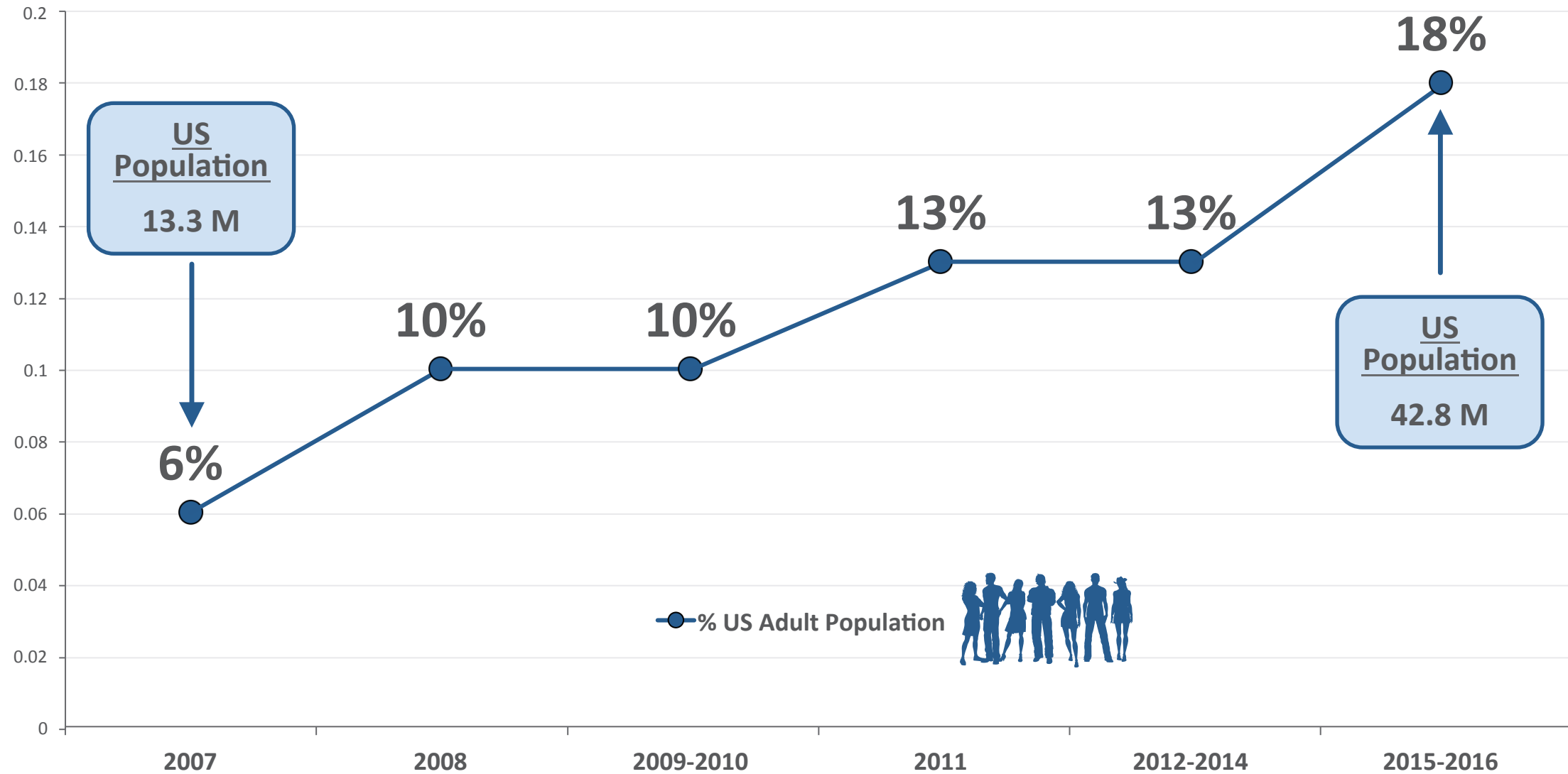
Age		Fantasy Players
	Average age	38.6
	18 to 34	54%
	35 to 54	31%
	55+	16%

Education		Fantasy Players
	HS or less	10%
	Some college	25%
	Bachelor's degree	33%
	Post-grad degree	33%

HH Income		Fantasy Players
	<\$50K	23%
	\$50K to <\$75K	24%
	\$75K+	51%

Employment		Fantasy Players
	Full-time	67%
	Part-time	10%
	Retired/homemaker	9%
	Student	4%
	Unemployed	4%

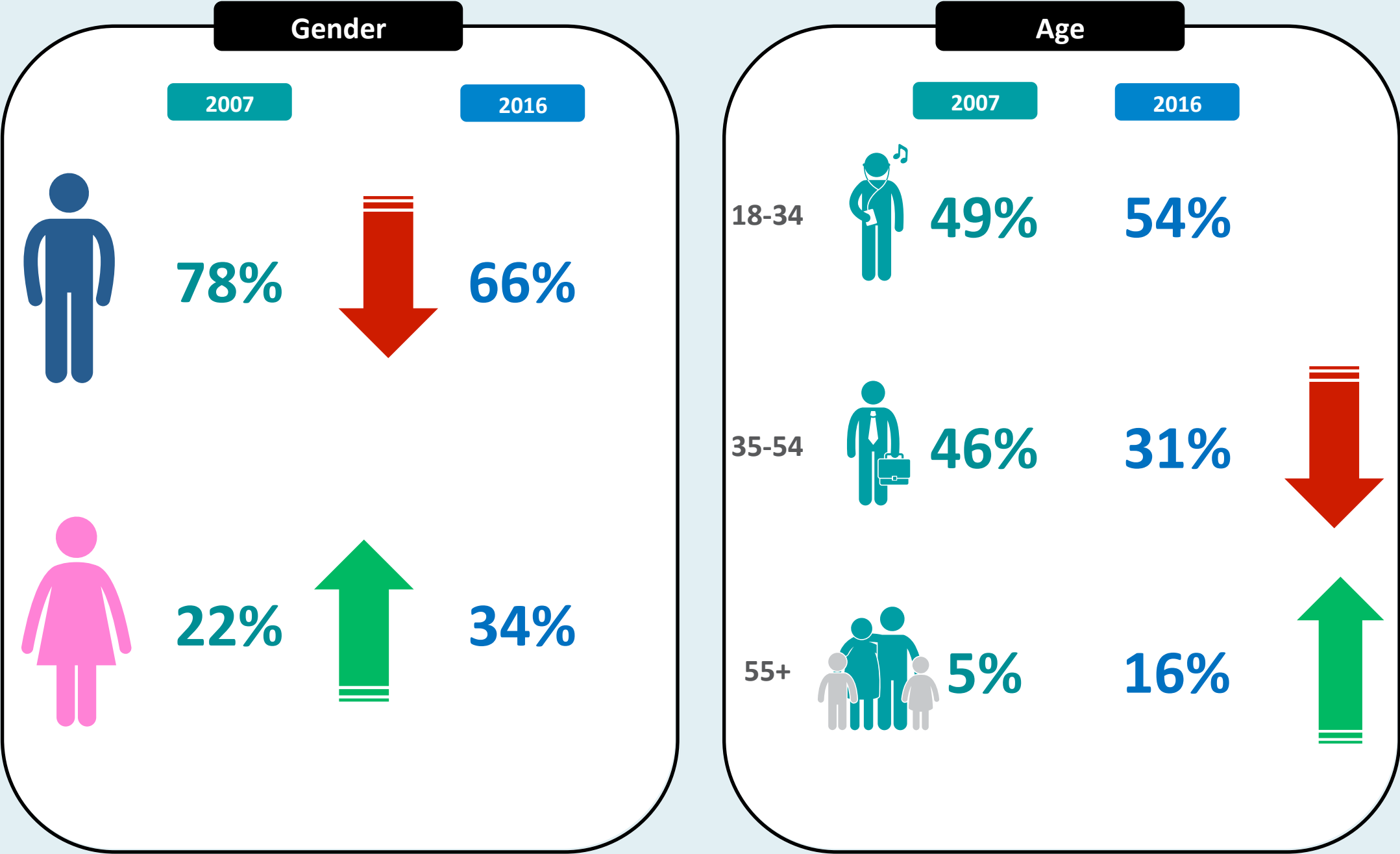
We know where we are today, but what about historically?



Base: All U.S. Adults, aged 18+

Q1. Please select the responses below that best describe your participation level in Fantasy Sports and Daily Fantasy Sports (within the past 12 months).

Fantasy sports is becoming more inclusive; it isn't as male dominant and not just for the younger generation



Do Americans support paid fantasy sports legalization?

Base: Residents in the selected states aged 18+ (Approx. n=200 in each state)

Q2. Do you support a law that would make playing fantasy sports for cash prizes legal in your state?

