

angus reid group

questions that matter

| FSGA 2023 Survey



| How Did We Do This?

Why it's important:

Phase 1: Market Incidence.

Consistency to previous research in phase 1 is important as it will allow us to accurately evaluate historical trends in the incidence of fantasy sports players, sports bettors, the demographic breakdown of each, and which sports they are playing/betting. This will allow us to demonstrate how these trends have changed.

Phase 2: Market Understanding.

The content deep dive section is important as it will allow us to understand the rationale behind content consumption, and site motivation. We will also determine the economic impact of bettors and players for the total handle of fantasy and sports betting participants.

Who Did We Speak With:

Phase 1: Market Incidence.

We conducted an Online Omnibus study in both the US and Canada among a sample of General Population aged 18+.
US – n=2020
Canada – n=2011

Phase 2: Market Understanding.

For our content deep dive section, we will sought to ask past year fantasy sports players or sports bettors more about their behaviour and what would encourage them to join new platforms.

US – n=1811 past year sports bettors from legal US states, or past year fantasy sports players

Field Window:

Phase 1

May 3rd to 5th, 2023

Phase 2

May 4th to 16th, 2023

Throughout this report the following colours are used to identify the different categories investigated:



Sports Bettors

Bet on any of the following sports in the past 12 months:

- ✓ NFL
- ✓ NBA
- ✓ NCAA Football
- ✓ MLB
- ✓ NCAA Basketball
- ✓ NHL
- ✓ Horse Racing
- ✓ MMA
- ✓ Boxing
- ✓ Golf
- ✓ Tennis
- ✓ XFL
- ✓ Motor Racing
- ✓ eSports
- ✓ Pro League or International Soccer
- ✓ CFL
- ✓ Other



Season Long Players

Participated in season long fantasy sports for any of the following in the past 12 months:

- ✓ NFL
- ✓ NBA
- ✓ MLB
- ✓ NHL
- ✓ Soccer
- ✓ NCAA Football
- ✓ NASCAR
- ✓ Golf
- ✓ eSports
- ✓ NCAA Basketball
- ✓ Bachelor
- ✓ CFL



DFS Players

Participated in DFS for any of the following in the past 12 months:

- ✓ NFL
- ✓ NBA
- ✓ MLB
- ✓ NHL
- ✓ Soccer
- ✓ NCAA Football
- ✓ NASCAR
- ✓ XFL
- ✓ Golf
- ✓ eSports
- ✓ NCAA Basketball
- ✓ Bachelor
- ✓ CFL

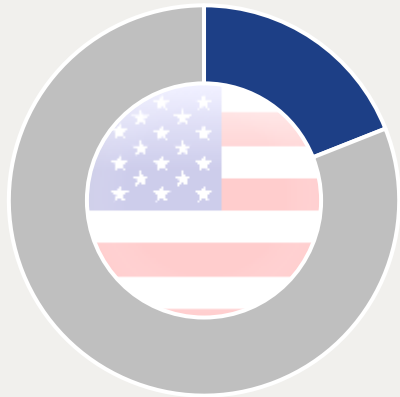


Incidence of Fantasy Sports and Sports Betting

Regardless of the activity, there is greater participation in sports betting and fantasy sports in the US compared to Canada.

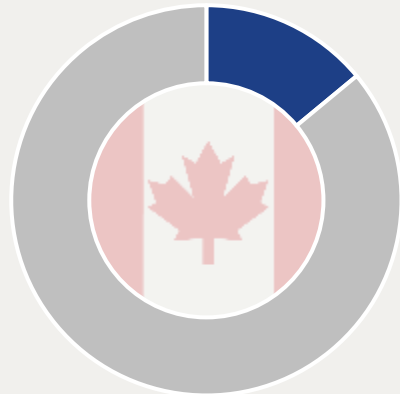


Played Fantasy Sports (in the past 12 months)



19%

of **Americans** played
fantasy sports in the past
12 months

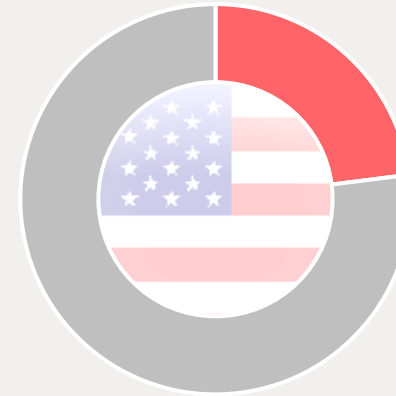


14%

of **Canadians** played
fantasy sports in the past
12 months

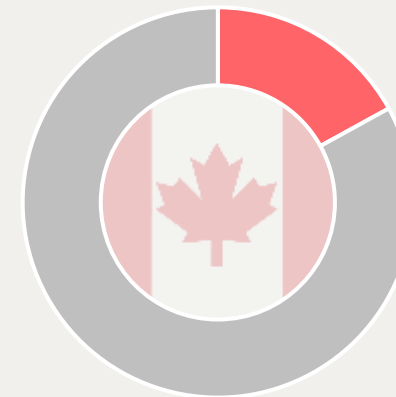


Bet on Sports (in the past 12 months)



23%

of **Americans** bet on
sports in the past 12
months



17%

of **Canadians** bet on
sports in the past 12
months

Betting on sports and fantasy sports in the USA looks to have stabilised. There has however been a sharp decline in fantasy sports participation since 2017 in Canada.



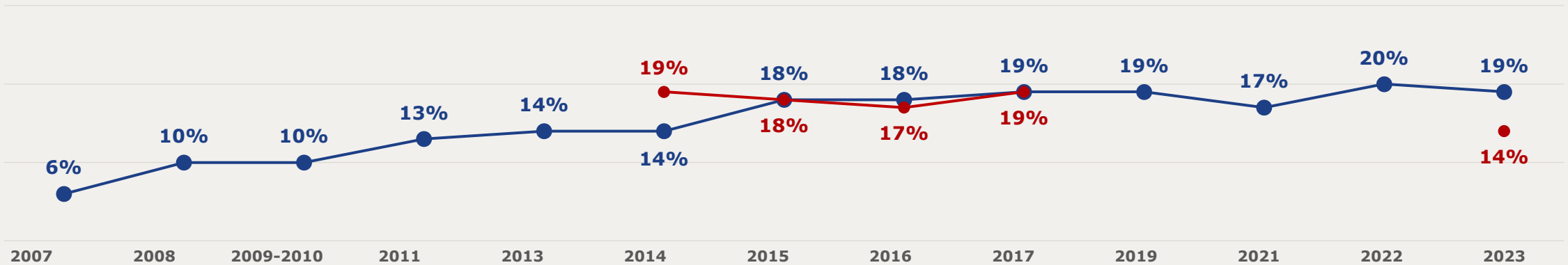
Played Fantasy Sports (in the past 12 months)



US



CANADA



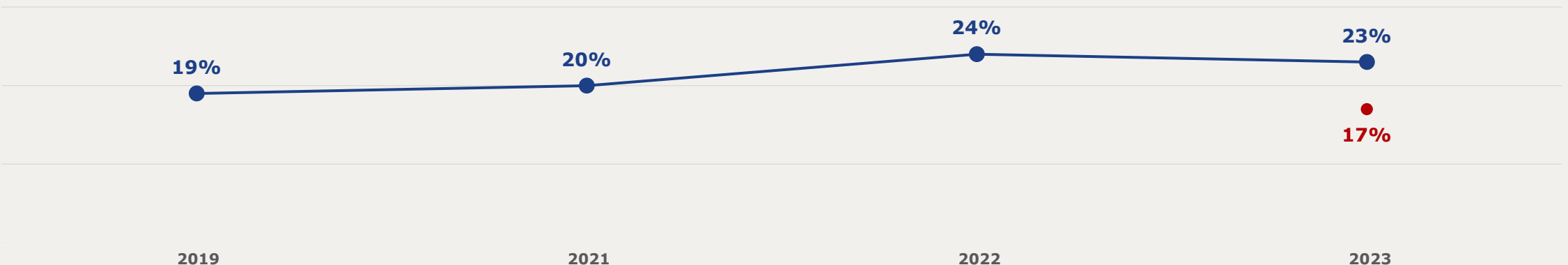
Bet on Sports (in the past 12 months)



US



CANADA



Although the total US market has increased, players are becoming more discerning, with crossover declining. This suggests there is a specific value proposition around each activity.

Crossover Play

% of Fantasy Sports or Sports Bettors who are...



29%

27%
in 2022

**Exclusive
Fantasy Players**

21%

13%
in 2022

**Crossover
Players**

45%

59%
in 2022

**Exclusive
Sports Bettors**

34%

28%
in 2022



66% Fantasy Players

72% in 2022

68% Fantasy Players also sports bet

81% in 2022



79% Sports Bettors

87% in 2022

57% Sports bettors also play fantasy

68% in 2022

Although far fewer Canadians participate in either, the crossover between the two is very similar, again suggesting that players see differences in each offering

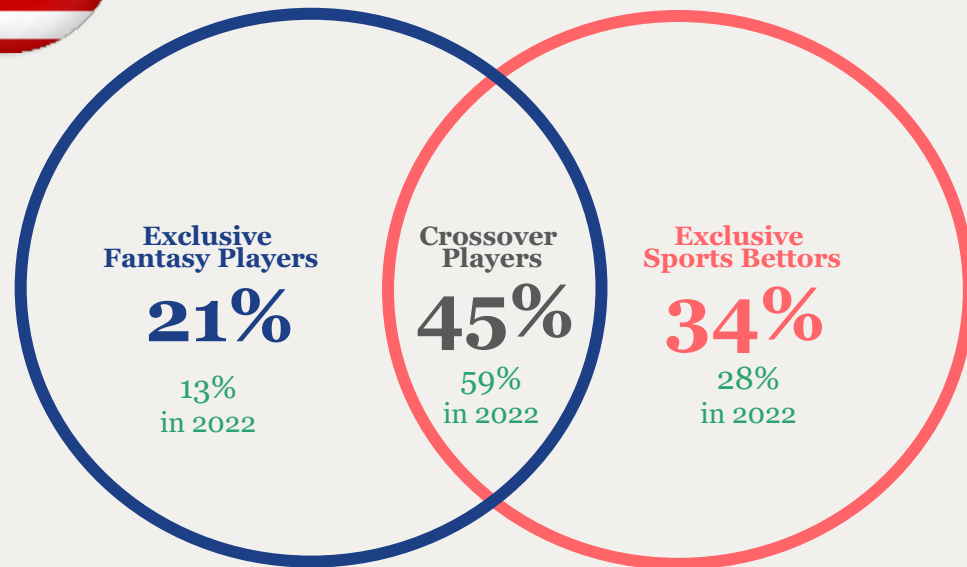
Crossover Play

% of Fantasy Sports or Sports Bettors who are...



29%

27%
in 2022



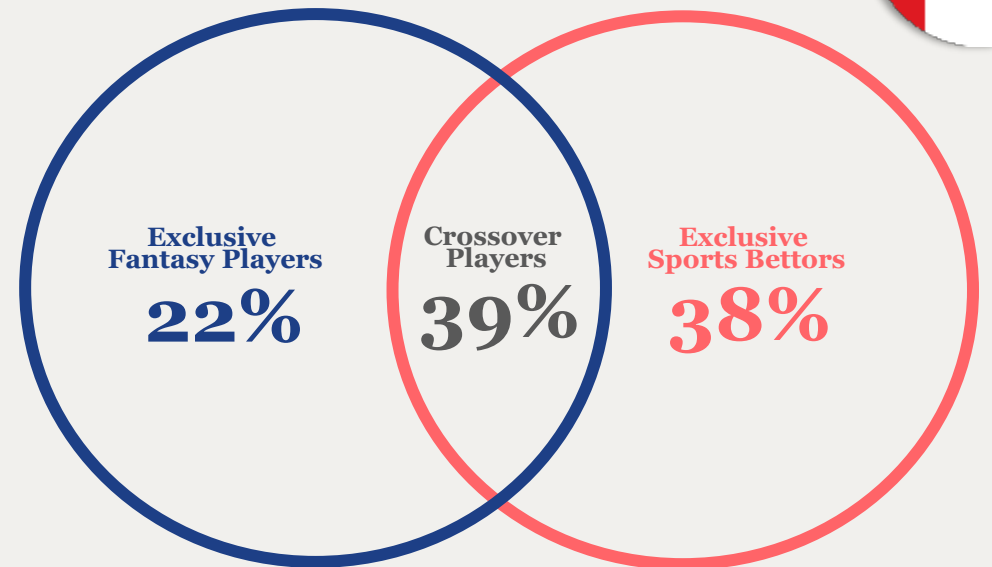
66% Fantasy Players
72% in 2022
68% Fantasy Players also sports bet
81% in 2022



79% Sports Bettors
87% in 2022
57% Sports bettors also play fantasy
68% in 2022



17%



61% Fantasy Players
64% Fantasy Players also sports bet



77% Sports Bettors
51% Sports bettors also play fantasy

Reflecting the degree of overlap, bettors and fantasy players are very similar demographically, but fantasy players skew slightly younger and male.



US



19%

played fantasy sports in the past 12 months



23%

bet on sports in the past 12 months

GENDER



Male

Gen Pop

Fantasy Players

Sports Bettors

47%

64%

60%

Female

52%

35%

39%

Self-Identify

1%

1%

<1%

AGE



Average age

Gen Pop

Fantasy Players

Sports Bettors

46.7 yrs

39 yrs

42.5 yrs

18 to 34

32%

48%

38%

35 to 54

32%

35%

39%

55+

36%

16%

24%

HH INCOME



<\$50K

Gen Pop

Fantasy Players

Sports Bettors

40%

33%

35%

\$50K to <\$100K

31%

38%

38%

\$100K+

20%

27%

25%

Rather not say

10%

2%

2%

EDUCATION



<=HS

Gen Pop

Fantasy Players

Sports Bettors

16%

17%

20%

College/ Associate Degree

37%

36%

35%

BA or higher

46%

48%

44%

REGION



Northeast

Gen Pop

Fantasy Players

Sports Bettors

17%

18%

17%

Midwest

21%

20%

21%

South

38%

39%

38%

West

24%

23%

24%

While bettors in Canada look demographically similar to bettors in the US, it's the fantasy players that again skews towards younger males.



