Daily Fantasy Sports: Motives for Consumption

Ryan Kota, Florida State University
Charles Reid, Florida State University
Jeffrey James (Advisor), Florida State University
Amy Kim (Advisor), Florida State University

Market Marketing Friday, June 3, 2016 20-minute oral presentation (including questions)

Abstract 2016-125 9:15 AM (Legacy South 2)

Fantasy sport consumption has grown immensely in recent years. In 2015 over 56 million people were reported to be participating in fantasy sports throughout the United States and Canada; an estimated 15 million participant increase from 2014, and nearly double the overall fantasy sport participation numbers of 2008 (Fantasy Sport Trade Association, 2015). Spending an average of $465 on fantasy related costs over a 12-month period, this growing population has turned fantasy sports into a $26 billion dollar industry (FSTA, 2015). However, according to the Fantasy Sport Trade Association (2015), the majority of fantasy sport-related consumption is not related to traditional fantasy sport, as daily fantasy sport (DFS) has captured 55% of the fantasy sport consumption market.

Literature pertaining to fantasy sport participation motives coincides with what is now referred to as ‘traditional fantasy sport’ (Harwell, 2015; Heitner, 2015). Traditional fantasy sport is a season-long participatory commitment where users draft and manage representational online teams of real-life athletes throughout the entirety of a sport season (Farquhar & Meeds, 2007; Dwyer & Kim, 2011). In recent years critics of traditional fantasy sport have developed and presented DFS to the general population. This form of fantasy sport eliminates lengthy seasons and creates daily or weekly matchups. DFS continues to grow and is characterized as the new popular fantasy sport entity (Schneider, 2013), however, there has been no research to date assessing the motives for participation in DFS.

Previous researchers by-and-large have utilized the uses and gratification theory to study the motives of fantasy sport participants (Dwyer & Kim, 2011; Ruihley & Hardin, 2011a; Ruihley & Hardin, 2011b). Under this perspective, individuals are assumed to participate in activities based on five specific categories: personal utility, passing time, information seeking, convenience, and entertainment, in an effort to fulfill their needs/desires (Farquhar and Meeds, 2007; Dwyer & Kim, 2011). Farquhar and Meeds (2007) implemented Q-methodology to test 5 motives for participation in traditional fantasy sports; the motives-entertainment, escape, arousal, social interaction, and surveillance–derived from uses and gratification theory. Building from the work of Drayer, Shapiro, Dwyer, Morse, and White (2010) and their qualitative analysis on the effects of fantasy football participation on National Football League (NFL) consumption, Dwyer and Kim (2011) reported evidence of validity for social interaction, entertainment/escape, and competition as motives for participation in fantasy sports.

In 2013 multiple studies were conducted in an effort to better understand the motives of those participating in traditional fantasy sports (Billings & Ruihley, 2013; Dhurup & Dlodlo, 2013; Lee, Seo, & Green, 2013). Motives studied included ease of use, achievement, aesthetics, and self-esteem. These motives however are linked to traditional fantasy sport. Recognizing that DFS consumers are now outspending consumers of traditional fantasy sports, it is important to identify what factors may motivate individuals to participate in DFS. It would also be useful to determine whether there are differences in the motives driving participation in traditional fantasy sport versus participation in DFS.

Daily fantasy sport differs from its traditional counterpart in that DFS allows participants to enter new leagues daily and receive winnings the following day, whereas traditional fantasy sport typically spans the length of a sport season with any winnings distributed at the conclusion of that sport season (Harwell, 2015). Additionally, DFS is structured so that participants can compete against thousands of (seemingly) anonymous individuals without socializing, where traditional fantasy sport is typically smaller in scale with direct access to intra-league communication boards (FanDuel Inc., 2015; DraftKings, Inc., 2015; Yahoo! Inc., 2015). Due to the contrasting nature of the different forms, it is reasonable to think the motives for participating in DFS may be different than the motives associated with traditional fantasy sport. In the proposed study motives for participation in DFS will be studied based on uses and gratification theory, and the additional motives of temporality (‘I can compete in a new contest every day’);
instant reward (‘The site distributes any winnings the following day’); and anonymity (‘I enjoy the aspect of competitive anonymity’) will be assessed. The latter are included to assess the distinguishing features of DFS.

The authors will conduct individual interviews with participants of traditional fantasy sport, daily fantasy sport, and those participating in both. Twenty-four individual interviews will be conducted in an effort to better understand the behavior among the groups (Johnson, 1990; Guest, Bunce, & Johnson, 2006). Interviewing participants in both subsections of fantasy sport will aid in advancing our understanding of participation motives, which in turn should allow marketers to better understand their customers.

A snowball sampling technique will be used, consisting of participants of traditional and daily fantasy sport. Participants will be asked to forward the research inquiry to other known consumers of daily and traditional fantasy sports. A personal interview style will be used to allow the participants to explore their own personal values, beliefs, and motives in relation to fantasy sport participation (Smith, 1975). The authors will analyze the transcripts for any additional motives that may appear.

Overall, the purpose this study is to provide an understanding of fantasy sport participant motives for a growing subsection of fantasy sport – a portion of the fantasy sport industry that generates over $14 billion in consumer spending annually. With daily fantasy sports deviating from traditional fantasy sports, the authors believe an understanding of consumption motives is necessary for academics and practitioners alike to advance our understanding of this growing industry. Also, if the results confirm the distinguishable motives between traditional and daily fantasy sports, this study can be the foundation for future scale development which can open to further empirical studies in this area.

References