A sizable majority support paid fantasy sports legalization



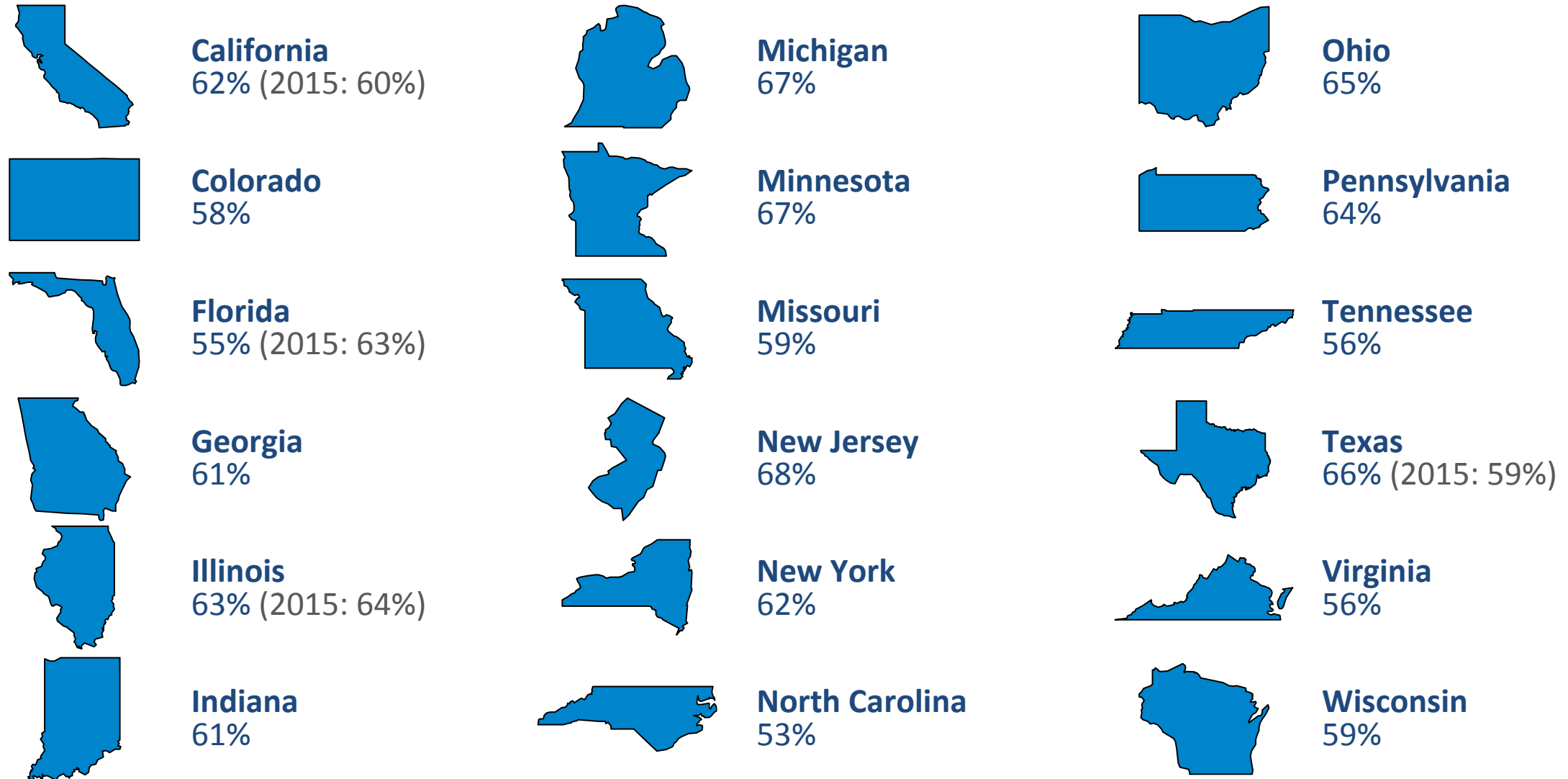
Players – 87%

Non-Players – 53%

Base: Residents in the selected states aged 18+ (Approx. n=200 in each state)

Q2. Do you support a law that would make playing fantasy sports for cash prizes legal in your state?

Regardless of the jurisdiction, support is still in the affirmative, ranging from 68% in New Jersey to 53% in North Carolina



Base: Residents in the selected states aged 18+ (Approx. n=200 in each state)

Q2. Do you support a law that would make playing fantasy sports for cash prizes legal in your state?



Phase Two: Fantasy Sports Play and Spending



What were we looking to better understand?

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Phase Two: Fantasy Sports Market Understanding



Participation

Understand the sports players are engaged with



Spending Habits of Players

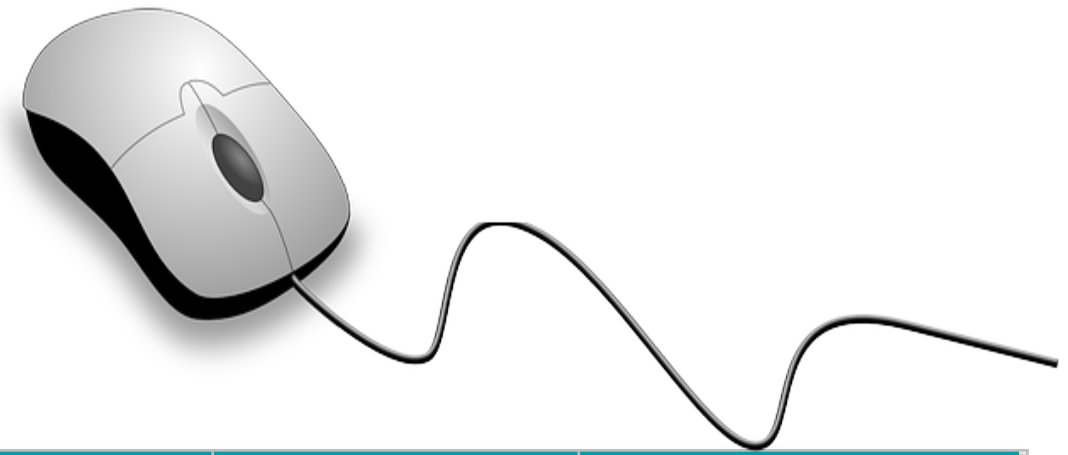
Determine the size of spend and any shifts in spending habits



Accessing Information

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.

Research Methodology



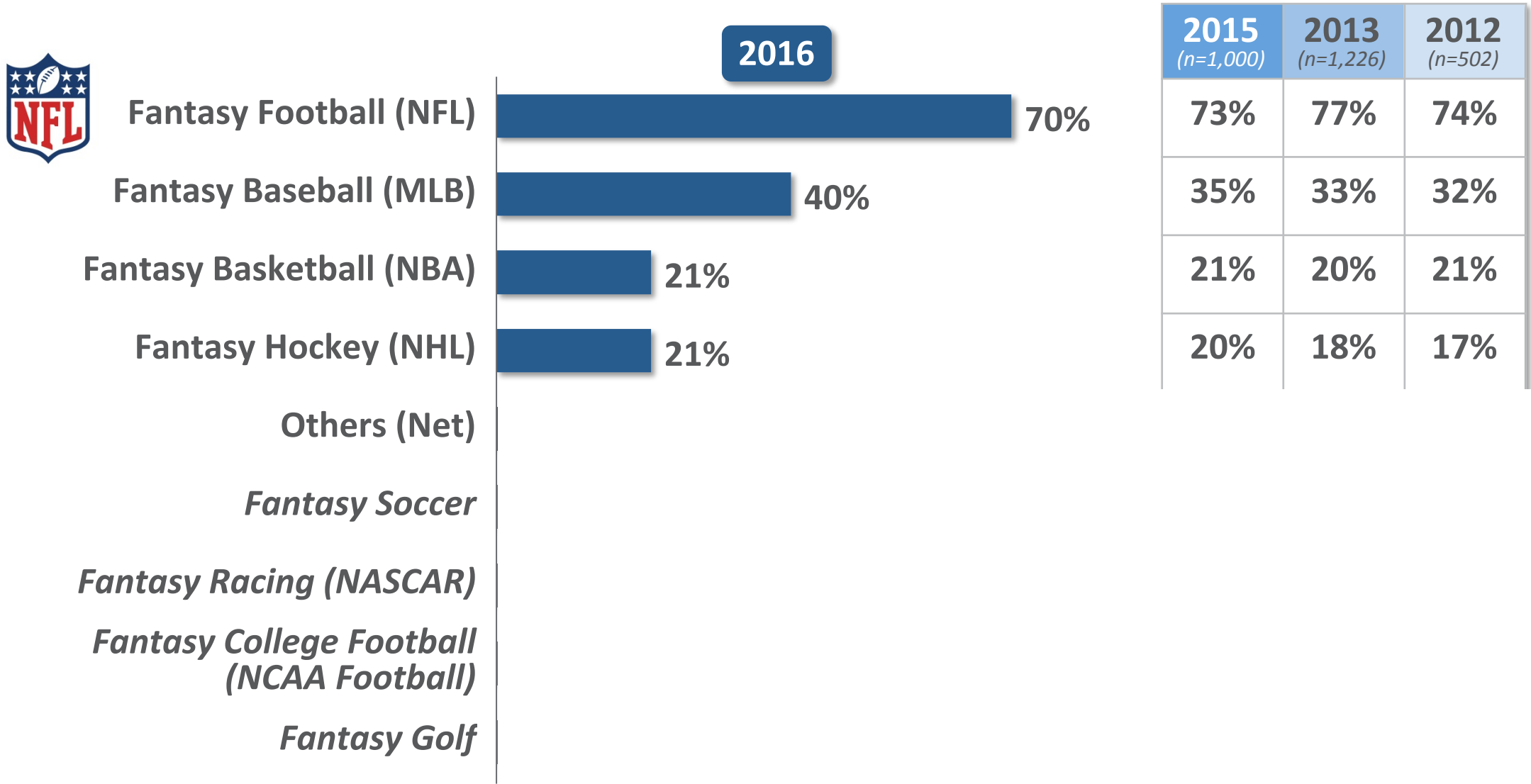
Phase 2

Methodology	Date	Who	Qualifications	Length of Time
Online interviewing methodology	April 14 to 19, 2016	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.

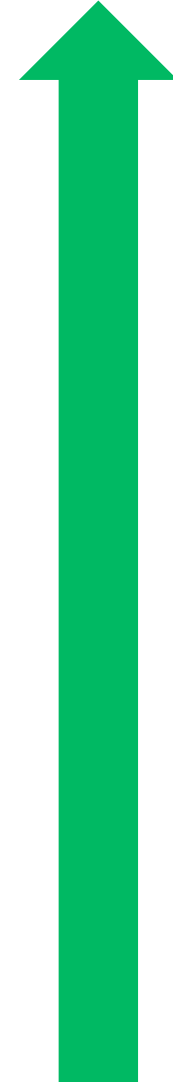
Participation in the major sports remains relatively stable



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 April of 2015 (within the past 12 months).