CANADA



14%

played fantasy sports in the past 12 months



17%

bet on sports in the past 12 months

GENDER



	Gen Pop	Fantasy Players	Sports Bettors
Male	49%	77%	67%
Female	51%	23%	33%
Self-Identify	-	-	-

AGE



	Gen Pop	Fantasy Players	Sports Bettors
Average age	49.2	39.8	42.1
18 to 34	27%	46%	40%
35 to 54	32%	40%	39%
55+	41%	14%	20%

HH INCOME



	Gen Pop	Fantasy Players	Sports Bettors
<\$50K	24%	23%	22%
\$50K to <\$100K	33%	27%	31%
\$100K+	31%	41%	38%
Rather not say	13%	8%	9%

EDUCATION

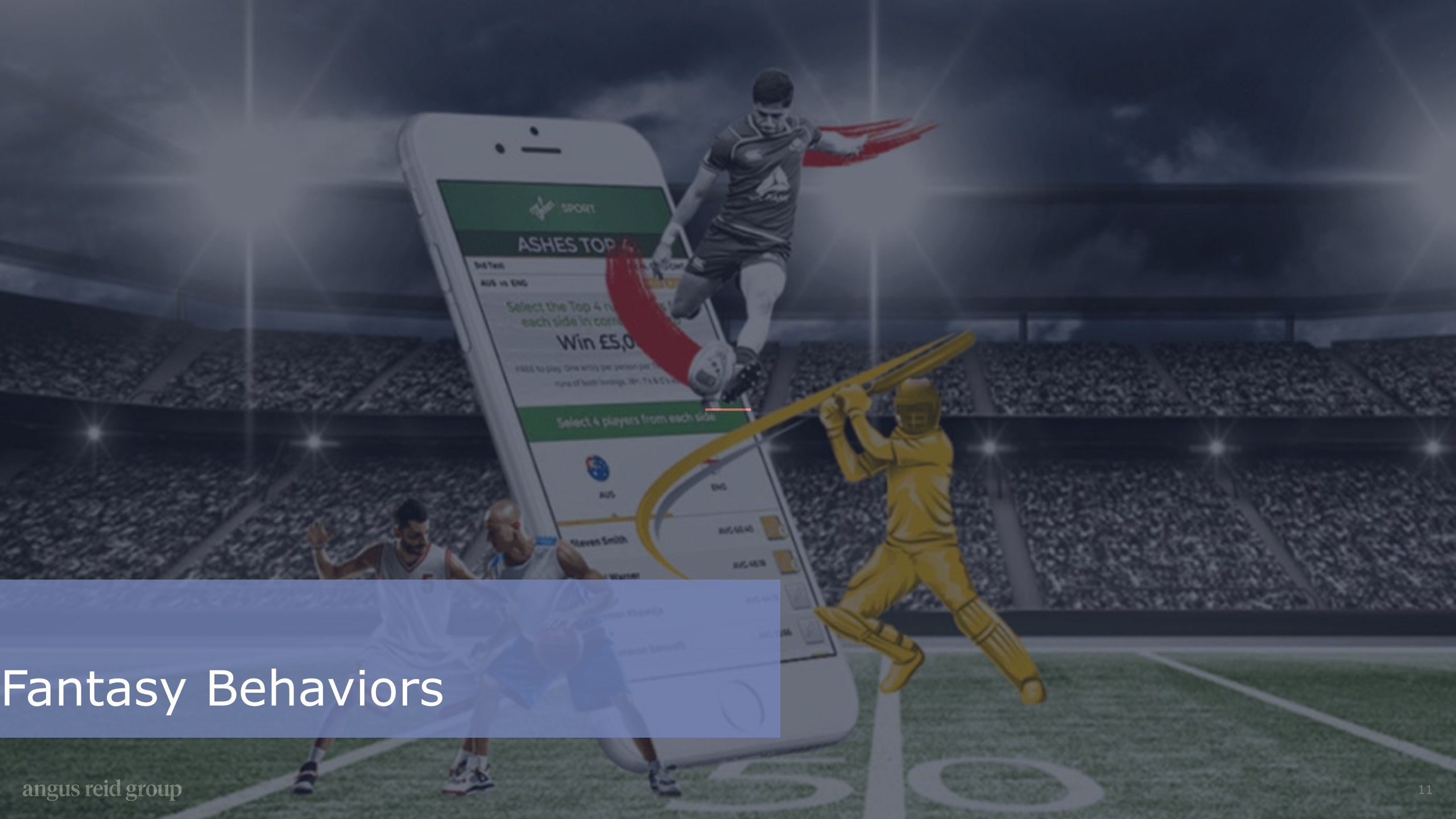


	Gen Pop	Fantasy Players	Sports Bettors
<=HS	37%	30%	33%
Some Post secondary/ College	32%	28%	31%
University+	31%	42%	36%

REGION

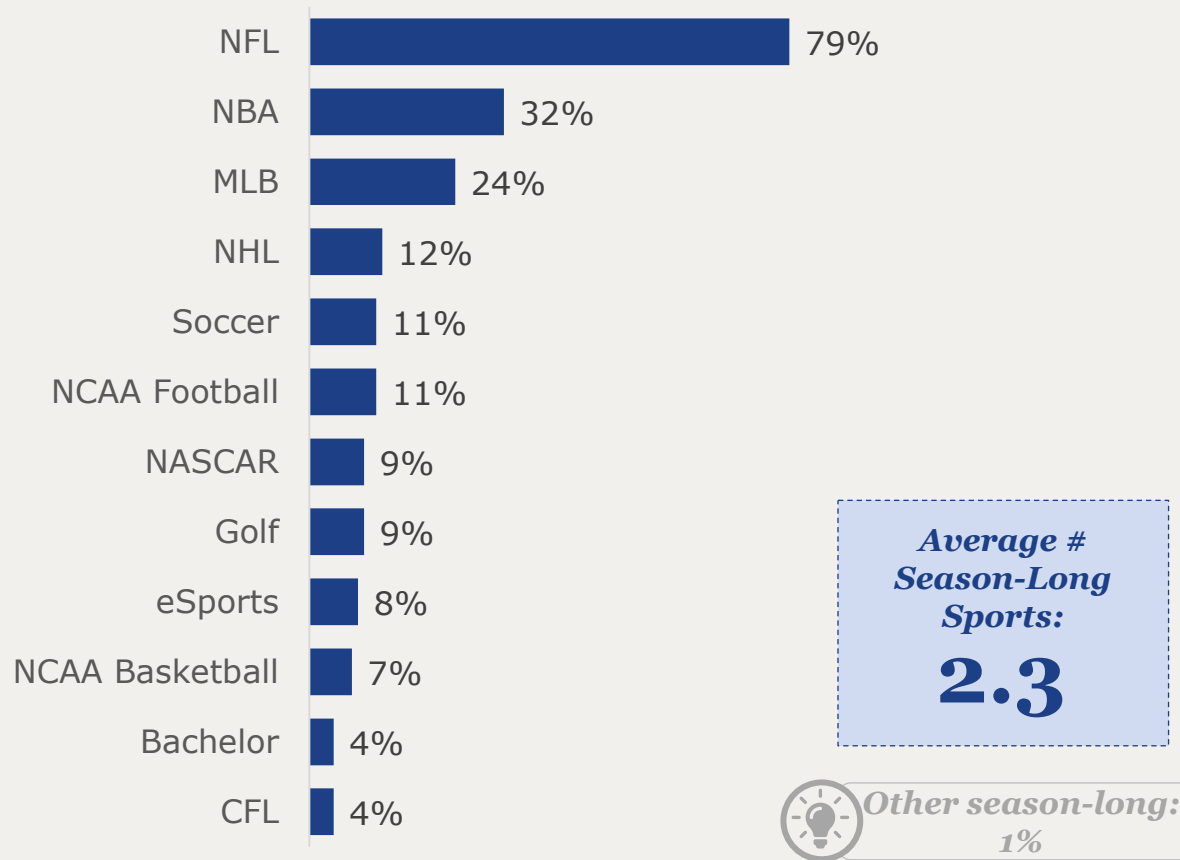
	Gen Pop	Fantasy Players	Sports Bettors
West (BC/AB/SK/MB)	31%	35%	36%
Ontario	39%	44%	45%
Quebec	23%	15%	13%
Atlantic	7%	6%	6%

Fantasy Behaviors

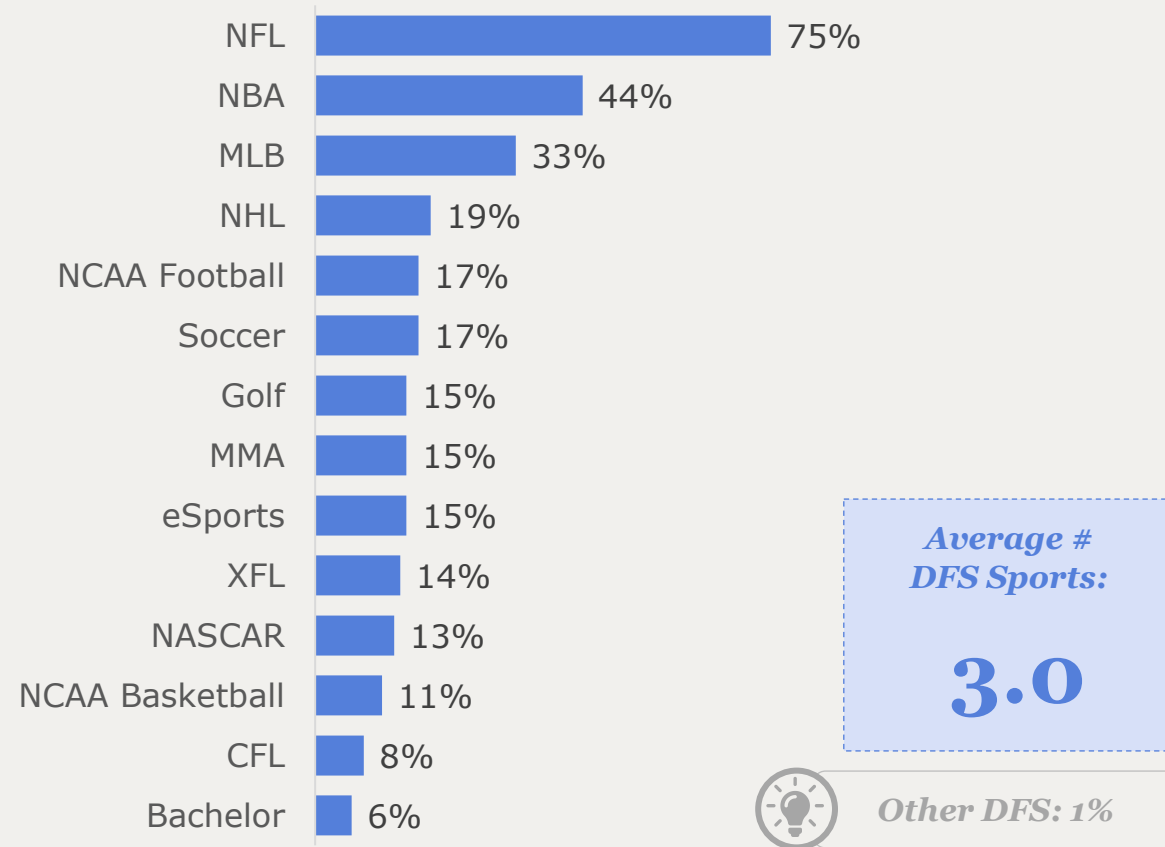


Regardless of the type, fantasy players are most likely to engage with NFL, NBA and MLB. That said, DFS players are more engaged in DFS, than Season Long players are engaged in Season Long.

% By League- Season-Long



% By League- DFS



The fewer the number of players, the greater the number of leagues those players participate in. Across the board, annual average spend generally ranges between approx. \$100 - \$250.

Season-Long League Participation and Spend in Past 12 Months

					 Soccer		
% Season-Long Players	79%	32%	24%	12%	11%	11%	9%
# of Leagues Participate In (Mean excl. 0)	2.8	4.2	3.5	3.0	4.4	4.1	3.8
Spend on Entry Fees (Mean excl. 0)	\$167	\$174	\$124	\$122	\$252	\$124	\$138

						
% Season-Long Players	9%	9%	8%	7%	4%	4%
# of Leagues Participate In (Mean excl. 0)	4.5	4.1	5.1	4.4	4.0	7.7
Spend on Entry Fees (Mean excl. 0)	\$192	\$151	\$157	\$84	\$139	\$92

Base: Season-Long Fantasy Players (n=1,224)

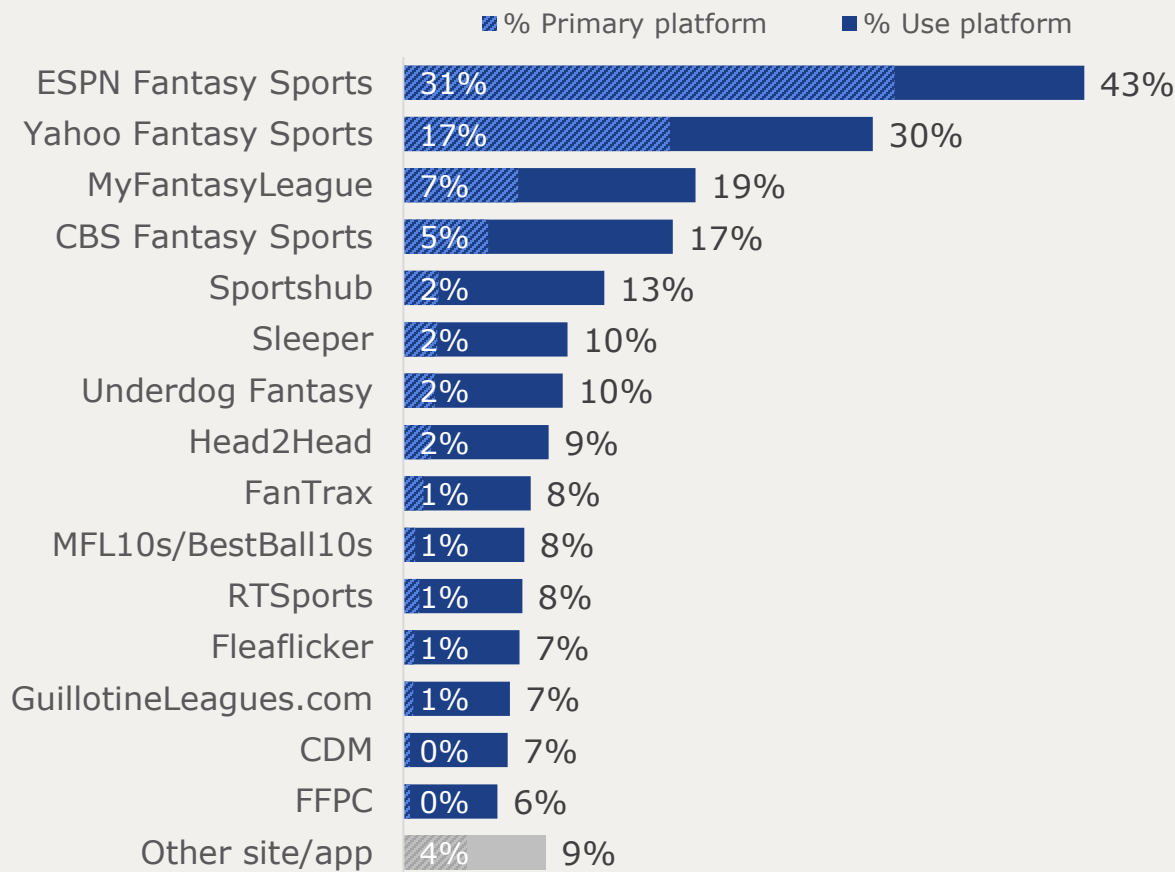
FPH2. You indicated earlier that you played fantasy sports in the past 12 months. For each sport you play, please select the response below that best describes your participation in the different types of fantasy sports.

FPH3. For each of the following sports/leagues, how many traditional season-long leagues did you participate in during the past 12 months?

FPH4A. And how much, in total, did you spend in the last 12 months on league entry fees for your season-long leagues?

ESPN, and Yahoo are considered primary platforms by most season long players.

Primary Season-Long League Platform and League Entries



of Sites Used
(Mean excl. 0)
2.6
2.7
3.0
2.9
4.1
2.9
3.8
3.5
4.0
3.5
3.4
3.9
3.3
3.3
3.1
5.0



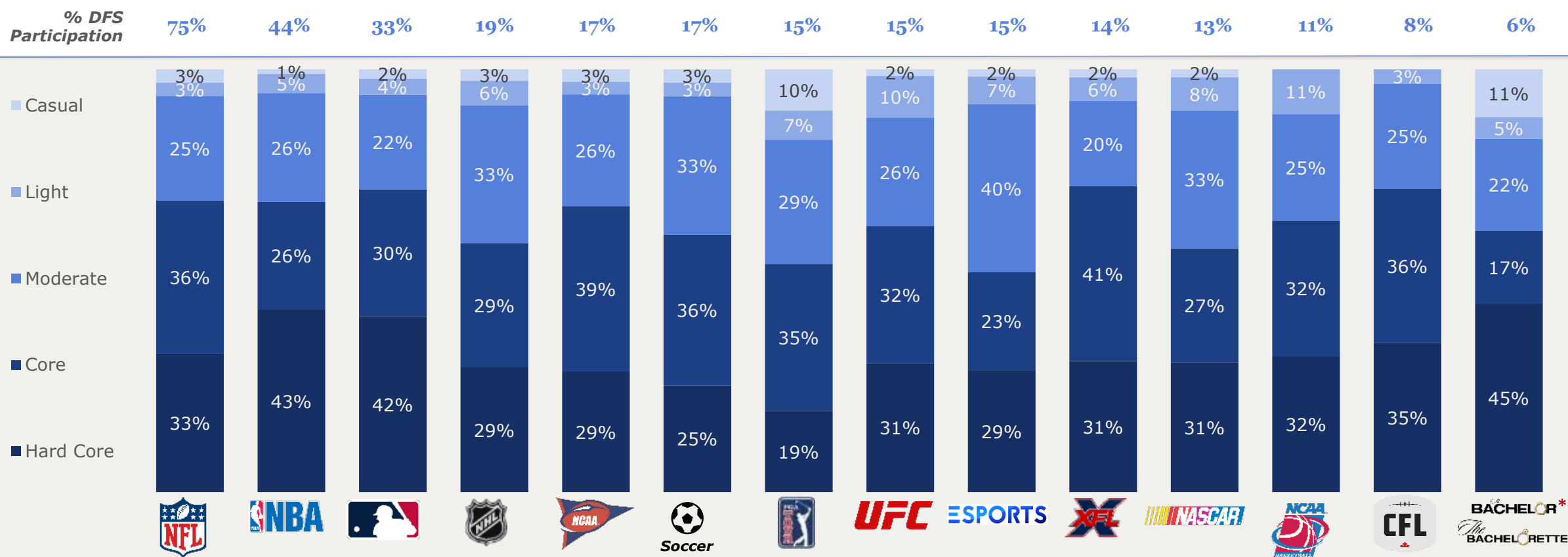
9%

Used Non-Online Platforms*

*Note: Gap Scores exclude non-online platforms
 Base: Season-Long Fantasy Players (n=1,224)
 FPH5. You indicated earlier that you were in [INSERT TOTAL# FROM FPH3] season-long leagues in the past 12 months. How many of these leagues were hosted on each of the platforms listed below?
 FPH6. You mentioned you play season-long fantasy sports on the following platforms. Which would you consider your primary platform

Regardless of the sport, DFS players participate in the sport on very regular basis, with very few sports having passive participants.

Frequency of Participating in DFS Contests



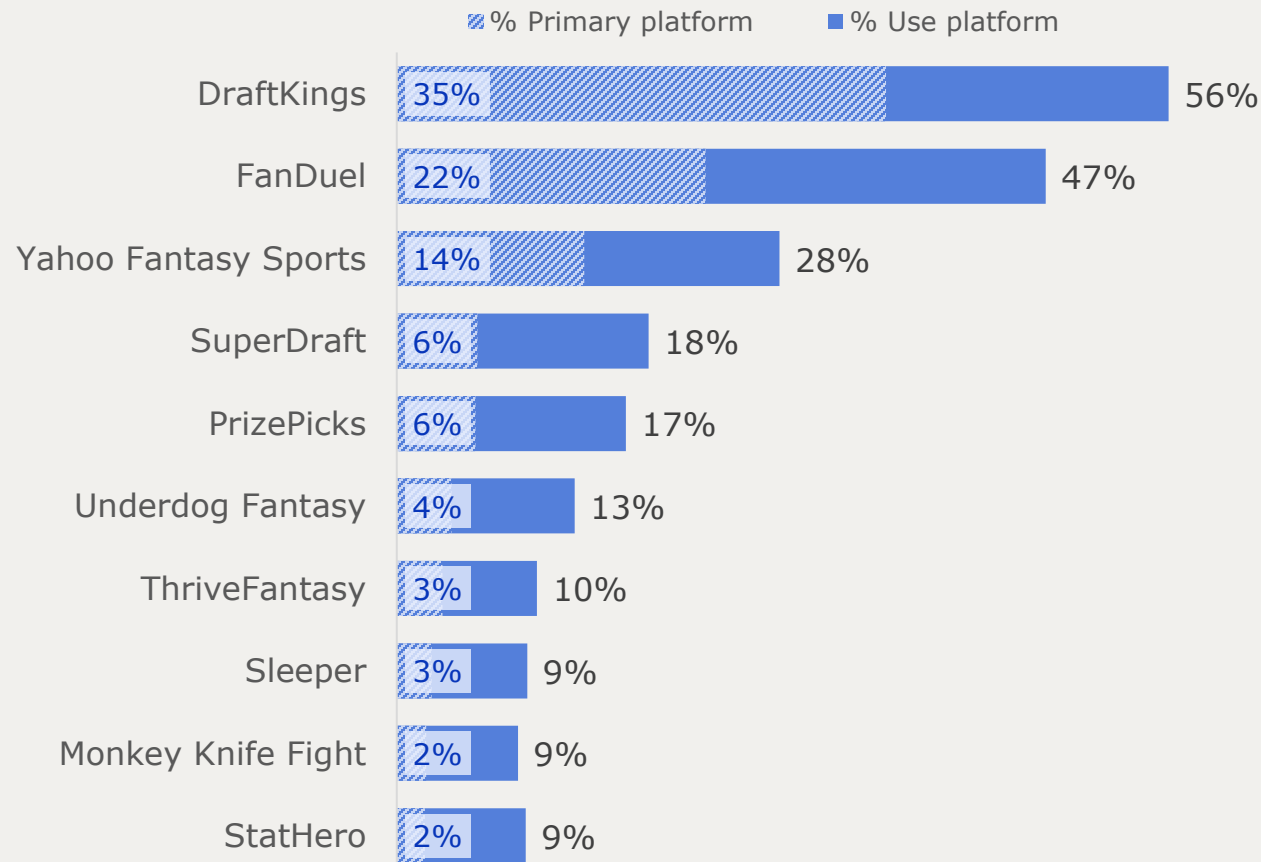
*Caution small base sizes (n<30)

Base: DFS Players (n=601); Bases vary by DFS participation (n=18-317)

FPH7. On average, when the sports leagues you play DFS contests on are in season, how often would you say you participate in DFS contests?

| DraftKings and FanDuel remain the two larger players.

Past Year Usage and Primary DFS Platform



Average #
Platforms Used in
the Past 12M:
2.2

of Platforms
Used in Past 12M:
Only 1: 39%
1 or 2: 68%
3 or 4: 26%
5 or more: 6%

Any Use of DK/FD:
71%
Exclusive Use of
DK/FD:
35%

Base: DFS Players (n=601)
FPH8. Now, thinking only of daily fantasy sports leagues/contests, what platforms have you used in the past year?
FPH9. You mentioned you play daily fantasy sports (DFS) on the following platforms. Which would you consider your primary platform.

While participation varies significantly, DFS players engage in a similar number of contests for most sports, with weekly spend somewhat alike.

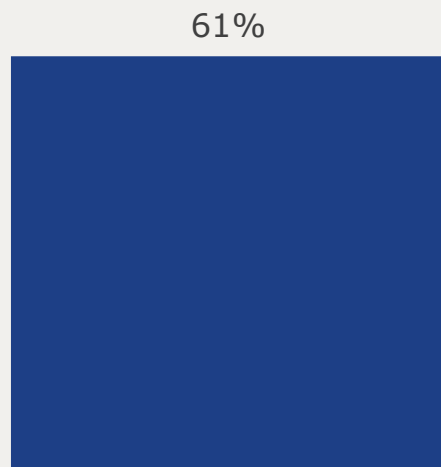
DFS Participation and Spend in Past 12 Months

				 *	 *	 Soccer *	
% DFS Players	75%	44%	33%	19%	17%	17%	15%
# of Contests Participate In (Mean excl. 0)	10.6	10.0	9.6	6.7	6.4	8.2	7.3
Spend on Contest Entry Fees (Mean excl. 0)	\$56	\$71	\$52	\$46	\$44	\$56	\$41
			 *	 *	 *	 *	 *
% DFS Players	15%	15%	14%	13%	11%	8%	6%
# of Contests Participate In (Mean excl. 0)	14.1	5.9	11.9	11.6	8.4	12.1	4.3
Spend on Contest Entry Fees (Mean excl. 0)	\$60	\$44	\$43	\$22	\$31	\$31	\$54

*Caution small base sizes (n<30)

Being able to watch the game/event that includes players within the line-up drives ancillary spend for fantasy sports.