All sports have experienced phenomenal growth in players since 2013, but it's soccer which is the rocket, increasing almost 4-fold since 2013

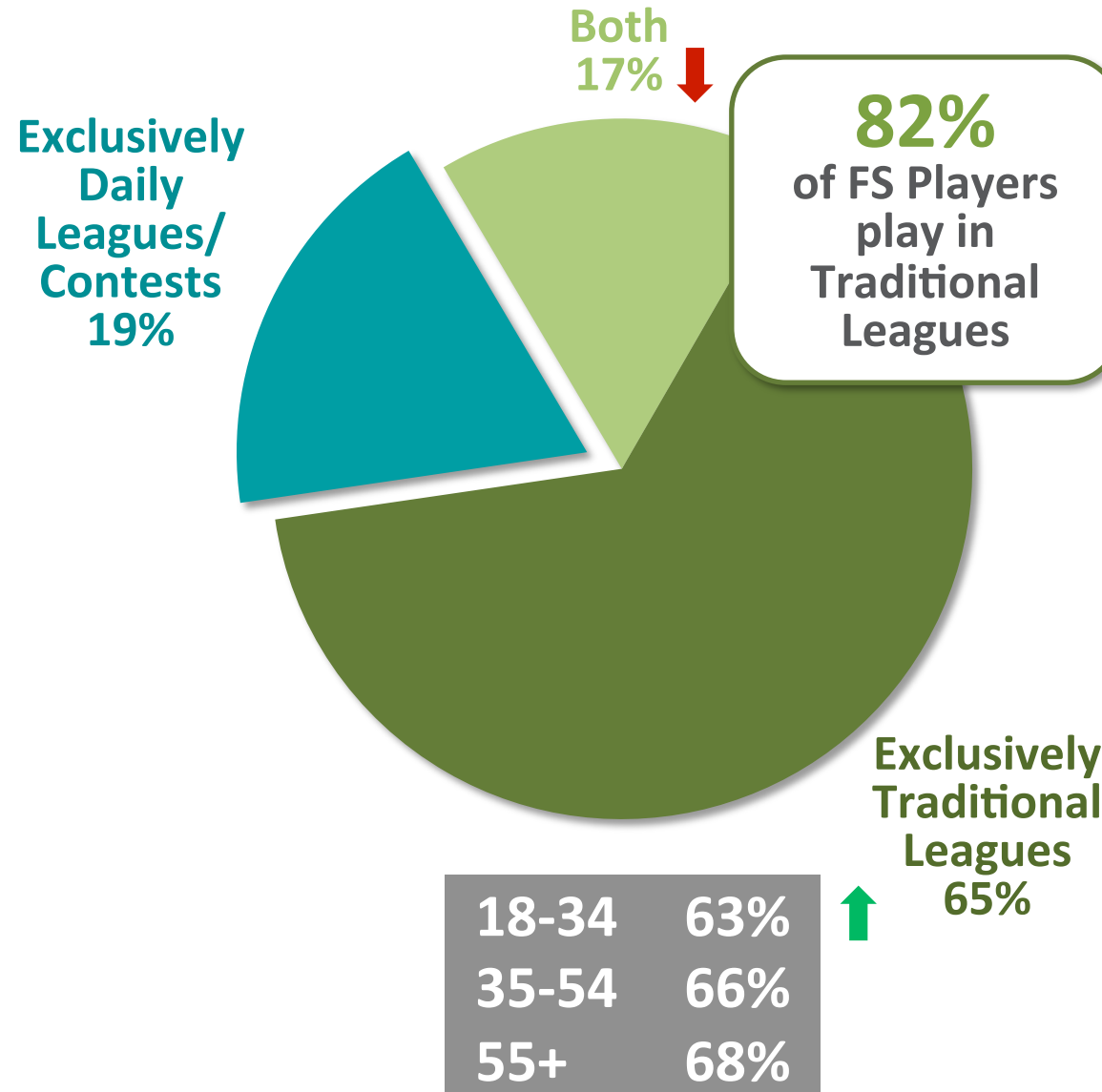
	Players 18+ (millions)		
	2013 (n=1,226)	2015 (n=1,000)	2016 (n=1,000)
All Fantasy Sports	30.3		
Fantasy Football (NFL)	23.3		
Fantasy Baseball (MLB)	10.0		
Fantasy College Football (NCAA Football)	6.1		
Fantasy Basketball (NBA)	6.4		
Fantasy Hockey (NHL)	5.5		
Fantasy Soccer	3.6		
Fantasy Racing (NASCAR)	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 April of 2015 (within the past 12 months).

The crunch on time could be an imposition moving forward, potentially forcing many to choose one over the other, rather than playing both



	2015 (n=1,000)	2013 (n=1,226)	2012 (n=502)
Exclusively Traditional Leagues	63%	78%	67%
Exclusively Daily Leagues/Contests	17%	8%	13%
Both	21%	15%	20%

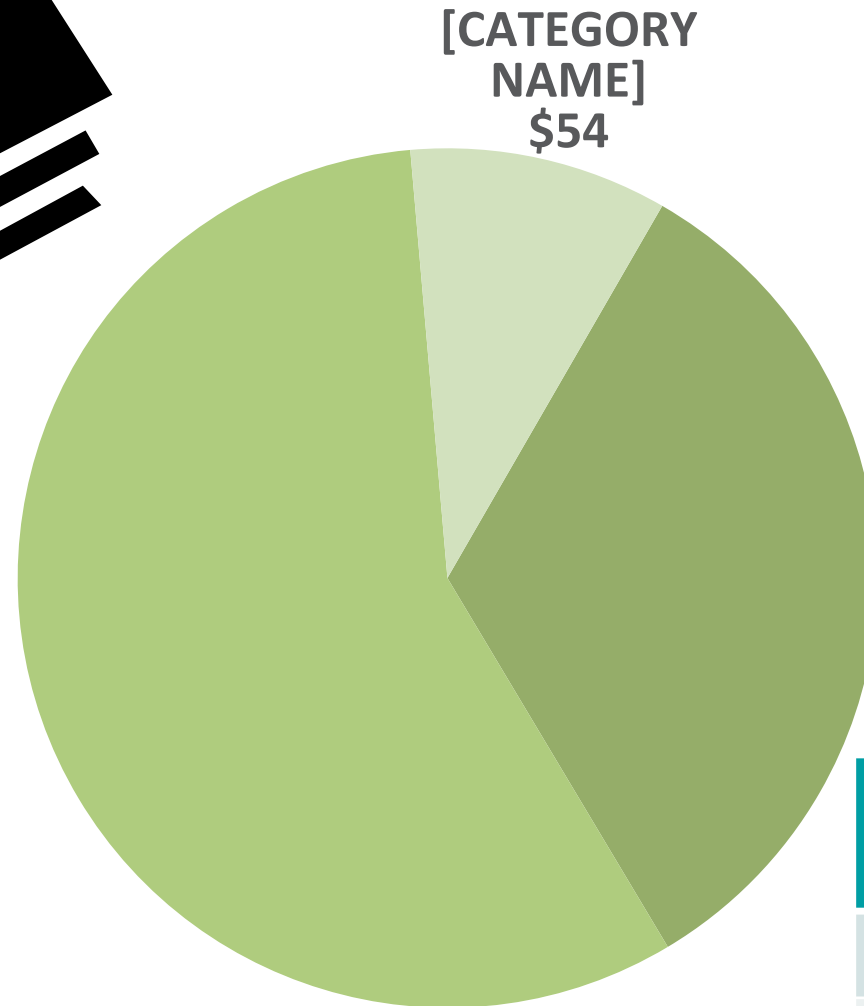
Base: All respondents (n=1,000)

Q2. Which of the following best describes your level of fantasy sports play? (Please select one.)

Overall fantasy spending continues to climb, again driven by DFS which contributes 57% of total spend, resulting in YOY growth of 58% from 2012