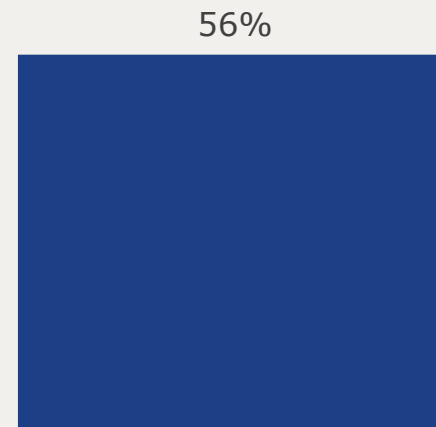
Past 12 Month Spend Activities on Fantasy Sports



Any Package



Premium services
(advice, stats, content etc)



Live game packages
(NFL Sunday Ticket,
NBA league pass etc)

Average Spend
(Mean excl. 0)

2023

\$119

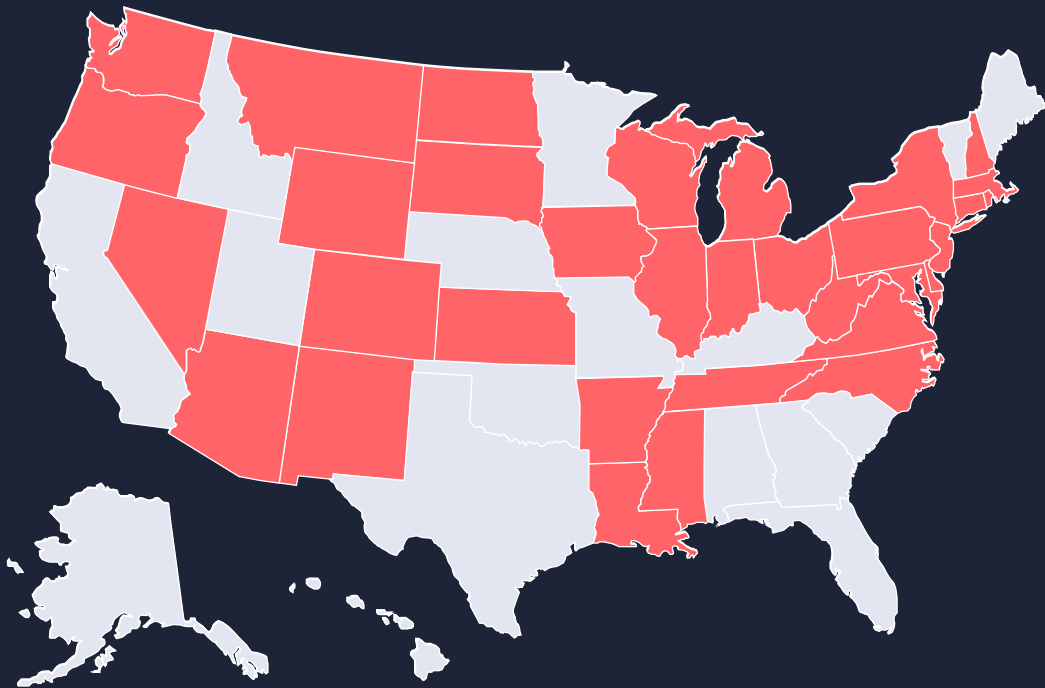
\$125

\$161

Player Behaviour: Sports Betting Habits

| Sports Betting in the United States

THE REMAIN SPORTS BETTING DATA IS PURELY AMONG SPORTS BETTORS FROM REGULATED / LEGAL MARKETS

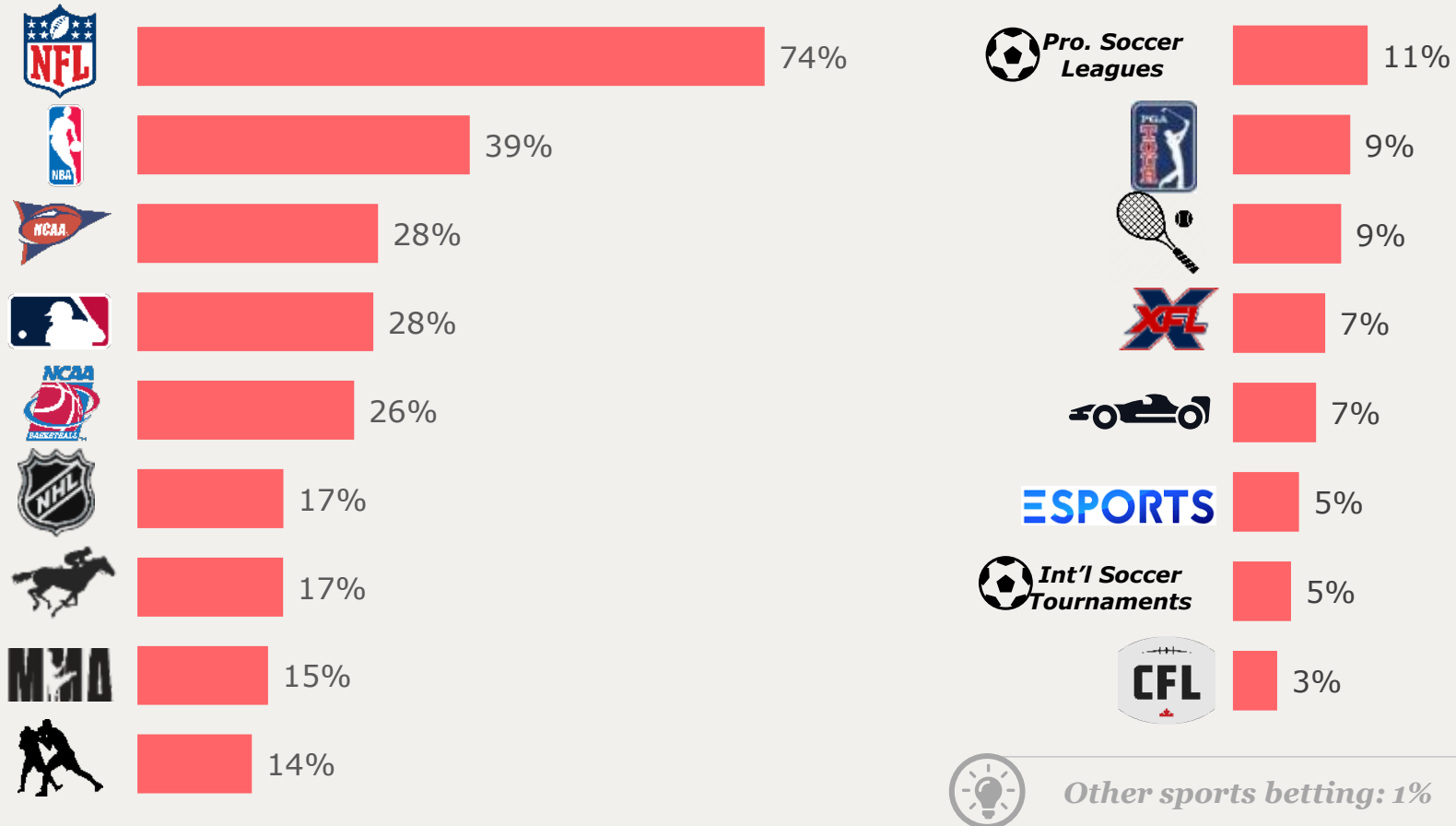


States where Sports Betting is Legal

✓ Arizona	✓ Maryland	✓ North Carolina	✓ Washington, D.C.
✓ Arkansas	✓ Massachusetts	✓ North Dakota	✓ West Virginia
✓ Colorado	✓ Michigan	✓ Ohio	✓ Wisconsin
✓ Connecticut	✓ Mississippi	✓ Oregon	✓ Wyoming
✓ Delaware	✓ Montana	✓ Pennsylvania	
✓ Illinois	✓ Nevada	✓ Rhode Island	
✓ Indiana	✓ New Hampshire	✓ South Dakota	
✓ Iowa	✓ New Jersey	✓ Tennessee	
✓ Kansas	✓ New Mexico	✓ Virginia	
✓ Louisiana	✓ New York	✓ Washington	

It really is NFL first and foremost in the sports betting world, with NBA, NCAA football/basketball and NBA in the second tier.

% Of Sports Bettors who bet on...



% Bet on Big 4

Overall: 84%
Exclusively: 32%

% Bet on Non-Big 4

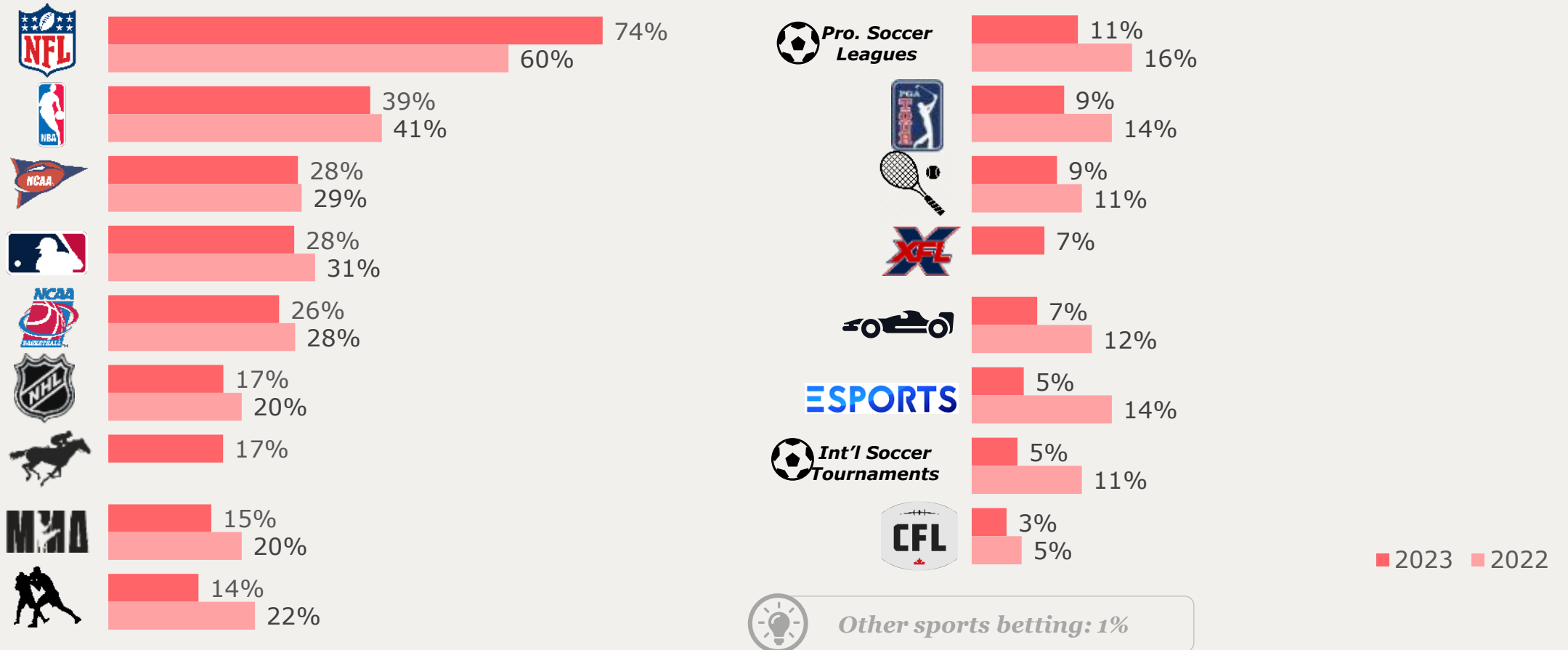
Overall: 68%

Average # Sports/Leagues
Bet On:

3.2

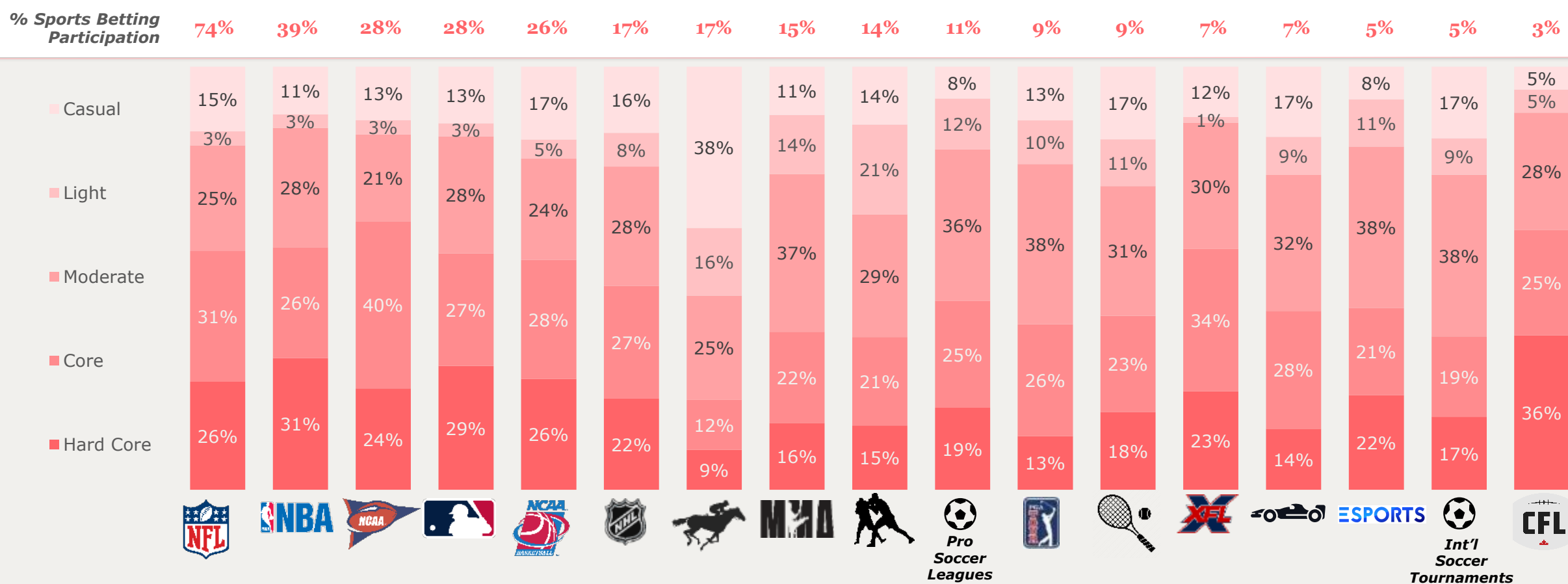
Demonstrating the strength of NFL, it's the only large offering to have a growing number of bettors. While some sports have a stable number of bettors, many sports are losing bettors.

% Of Sports Bettors who bet on...



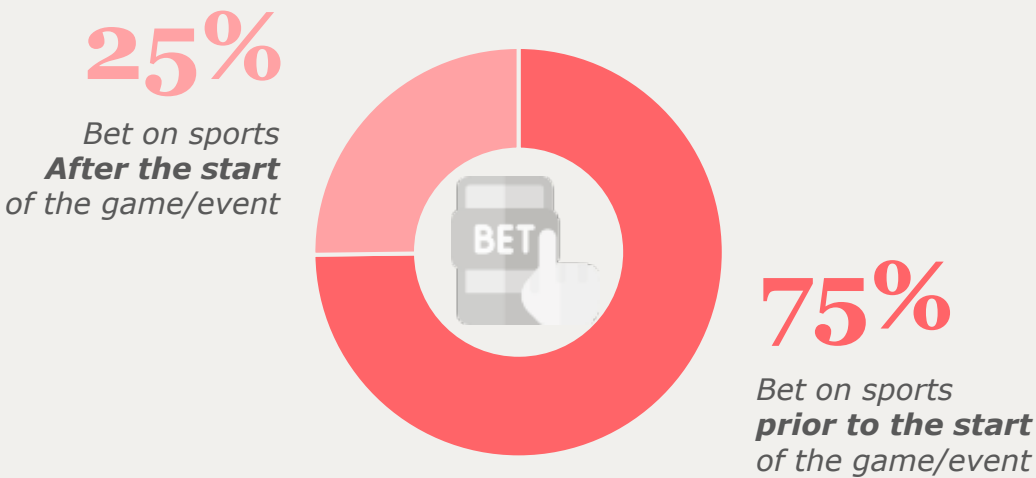
While NFL leads participation rates, the frequency of betting across most sports is remarkably similar. That said, there are many more light /casual bettors than there are within DFS.