Daily Fantasy Sports spending
\$318



[CATEGORY NAME]
\$54

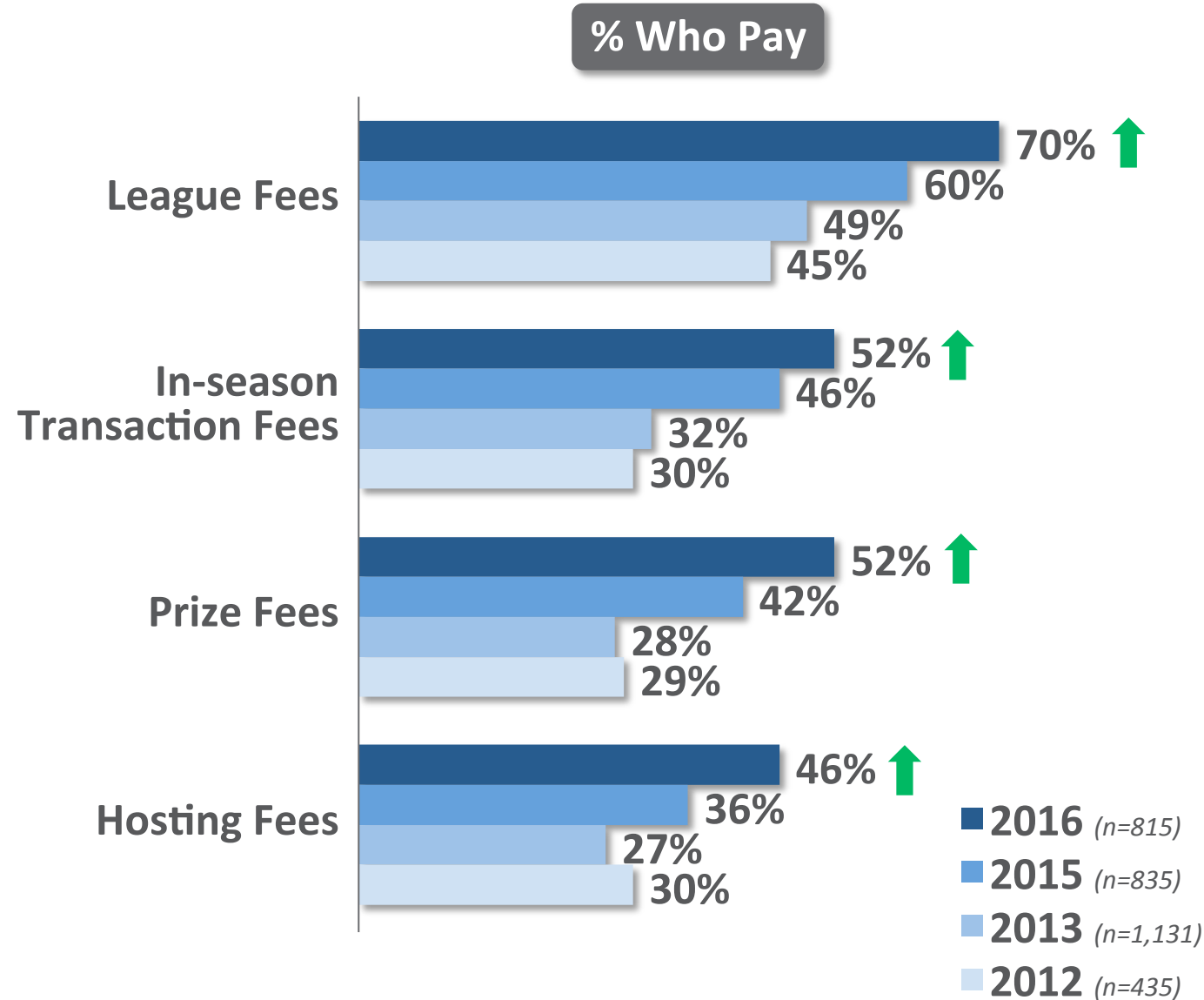
Traditional League spending
\$184

Average Annual Spending Per Fantasy Player
\$556

Spending	2012	2015	YOY Growth
DFS	\$15	\$257	115%
Traditiona l	\$60	\$162	32%
Materials	\$15	\$46	38%
TOTAL	\$90	\$465	58%

Traditional Leagues

Although slightly fewer traditional players, the increase in traditional spend is up across all categories

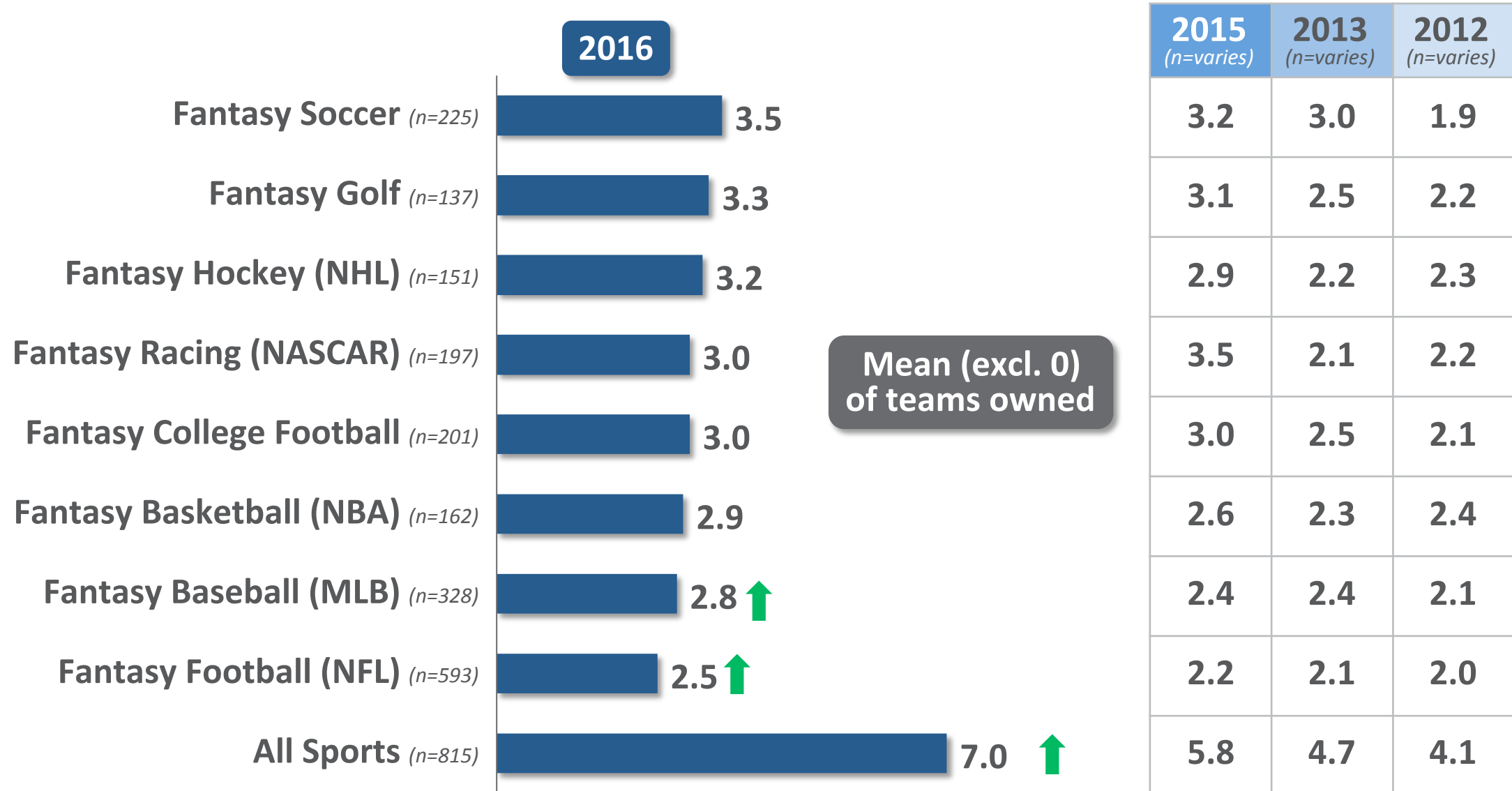


2016 Age Groups		
18 to 34 (n=427)	35 to 54 (n=259)	55+ (n=129)
80%	66%	40%
62%	49%	22%
64%	49%	16%
57%	43%	18%

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?

Consistent with increase in spend, the number of teams owned has increased, driven by the big boys in town. However, the more niche the sport, the greater the number of teams



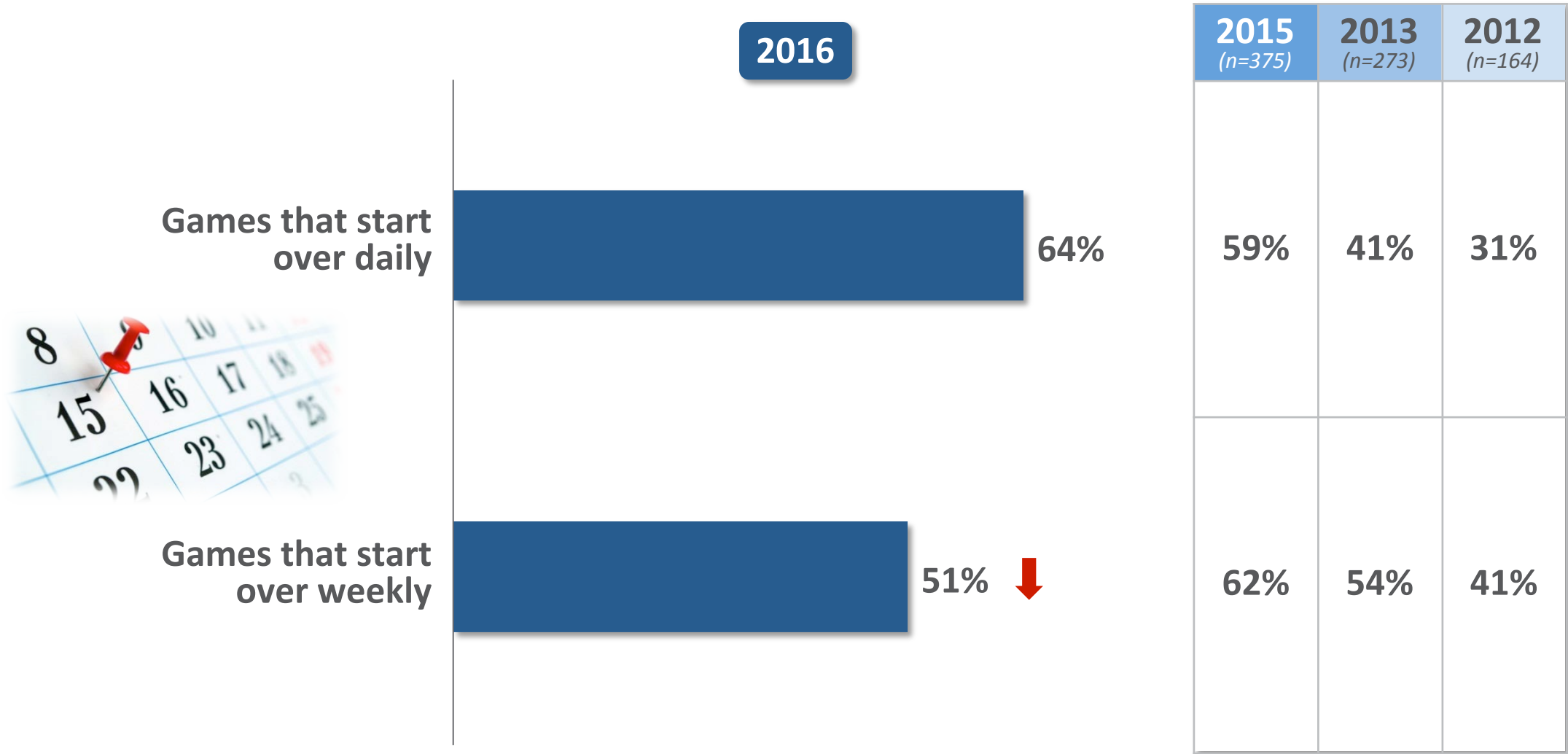
Base: Traditional Player of [INSERT SPORT] (n=varies)

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

Although overall DFS is growing, its the continued growth of daily games that is the leading contributor, with participation in weekly games declining



Base: Daily League Players (n=352)

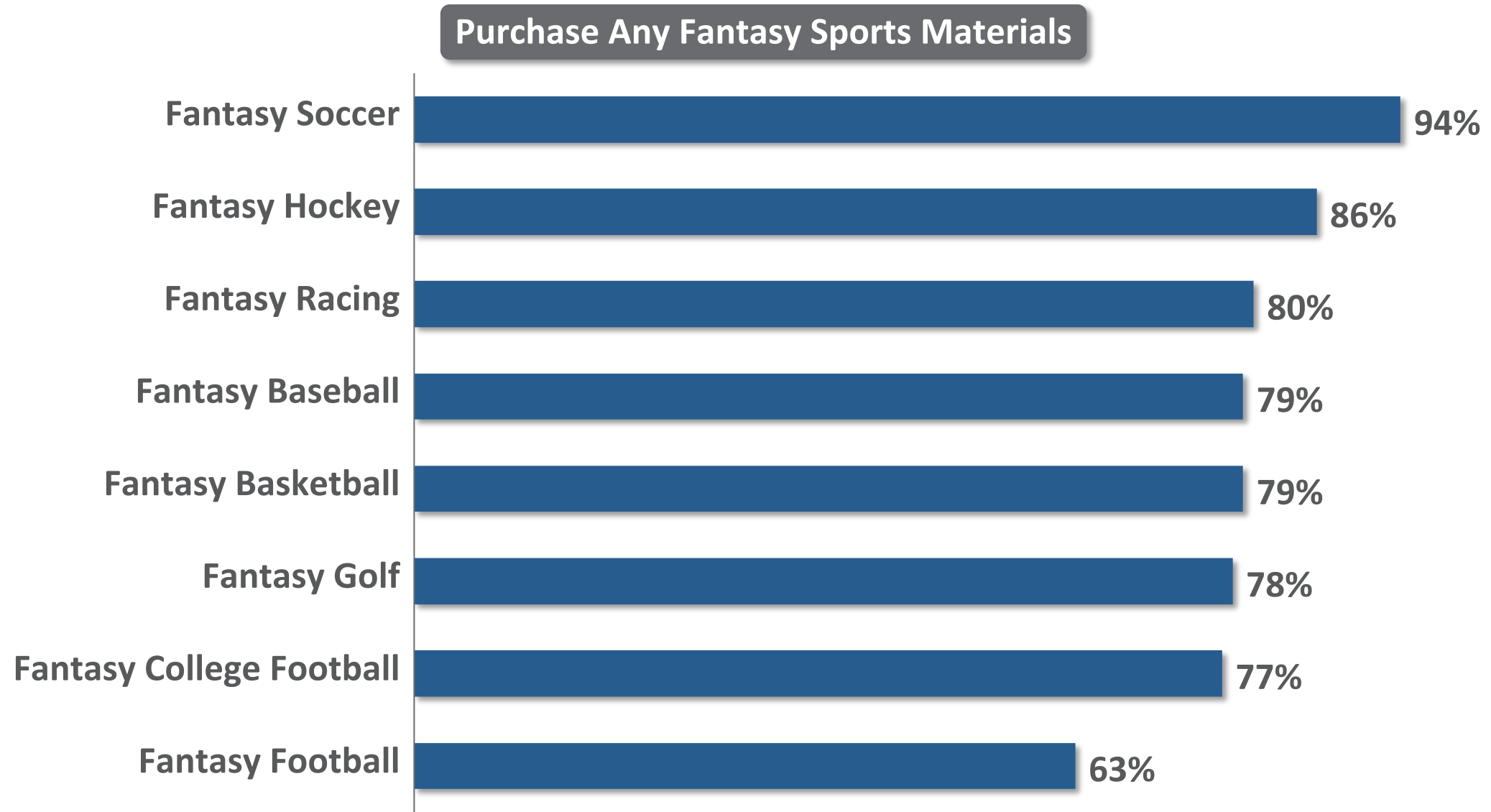
Q7. You said you play in daily fantasy sports games (Hyperlink to definition at Q2- Daily Fantasy Sports Games). Again, these games differ from traditional leagues in that you are joining a contest through a game lobby and typically and building a team with salary cap dollars. .Also, you might only build 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.



Fantasy Sports Materials and Media



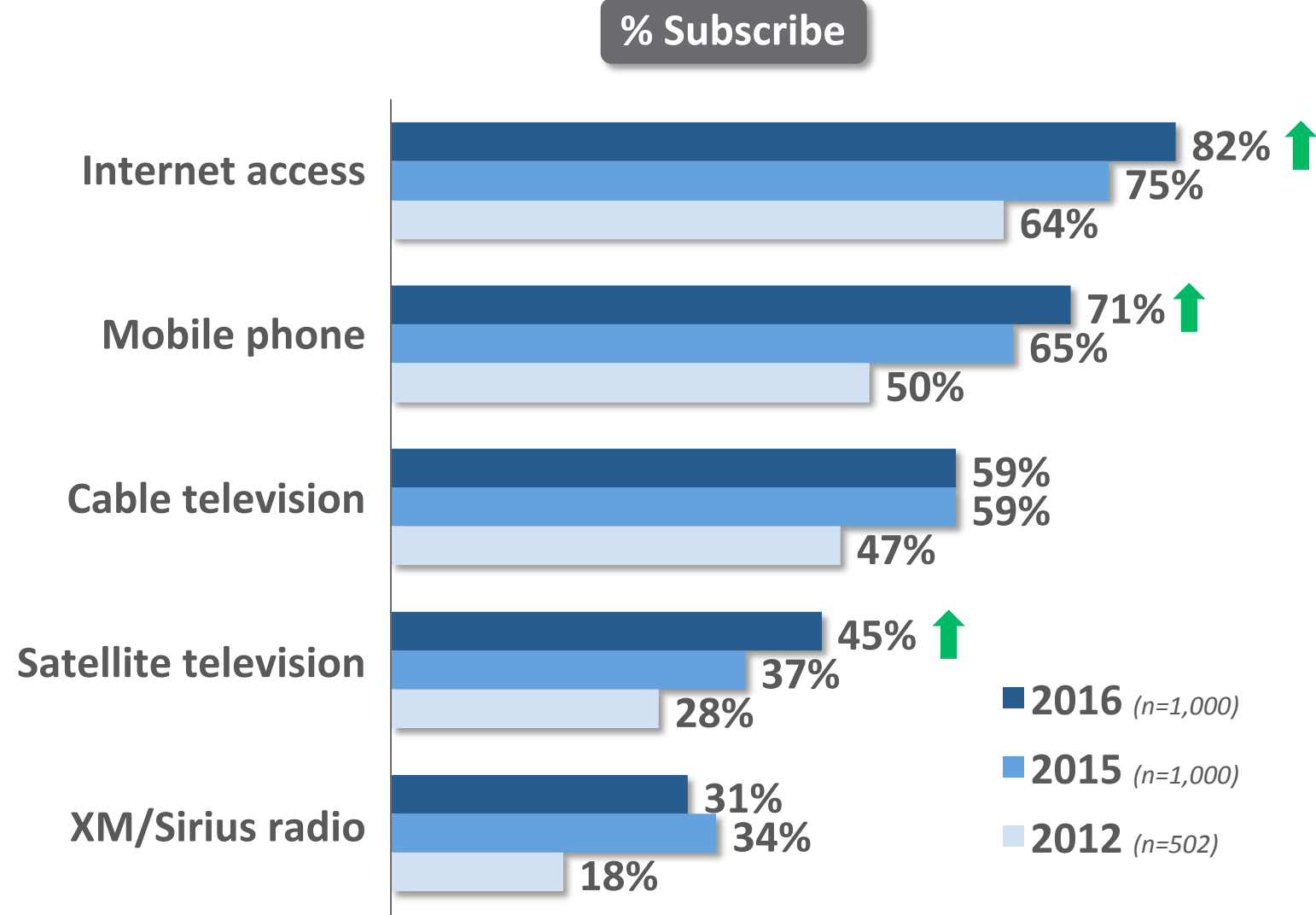
The more niche the sport, the more likely you are to purchase materials



Base: Play [INSERT SPORT]

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

Although subscription to the internet, mobile data and satellite TV are increasing, cable and Sirius have stabilized
Approx. a qtr of internet and mobile consumption is specifically for fantasy



Time Used for Fantasy

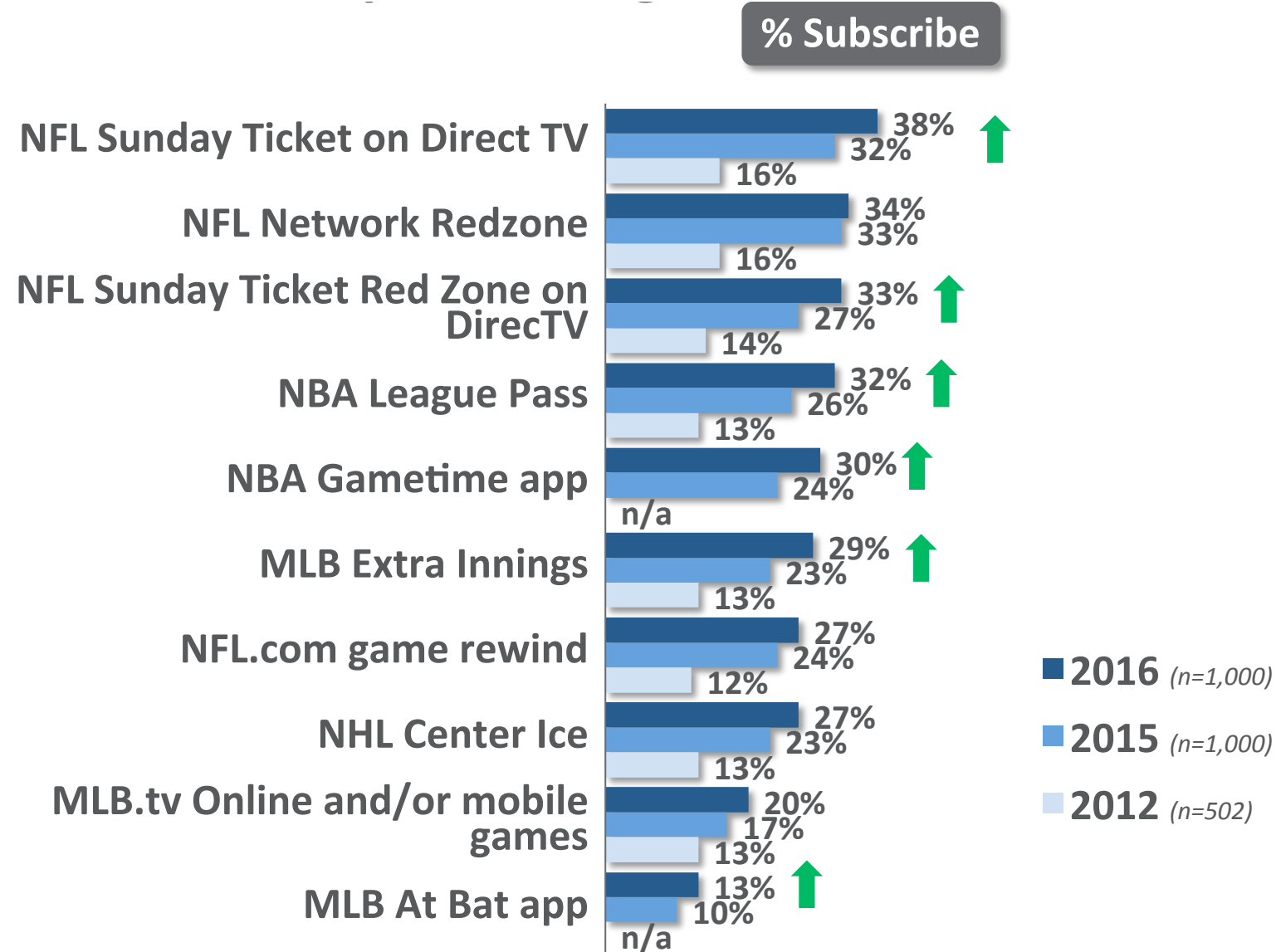
Mean (incl. 0)		
2016 (n=varies)	2015 (n=varies)	2012 (n=varies)
28%	29%	27%
22%	21%	10%
19%	21%	16%
22%	19%	16%
13%	10%	9%