Frequency of Participating in Sports Betting

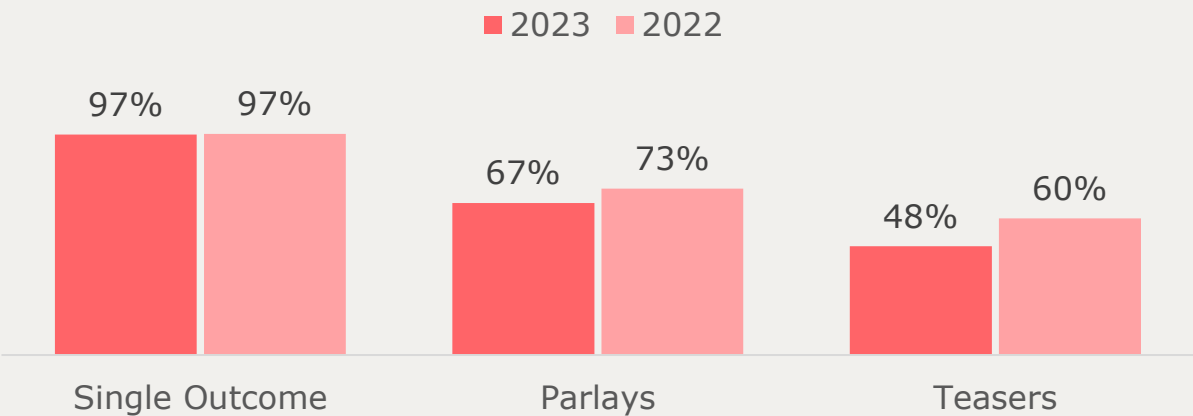


Pre-Game bets still dominate, but in-game betting is becoming a larger component of the offer. Single outcome is still bettor's favorite while teasers have seen a sharp decline in participation.

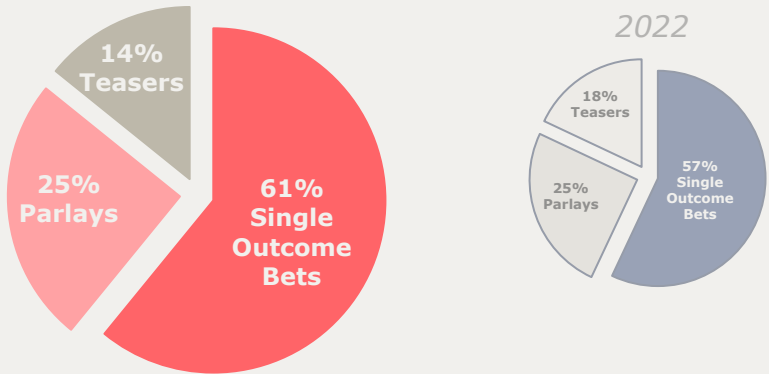
When Sports Bets are Made



Sports Bets by Type



% Average Wager Split by Bettor

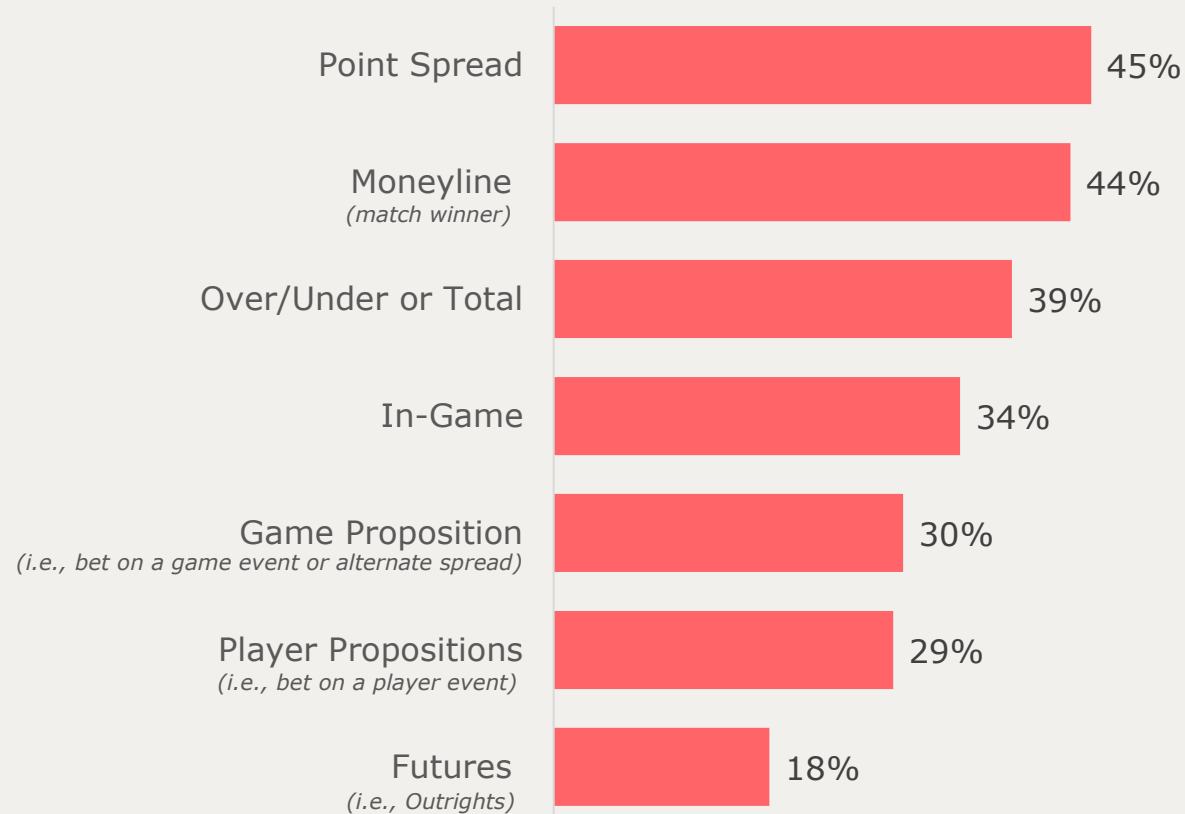


Base: Sports Bettors – 2023 (n=1,038), 2022 (n=1,340)
SB2a. Thinking of your sports bets in the past year, what proportion of your bets were made prior to the start of the game/event you were betting on, and what proportion were made after the game/event had already begun (i.e., live/in-play betting)?
SB2b. Thinking of your sports bets in the past year, what proportion of your bets were single outcome bets, parlay bets, and teaser bets?

While point spread and moneyline lead single outcome bet format, there is an opportunity in increasing cross betting opportunities among bet-types that aren't as popular, or as well known today.

Past 12 Month Participation in Single Outcome Bet Format

61%
Bet on single outcomes

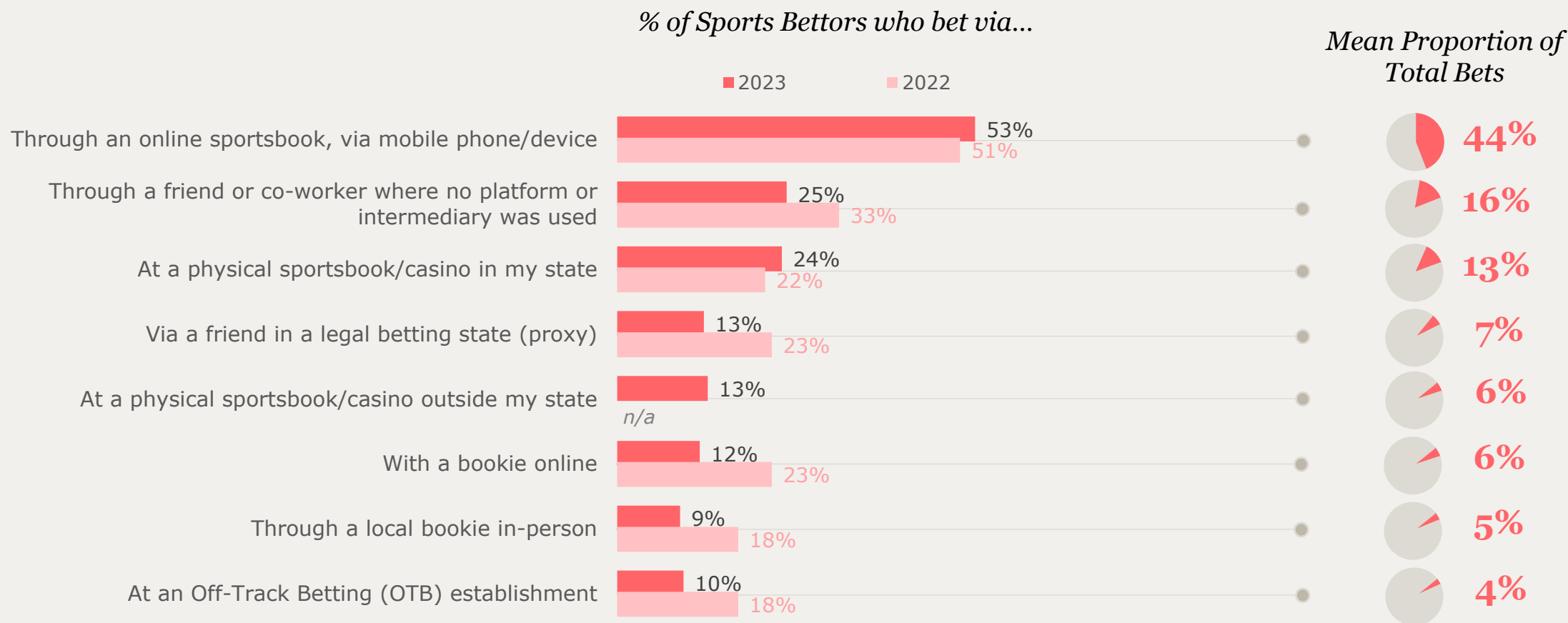


Average # of Single Outcome Bets Placed in Past 12M:

2.4

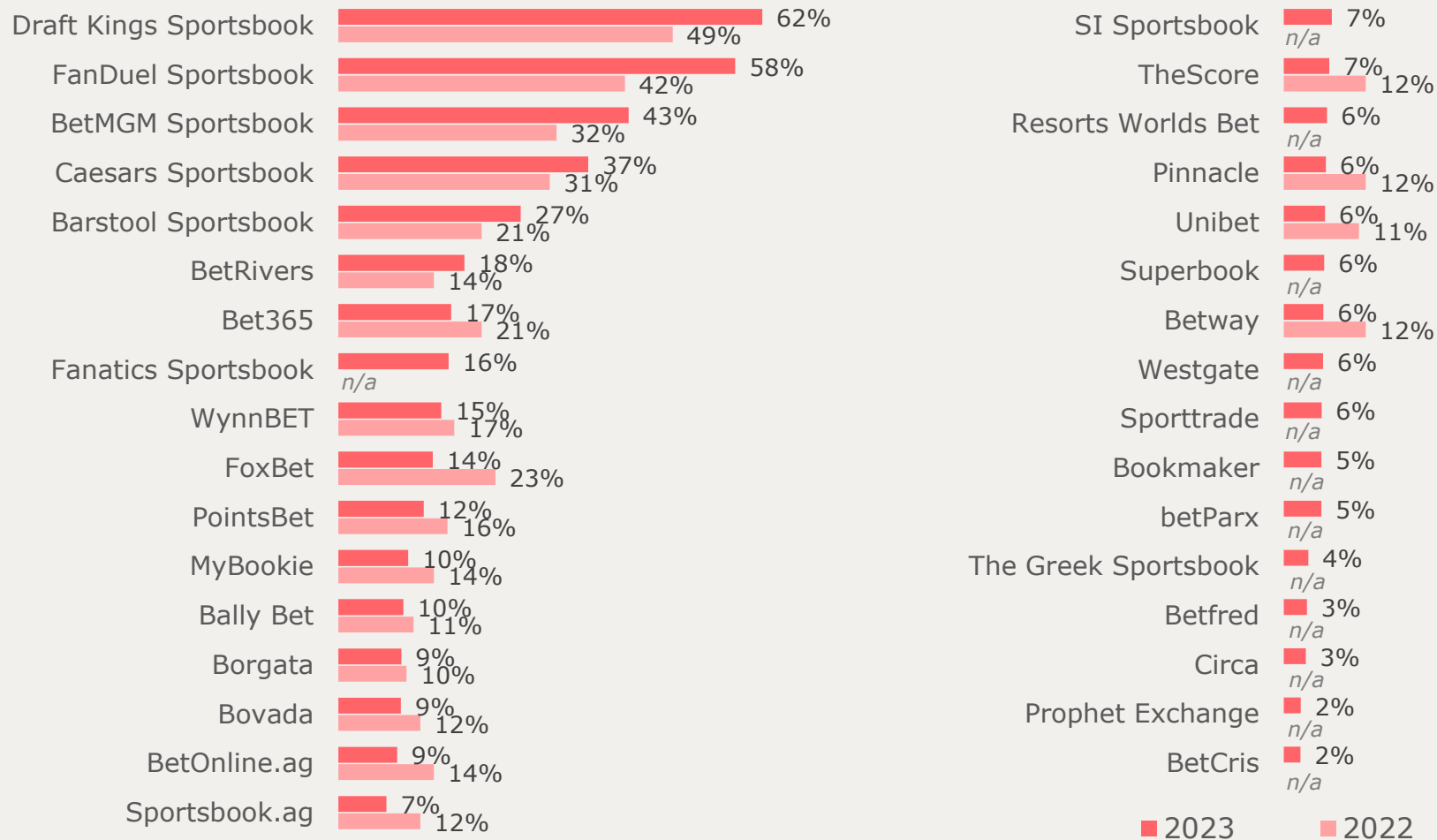
Betting activity is consolidating into 3 main channels; online, sportsbook, or side action with friends, suggesting that regulating sports betting helps move sports betting into the light.

Sports Betting by Channel



Significant increase in awareness for the larger online sportsbooks, including Draft Kings and FanDuel, speaking to larger ad budgets, and making it more challenging for smaller operators to acquire new players.

Awareness of Online Sportsbooks/Apps



Average # Online Sportsbooks/Apps Aware of:

4.6

of Online Sportsbooks/Apps Aware of :

Only 1: 22%
1 or 2: 38%
3 to 5: 34%
6 to 10: 21%
11 or more: 8%

Any of DK / FD:

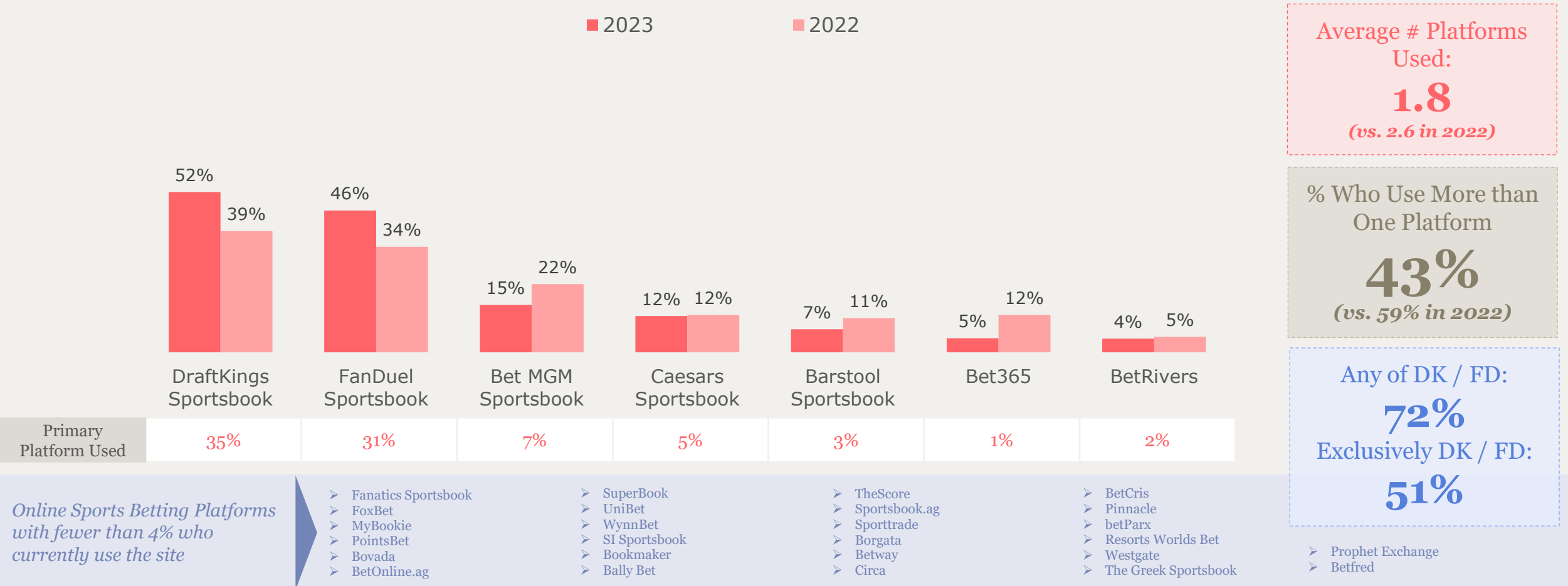
74%

Exclusively DK / FD:

15%

Website usage is consolidating into those 2 main players, with usage among other platforms seeming to lessen.

Top 7 Online Sports Betting Platforms Used



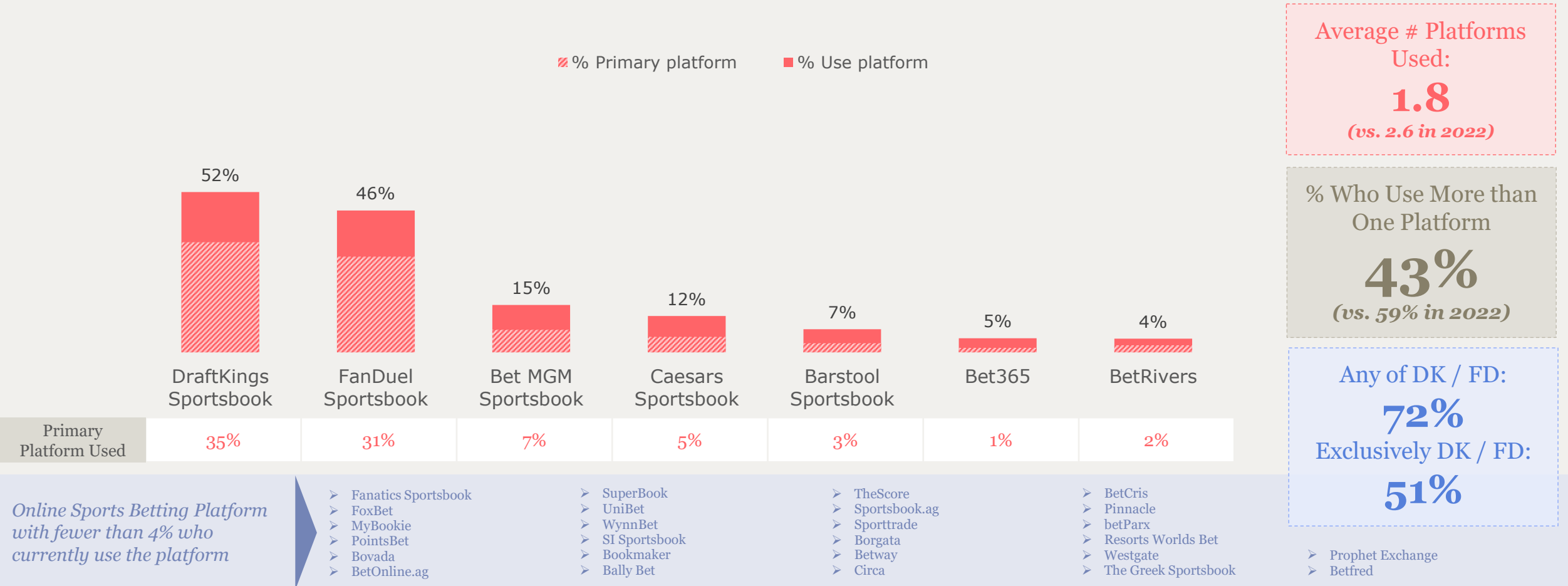
Base: Online Sports Bettors – 2023 (n=550), 2022 (n=678)

SB5. Which of the following online sportsbooks/apps do you currently use?

SB6. You mentioned you bet on sports on the following platforms. Which would you consider your primary platform, i.e. your go-to place for placing sports bets/wagers or the one you use most often?

And this consolidation is a challenge for the smaller platforms, given users of these are more likely to prefer another platform.

Top 7 Online Sports Betting Sites Platforms in 2023



Base: Online Sports Bettors – 2023 (n=550)

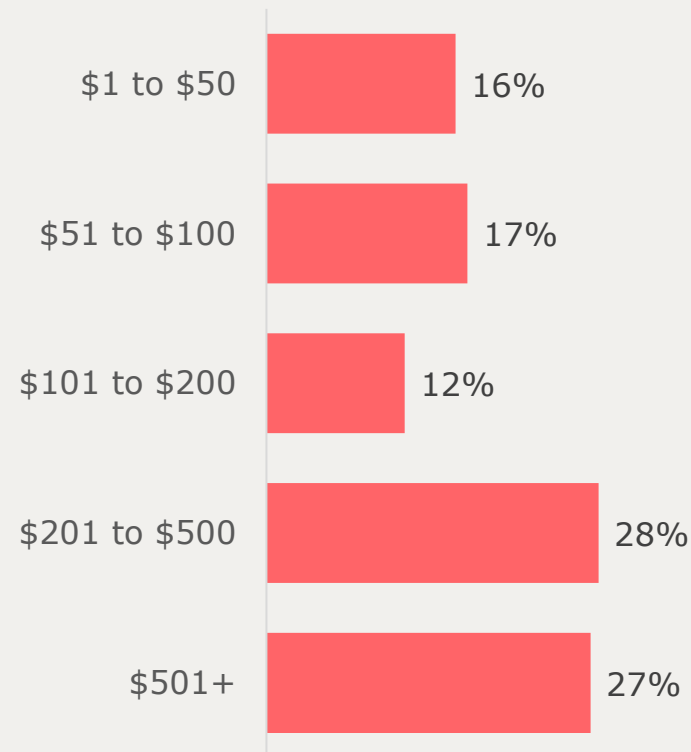
SB5. Which of the following online sportsbooks/apps do you currently use?

SB6. You mentioned you bet on sports on the following platforms. Which would you consider your primary platform, i.e. your go-to place for placing sports bets/wagers or the one you use most often?

Three-quarters of online sports bettors have deposited \$500 or less in the past year, yet the average amount deposited is \$835, suggesting that while there are some “whales”, their deposits are comparatively very large.

Amount Deposited into Online Sportsbook Accounts

In the Past 12 Months



Mean Amount
Deposited:

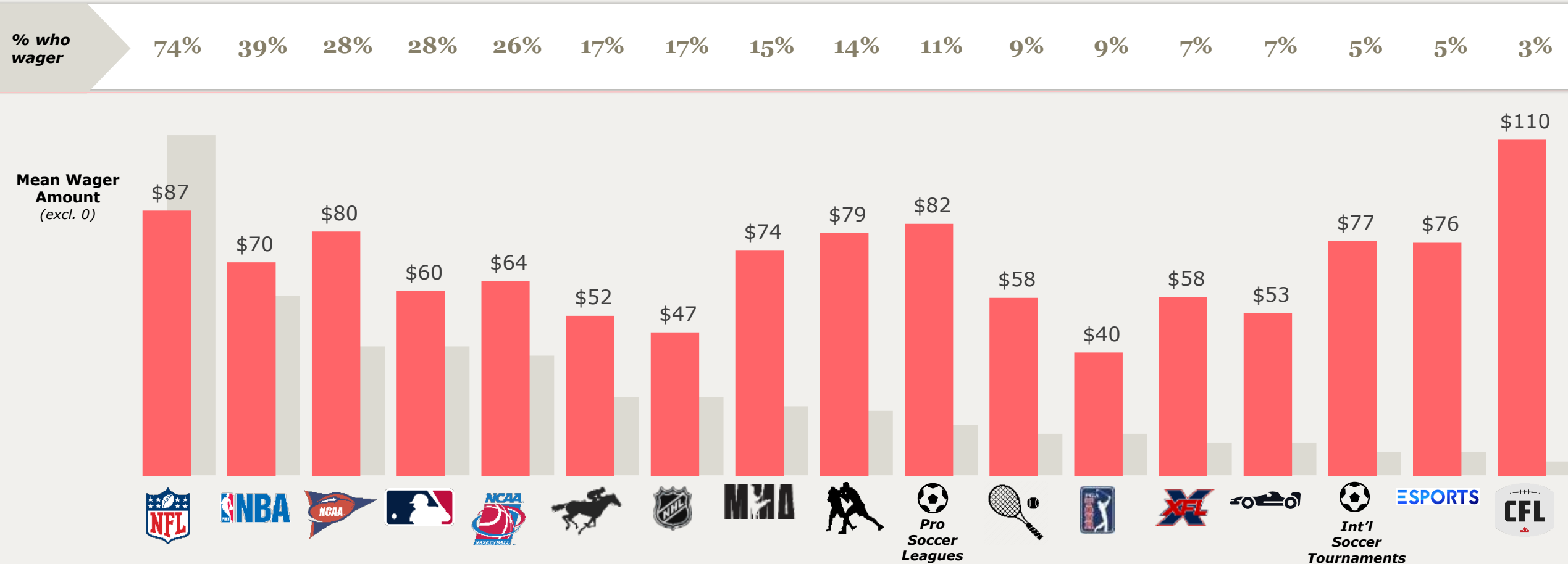
\$835

Median Amount
Deposited:

\$300

The action on NFL is greatest, and has amongst the highest amount wagered. But having fewer bettors doesn't mean miniscule amounts are wagered on these smaller sports, with many attracting large wagers.