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 content continues to rise, led by Sunday Ticket, NBA and MLB content



Time Used for Fantasy

Mean (incl. 0)		
2016 (n=varies)	2015 (n=varies)	2012 (n=varies)
22%	19%	19%
17%	18%	21%
18%	18%	12%
17%	16%	15%
17%	17%	n/a
17%	15%	14%
16%	14%	9%
17%	16%	13%
16%	16%	13%
19%	18%	n/a

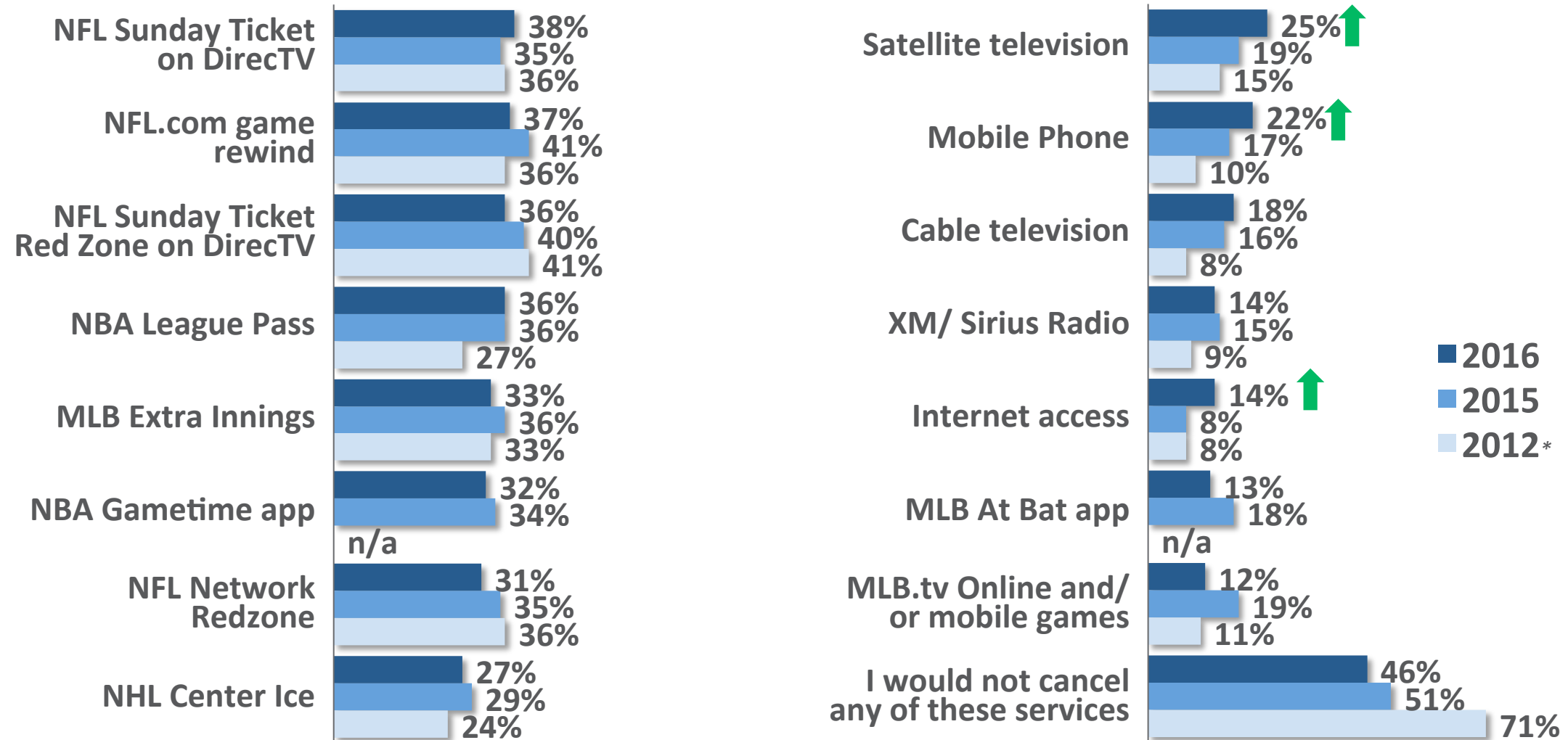
Base: All respondents

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 constant for many, with increasing numbers indicating satellite TV, mobile phone and internet access would be on the chopping block for some if not for fantasy

% who would cancel service if not for fantasy

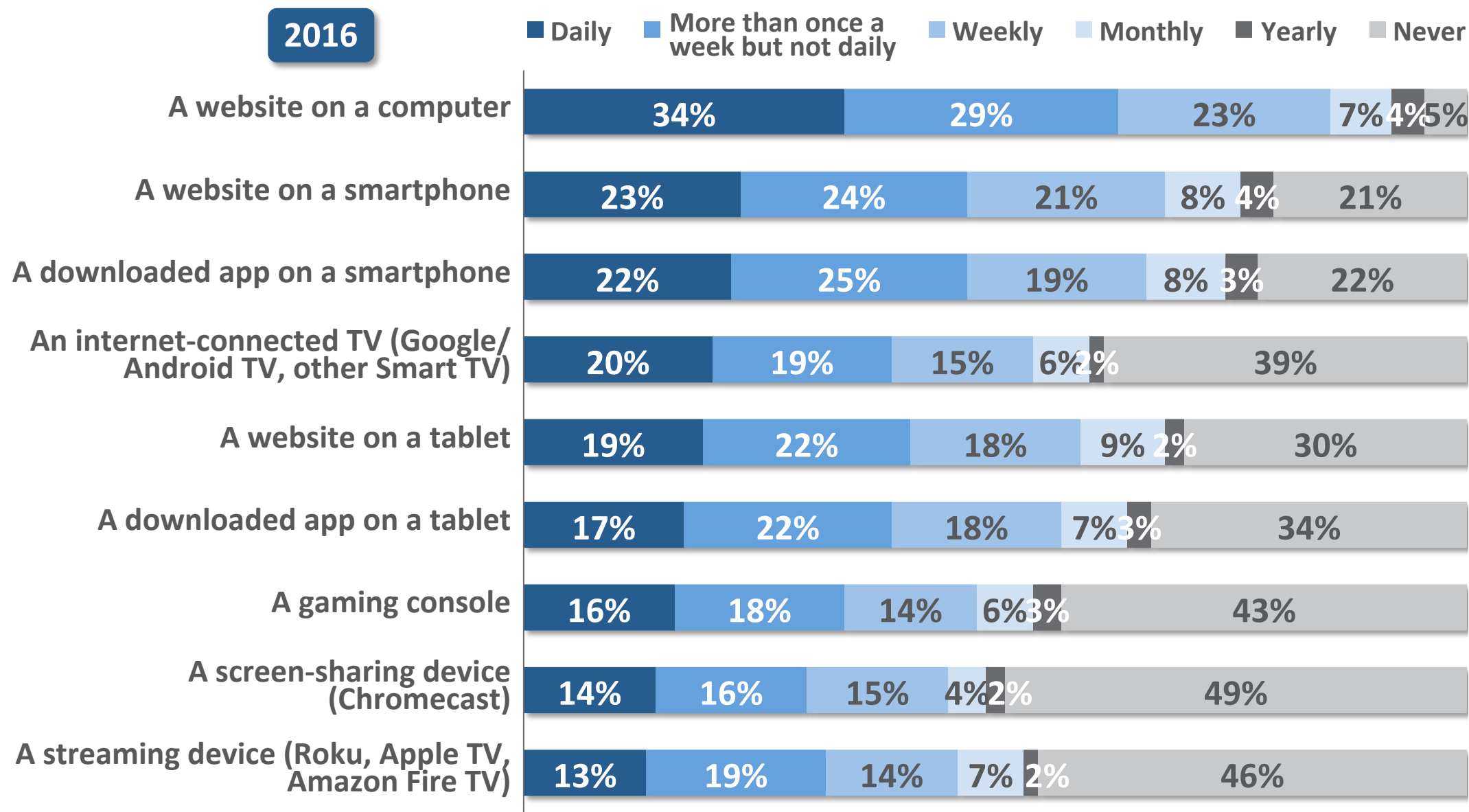


* Small base size, interpret with caution.