Average Wager Size and Frequency by Sport/League



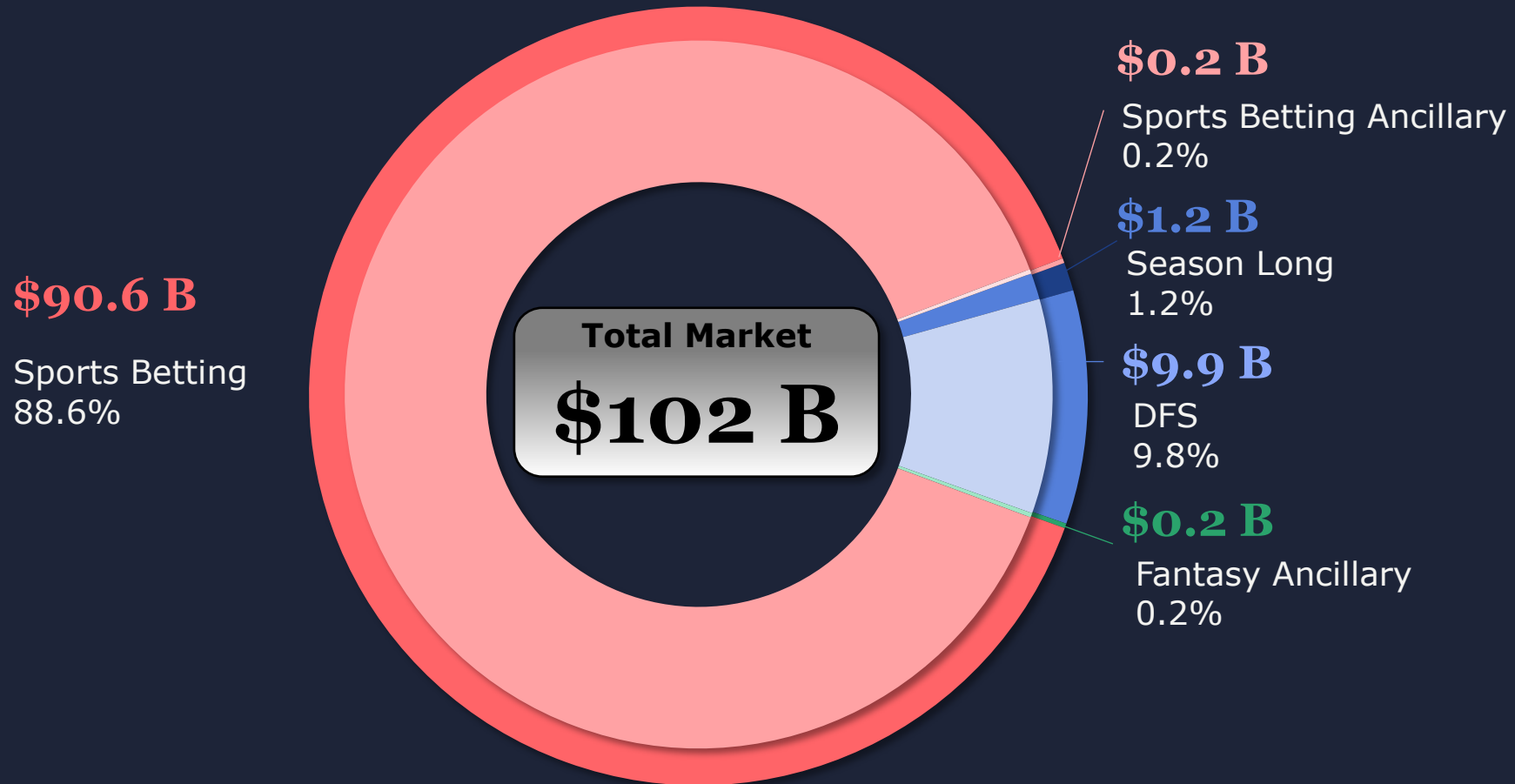
Being able to watch the game/event that is being wagered on is what is driving ancillary spend for sports betting.

Past 12 Month Spend on Ancillary Sports Betting Services



Average Spend
(Mean excl. 0)

Angus Reid estimates that the combined handle / entry fees between Sports Betting and Fantasy Sports is \$102B.



A diverse crowd of people, including young women and a man, are shown cheering enthusiastically with their hands raised. They are wearing red scarves, suggesting they are fans of a sports team. The image has a warm, golden-hour lighting.

Player Motivations

While many see fantasy and sports meeting similar motivations, the players don't agree, with fantasy players far more likely to focus on the social / fun / engagement piece, while bettors gravitate towards the win/achievement.

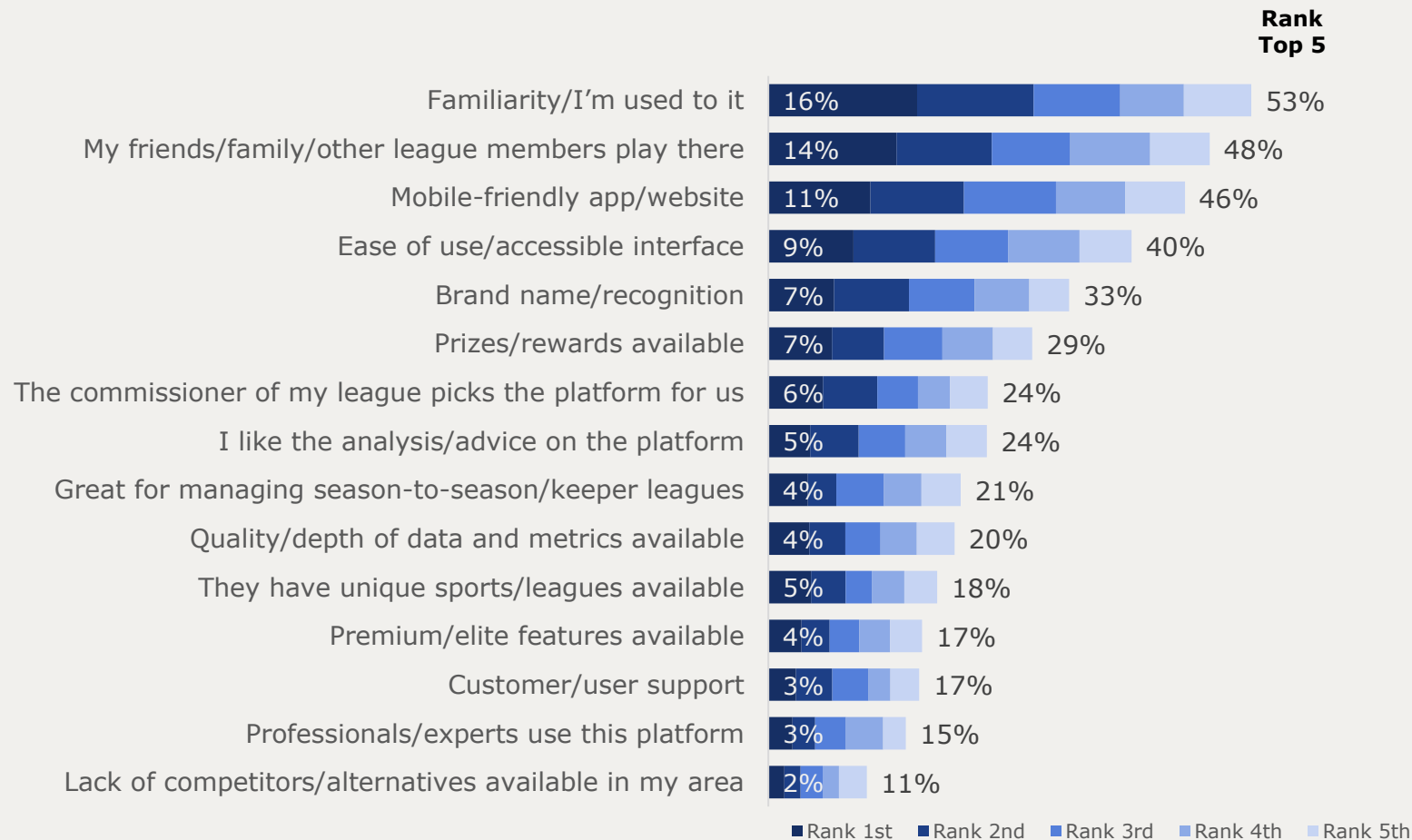
Reasons for Playing Fantasy or Betting on Sports



**Fantasy sports wording- "Playing fantasy sports is thrilling", "There are specific sports/leagues or events that I want to play fantasy games"*
Betting on sports wording - "I am a risk taker and betting on sports is thrilling", "There are specific big, exciting games or events that I want to bet on"
Base: Fantasy Players (n=1,418), Sports Bettors (n=1,038)
MV1. Which of the following best describe(s) why you play fantasy sports?
MV6. Which of the following best describe(s) why you bet on sports?

Familiarity, social aspect and user experience are among the top reasons to choose a season long platform.

Top Reasons for Selecting Season-Long Fantasy Sports Platform

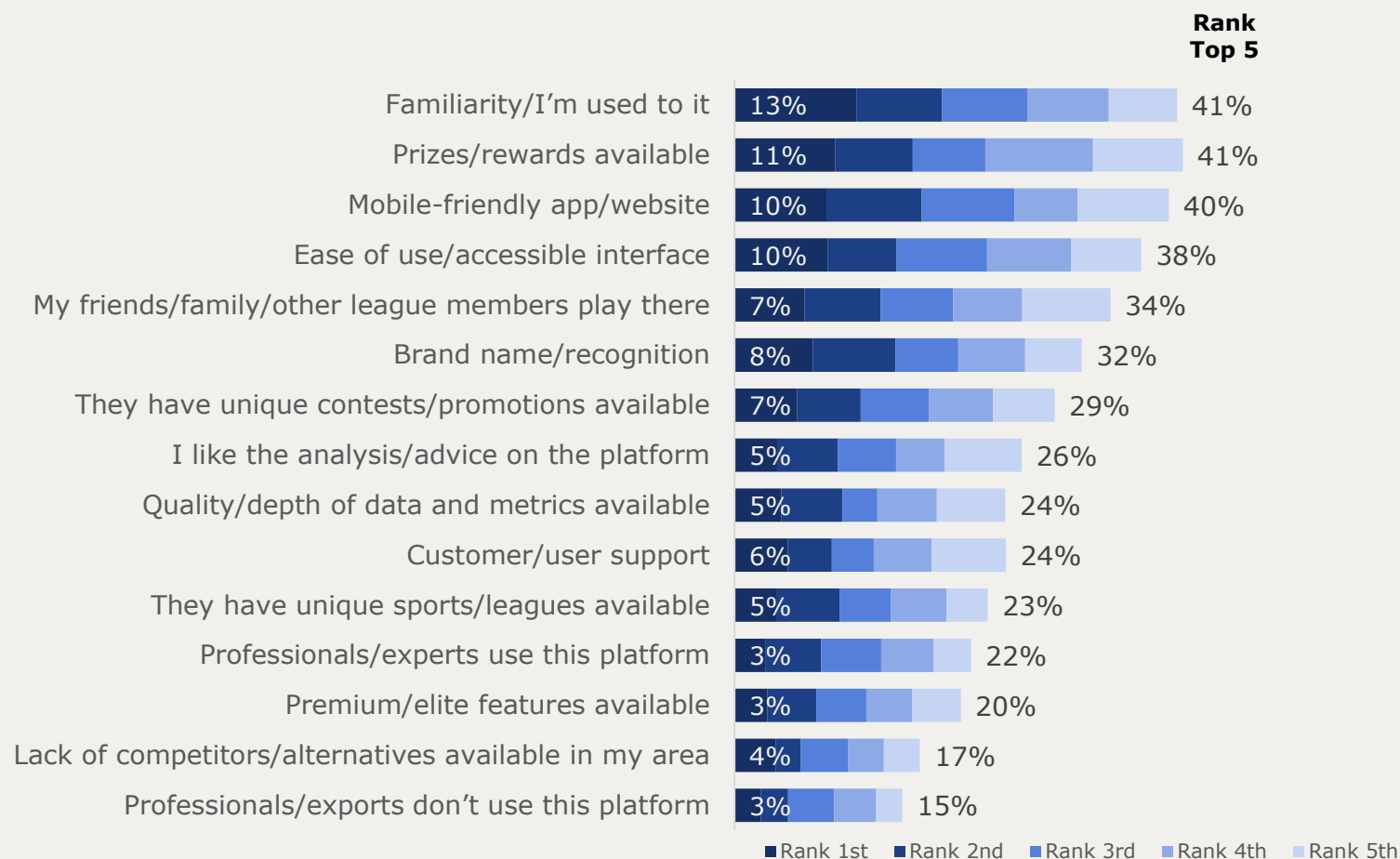


Top 3 Season-Long Platforms by Motivation



Apart from familiarity and user experience the payouts available is amongst the key drivers of selecting a DFS platform.

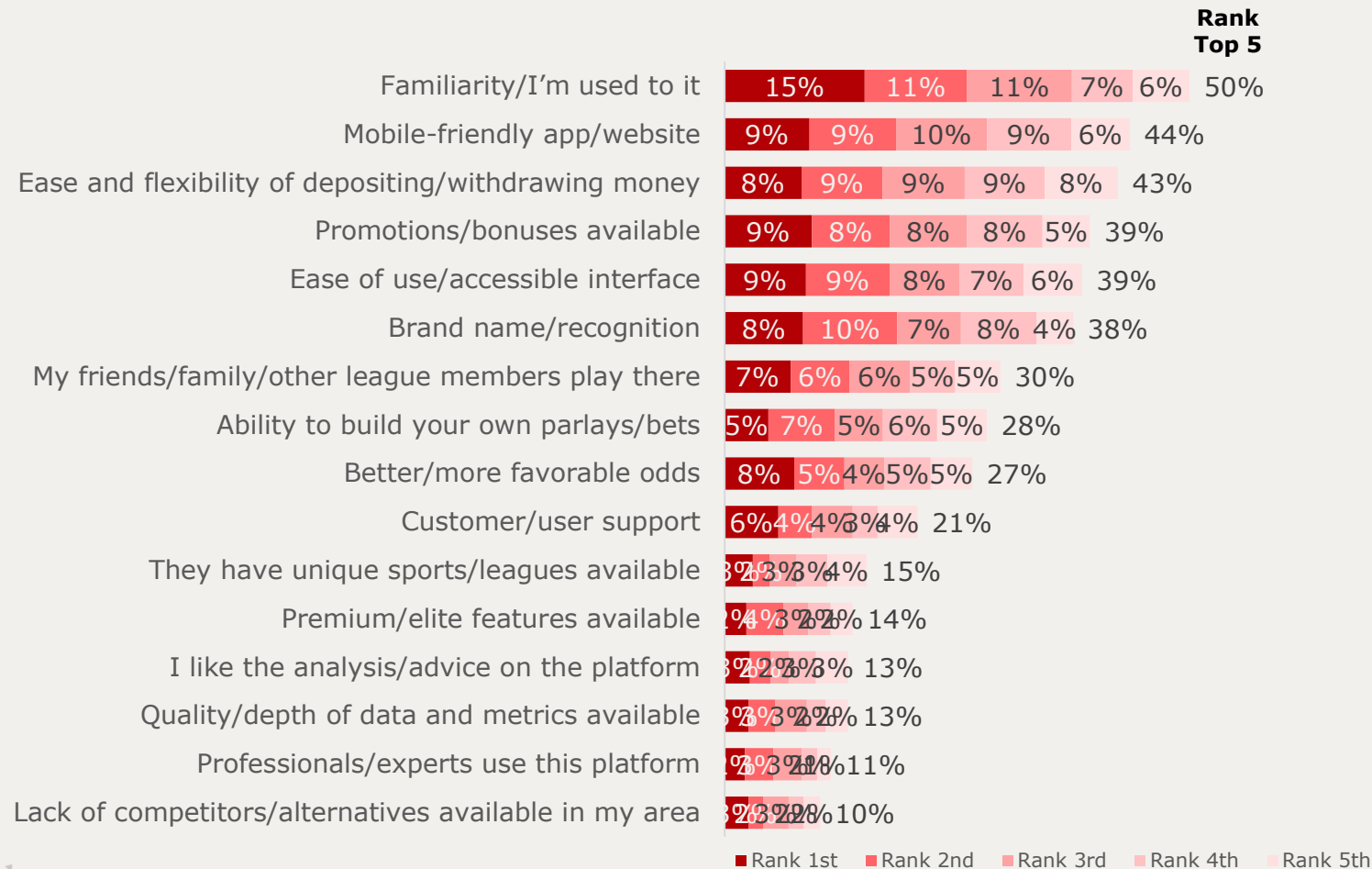
Top Reasons for Selecting Daily Fantasy Sports Platform



Top 3 DFS Platforms by Motivation

Familiarity and user experience along with promotions among top reasons to choose a sport betting platform.