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)

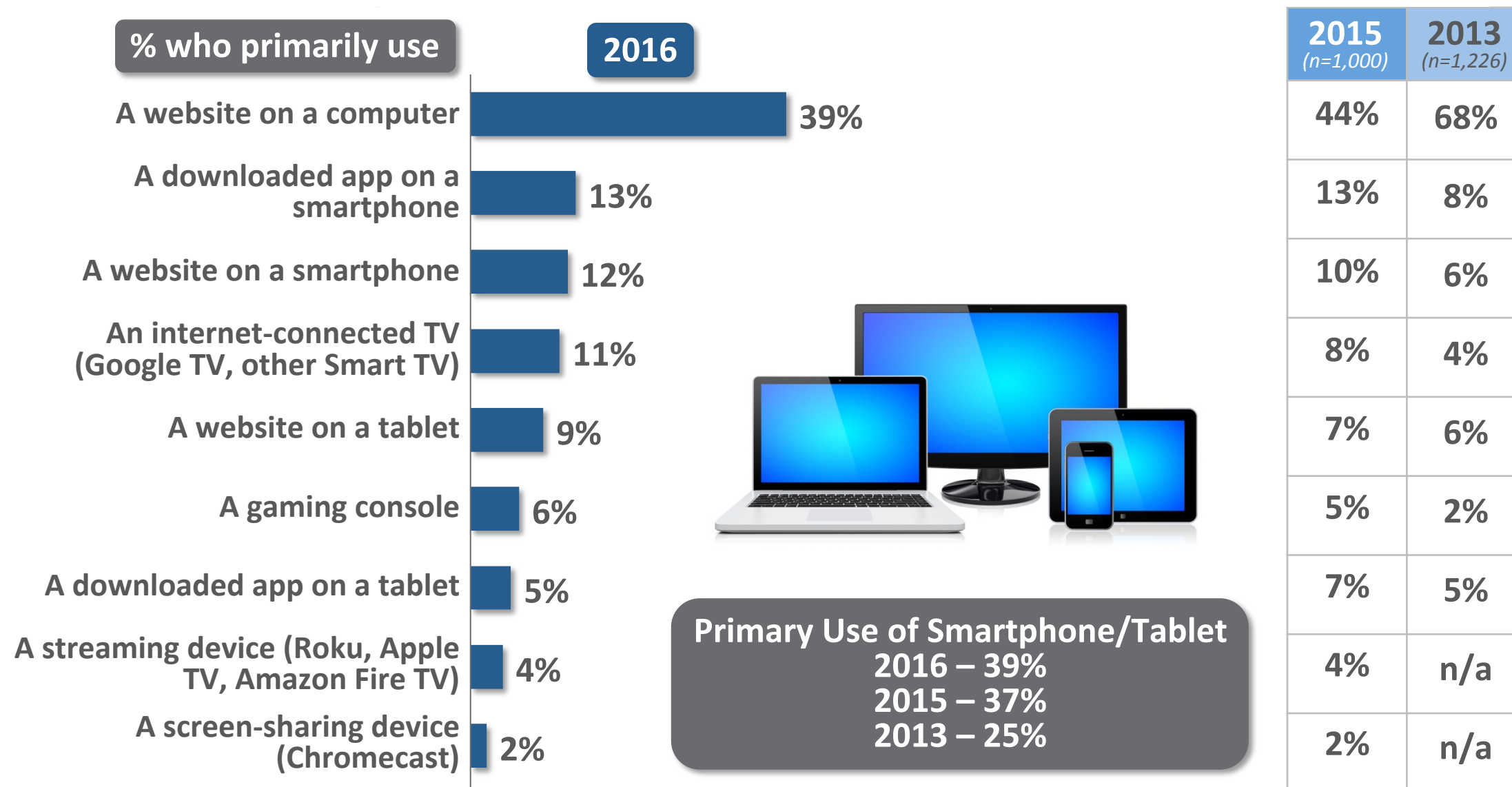
The computer is still the most used device, with most checking weekly or more often. Only 5% never use it. Use of the smartphone trails slightly but is on the rise



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 continues its decline



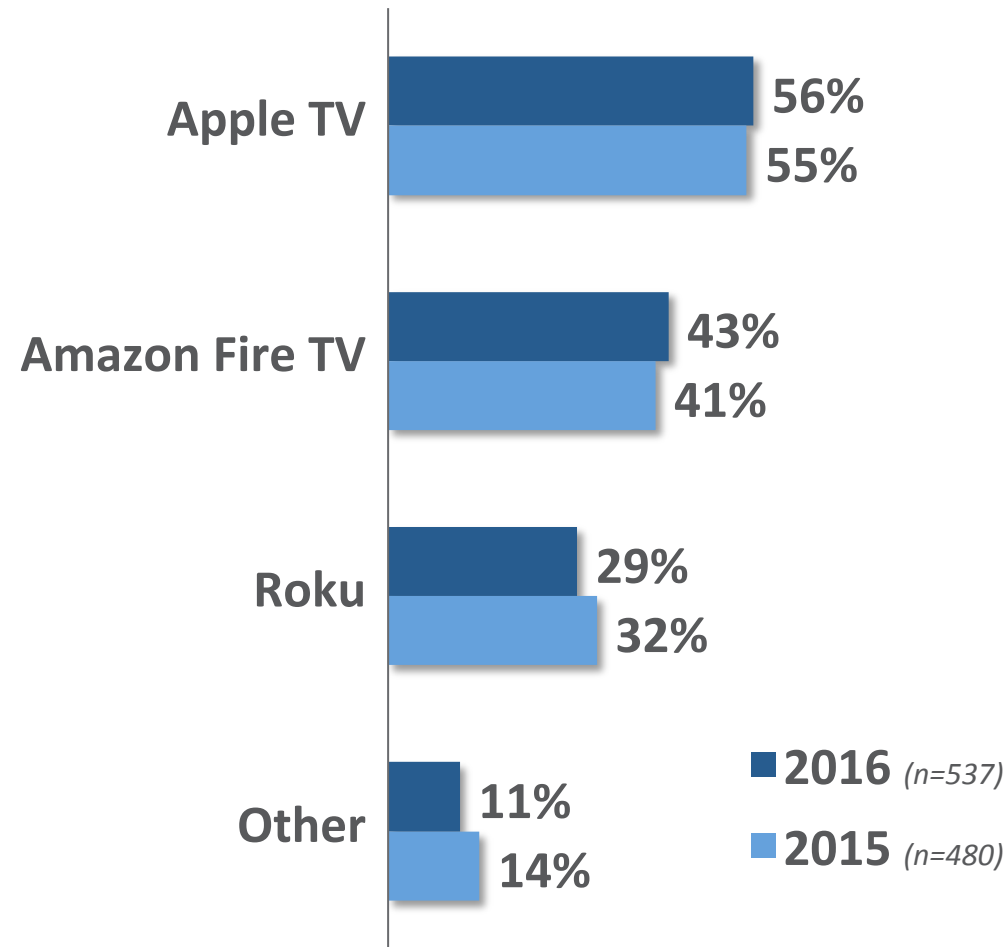
Base: All respondents (n=1,000)

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

The use of streaming devices for fantasy activities has stabilized, with Apple TV & Amazon Fire the most used.



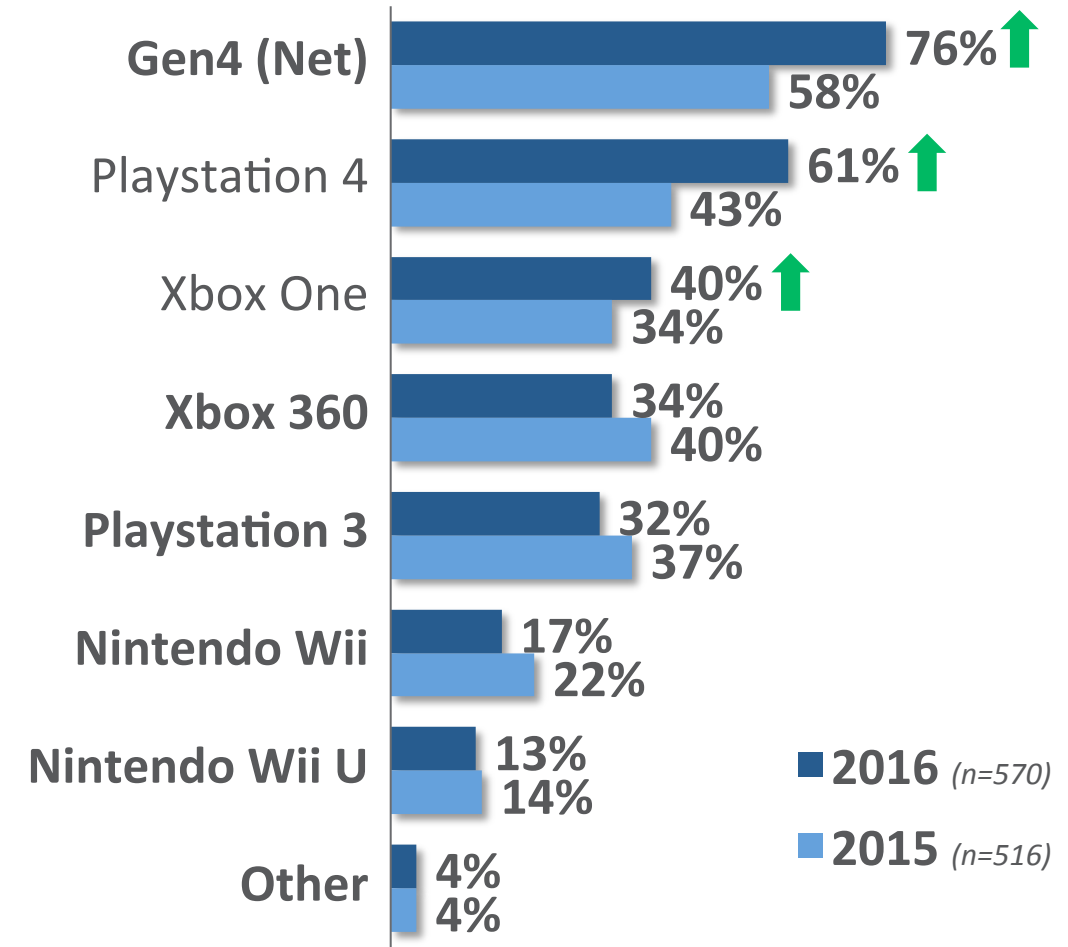
Streaming Device(s) Used



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

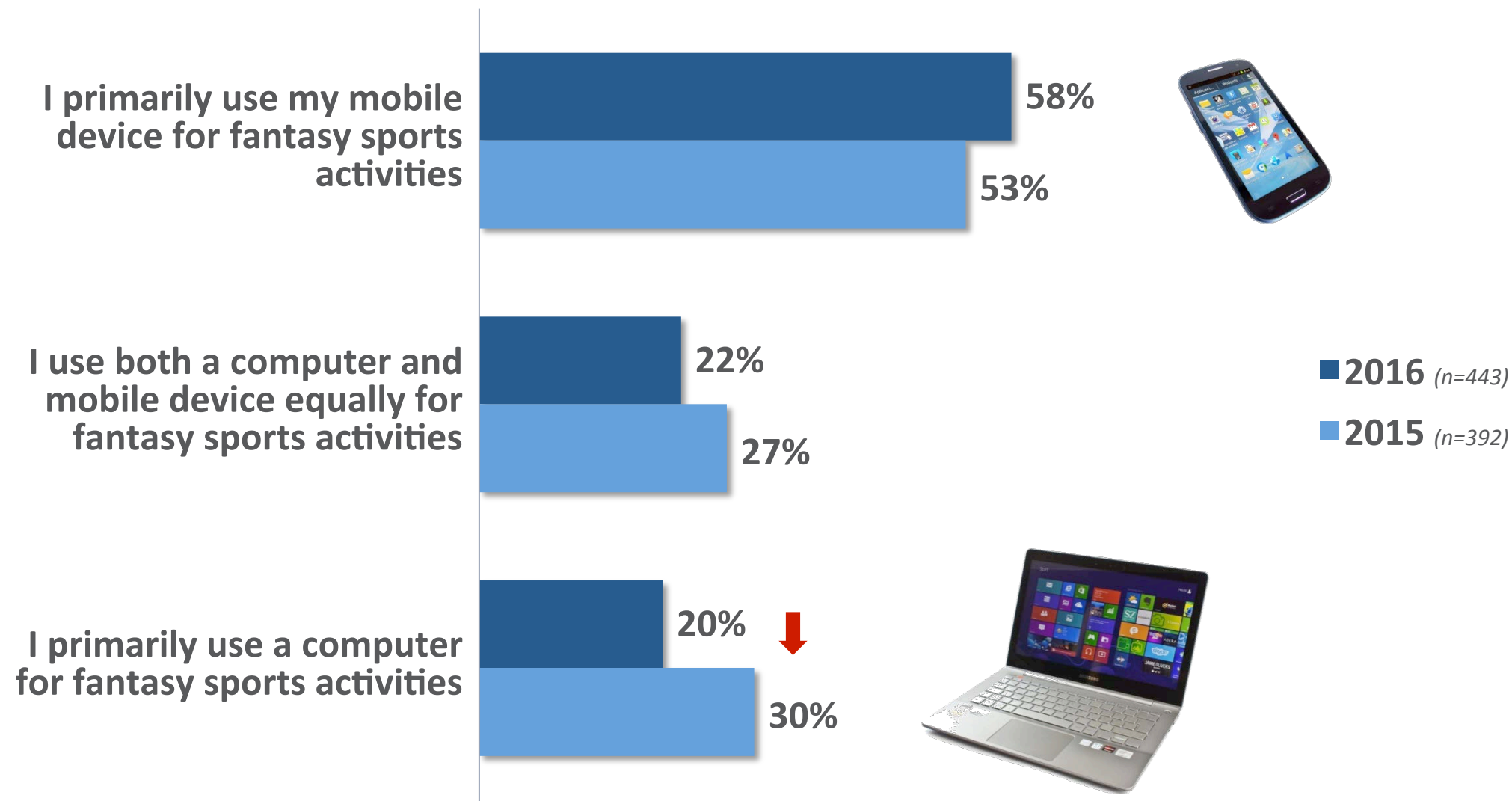


Gaming Console(s) Used



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

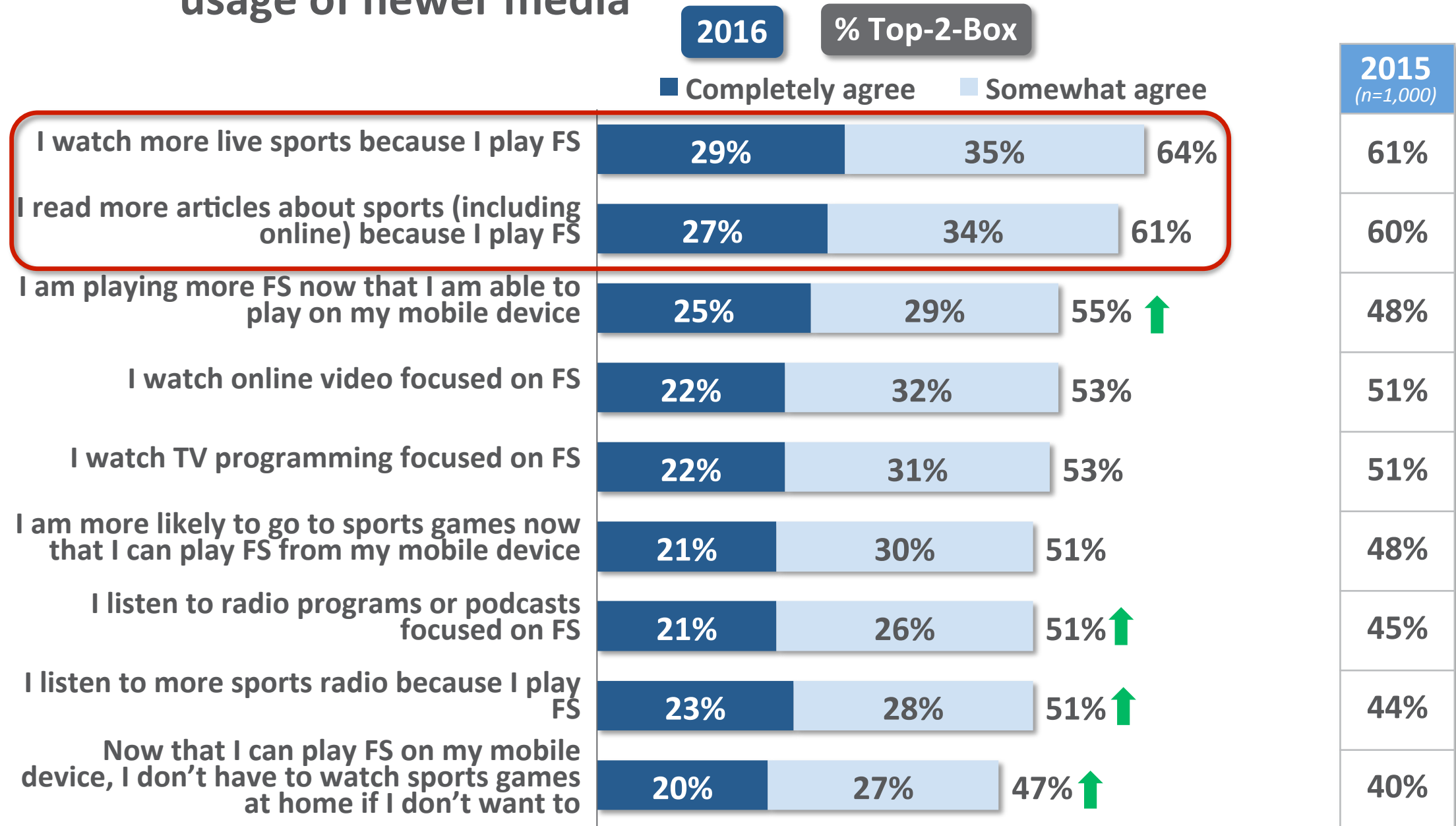
The ubiquitous nature of mobile, and the optimization of the offering for the smaller screen is resulting in a large decline of the desktop/laptop for fantasy sports among app downloaders



Base: Downloaded fantasy app on a smartphone

Q16. How would you describe your use of your mobile device for fantasy sports?

Fantasy sports continues to have a rising impact on media consumption, particularly the rise of play on mobile, and usage of newer media



Base: All respondents (n=1,000)

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

Key Takeaways

1

After a mammoth increase in 2015, Fantasy Sports participation has stabilized in 2016.

- 20% of all U.S. residents 12+ and 18% of U.S. adults (18+) play fantasy sports, equating to almost 43M adults.
- Fewer are playing both traditional and DFS, potentially pointing to the imposition of time
- Exclusive DFS participation has more than doubled since 2013, increasing from 8% to 19%.
- The majority of residents in the selected states are pro paid fantasy sports legalization, and this support extends to non-players in addition to players.

Key Takeaways

2

Fantasy Sports Players are spending on average \$556 a year on fantasy, up \$91 from last year.

- \$184 in traditional league spending.
- \$54 in materials spending.
- \$318 in Daily Fantasy Sports spending.



Key Takeaways

3

There is now equal reliance on the desktop/laptop as there is for the mobile/tablet for fantasy activities

- Given this reliance, many would cancel their phone service if they couldn't review fantasy on it
- The use of Gen 4 Gaming consoles for fantasy is experiencing a large rise; one device, many usages



Key Takeaways

4

Players continue to be more interested in sports because of fantasy.

- 64% say they are watching more live sports because of fantasy.
- 61% say they read more about sports because of fantasy.
- And consumption of fantasy related content is on the rise





Contact Information



Jason Allsopp
Jason.Allsopp@ipsos.com