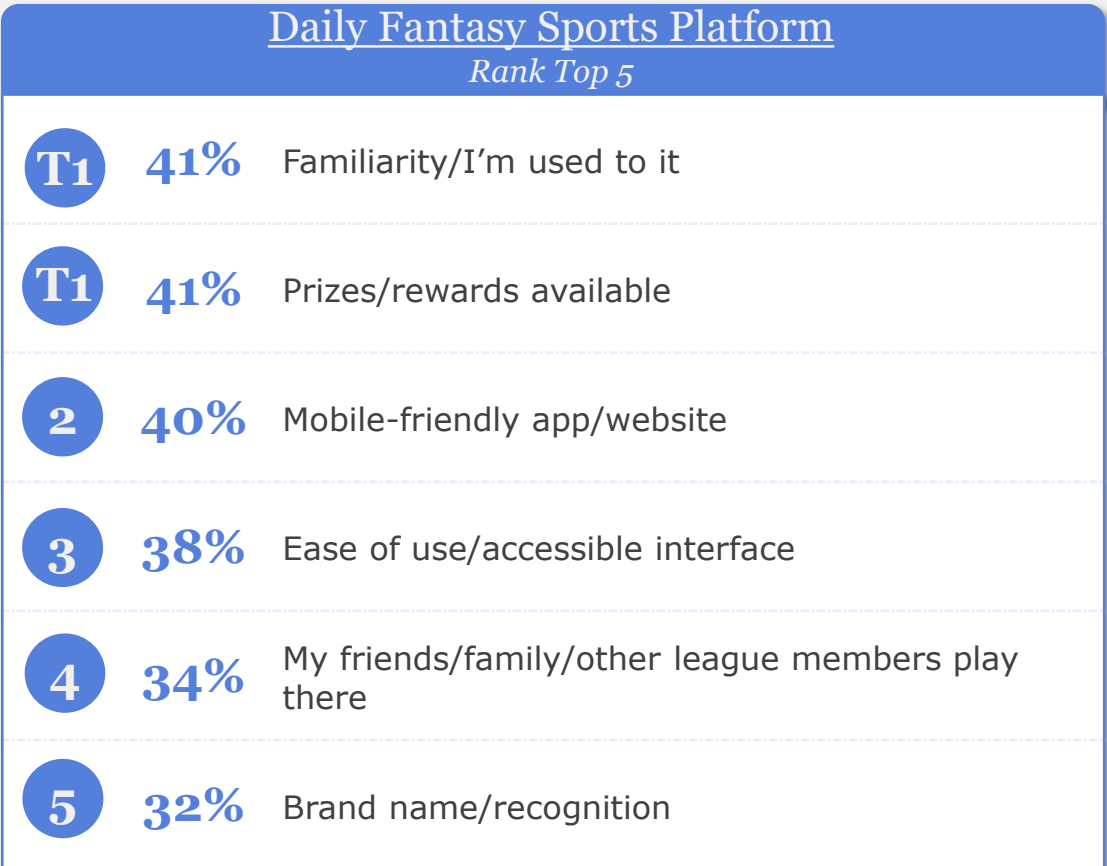
Top Reasons for Selecting Sports Betting Platform



Top Sportsbook Platforms by Motivation

Regardless of the fantasy type, platforms are chosen based on familiarity and UX. Where they differ, is that Season Long platforms are also selected due to family / friends, while DFS platforms are selected on the prizes available.

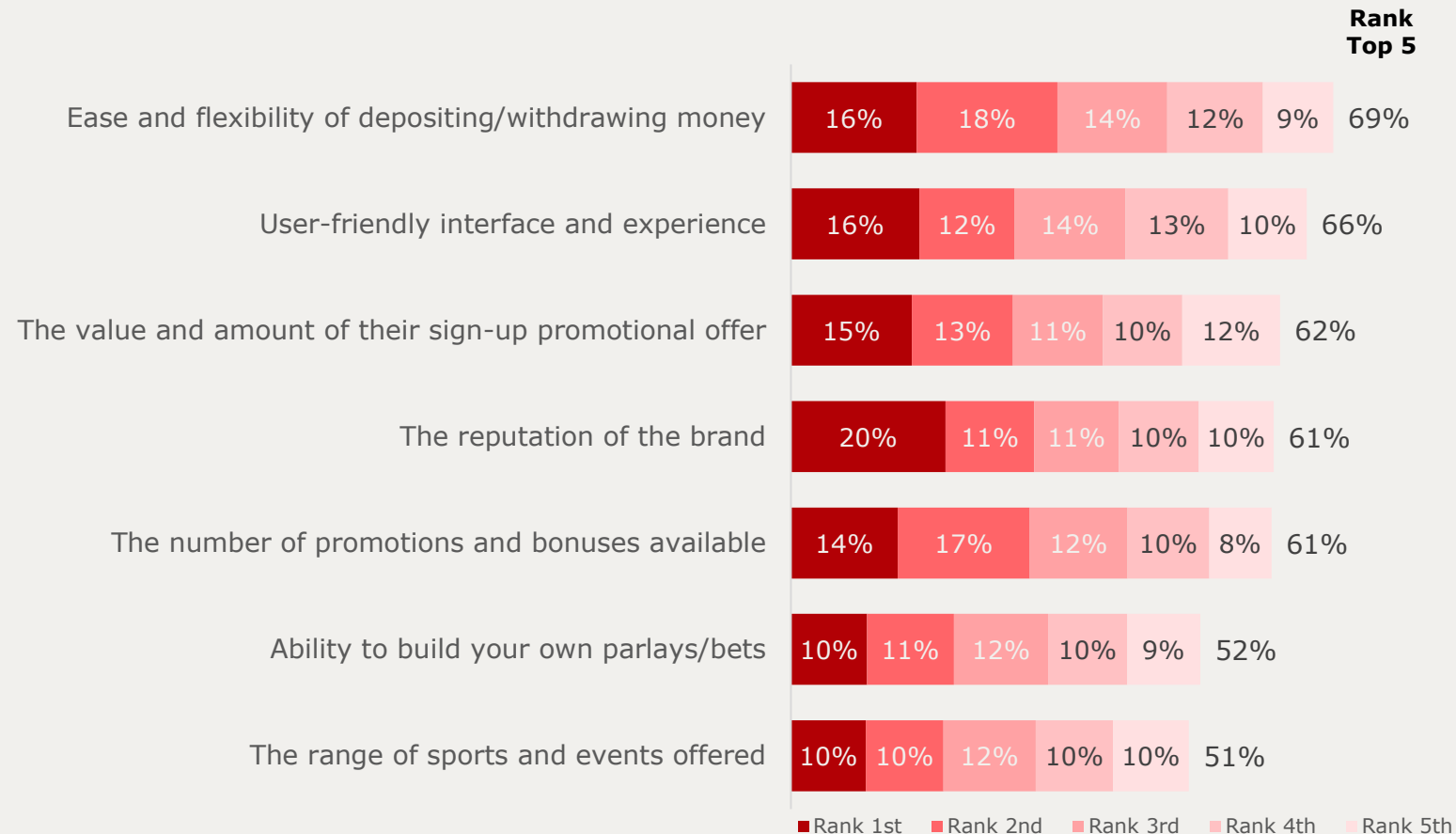
Top Reasons for Selecting Go-To Season-Long or DFS Platform



Base: Season-Long Fantasy Players (n=1,166)
MV2. Why is [INSERT RESPONSE FROM FPH6] your go-to platform for playing season-long fantasy sports?
Base: Daily Fantasy Players (n=601)
MV4. Why is [INSERT RESPONSE FROM FPH9] your go-to platform for playing daily fantasy sports (DFS)?

While User experience, value and promotions are among the most important elements when signing up for an online sportsbook, it's the brand reputation that is the #1 thing players are deciding on.

Most Important Elements of an Online Sportsbook



One in seven season long players take on the responsibility of being the Commissioners.

Commissioner Role in Season-Long Fantasy Sports Leagues



14%

Are **commissioners** of any
season-long fantasy sports league

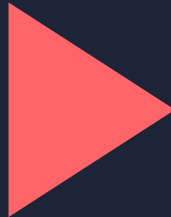
Outside of any rewards offered, users select sites based on the UX, making it easy for others to join, and any deals / promotions that are there for the taking.

Top Motivators to Join a Platform by Purpose

Season-Long Fantasy Sports Platform

- 1** **23%** The prizes / winnings / rewards
- 2** **14%** If friends / family / colleagues can play / join
- 3** **13%** I love fantasy sports
- 4** **13%** If it's easy use / user friendly interface
- 5** **9%** *Better offers / deals / promotions / specials*

Video: What do you think would motivate you to join a new platform for a season-long sports league?



CLICK TO PLAY

But for DFS players, there isn't one thing that would motivate players to switch, suggesting that players seem pretty content with what's currently available.

Top Motivators to Join a Platform by Purpose

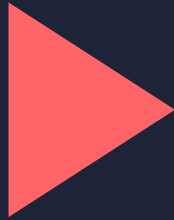
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Daily Fantasy Sports Platform

- 1** **11%** Being with friends / family / colleagues
- 2** **9%** Daily incentives / daily rewards
- 3** **9%** More money in my pocket
- 4** **9%** If it's easy to use / user friendly
- 5** **8%** Better offers / deals / promotions / specials

Video: What do you think would motivate you to join a new platform for daily fantasy sports (DFS)?



CLICK TO PLAY

While sports bettors are motivated to join a new platform based on the introductory offers, fantasy players are motivated more by the long game.

Top Motivators to Join a Platform by Purpose

Season-Long Fantasy Sports Platform

- 1** **23%** The prizes / winnings / rewards
- 2** **14%** If friends / family / colleagues can play / join
- 3** **13%** I love fantasy sports
- 4** **13%** If it's easy use / user friendly interface
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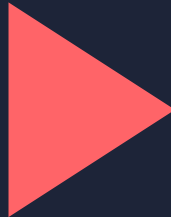
Daily Fantasy Sports Platform

- 1** **11%** Being with friends / family / colleagues
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- 3** **9%** More money in my pocket
- 4** **9%** If it's easy to use / user friendly
- 5** **8%** Better offers / deals / promotions / specials

Online Sportsbook

- 1** **21%** Great sign up / introductory offer
- 2** **21%** Better offers / deals / promotions / specials
- 3** **11%** If it's easy to use / user friendly
- 4** **9%** Better odds of winning
- 5** **8%** Incentives / daily incentives / daily rewards

Video: What do you think would motivate you to join a new online sportsbook?



CLICK TO PLAY

| What Have We Learnt?



Fantasy sports and sports betting are engaged by more than 81M adults across the US and Canada. This is very stable from a year over year perspective, and is a good result post COVID, showcasing that the losses experienced in the US have rebounded. Due to increased legislation in Ontario around DFS, and the emergence of legalized betting, fantasy play in Canada is down. And although the overall market has increased, its clear that with the lower level of crossover that players/bettors are becoming more discerning. Its therefore incumbent on operators to know more about their players to better understand the value each bring, and recognize that there are differences.



Despite significantly less crossover, Sports bettors and fantasy players continue to skew younger males, which makes them a very valuable customer base, particularly from the partnership perspective. The challenge for platforms; what should those partnerships look like?



While there are signs of consolidation within the DFS space, one thing is clear; DFS players are very engaged! When they play the sports they like, many of them are participating weekly or more often. And the consolidation we see in the DFS space is even more evident in the sports betting space, which is further evidence of the maturation of the market. It suggests its now about retention within the universe, rather than acquisition from outside the fold.



An industry estimated \$102B of handle across sports betting, fantasy sports, and affiliated ancillary services. Specifically for fantasy, this is growth of over \$4B since 2017. This is important, as it suggests that not only in that time have we stabilized as an industry, but those users are more engaged, both attitudinally, behaviorally, and financially.



With market maturation / consolidation, the new battle is now over UX; making players and bettors lives easier when using the platform. There will always be a need for sports betting sites to attract with offers, but across all, its all about the UX, so investing in that area will be key.

QUESTIONS?



angus reid group

questions that matter



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