Exploring Motivations of Daily Fantasy Sports Participants

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The explosive growth of daily fantasy sports (DFS) has resulted in significant controversies surrounding the activity, mostly due to the lack of understanding of the nature of the game. Specifically, the central question surrounding DFS is whether it should be considered a game of skill or a game of luck (i.e., gambling). Since 2006, the United States has considered fantasy sports to be a game of skill and the industry has therefore avoided any type of regulation typically associated with traditional gambling activities. However, both of the primary DFS websites, FanDuel and Draftkings, heavily promote the potential financial gains associated with the activity and recent research shows that DFS players will enter $2.6 billion in entry fees this year alone while projecting an astonishing 41% annual growth rate (Drape & Williams, 2015). Given the monetary considerations of this activity, many have called for regulation of the industry. However, to date, there is very little research on the activity, including research on those who participate.

In recent years, there has been considerable growth in research of those who play traditional fantasy sports and it has garnered attention from academics as an original source for measuring contemporary sport fandom. Several researchers tackled the question of why people play and the following motives were discovered: arousal, social interaction, knowledge acquisition, competition, entertainment, diversion, and financial gain (Dwyer & Kim, 2011). The interaction between fantasy participation and team fandom has also received a great deal of attention as researchers seek to answer whether fantasy sport is complementary or substitutional. Drayer, Shapiro, Dwyer, Morse, & White (2010) proposed a framework where fantasy sports complements favorite team fandom. Dwyer, Shapiro, and Drayer (2013) found similar results within fantasy baseball based on varying motives. Lastly, while traditional fantasy sports has a significant chance component, research related to gambling and fantasy participation has found that it does not meet the chance to luck threshold for gambling and it includes a pro-social component not seen in other forms of betting (Drayer, Dwyer, & Shapiro, 2013).

Despite our understanding of the traditional fantasy sports participant, the nature of traditional fantasy games versus DFS is quite different suggesting that the DFS participant may be quite different. For example, Dwyer and Kim (2011) found social interaction to be the strongest motivation to participate. However, given the intense focus on monetary gain in DFS and the lack of interaction between participants, it appears likely that social interaction may be a weaker motive and financial gain a stronger motive to participate in this activity. Subsequently, it is important to understand why participants who play DFS choose to play and to understand what attitudinal and behavioral differences might be associated with differing motivations to participate. Therefore, following the research design by Dwyer et al. (2011), the purpose of the current study is to examine the attitudinal and behavioral differences between DFS participants based on their primary motivation to participate.

A cross-sectional survey research design will be employed for this investigation. The target population for this study is daily fantasy football participants. The sample for this study will be composed of a panel of 500 self-selected daily fantasy football participants. An online survey protocol will be employed using Qualtrics. The survey instrument will consist of 30 items. In order to assess motivations for fantasy participation, the 12-item Motivational Scale for Fantasy Football Participation (MSFFP) (Dwyer & Kim, 2011) was adapted for use within the context of daily fantasy football. Additionally, due to the significant debate associated with gambling a daily fantasy participation, an additional sub-dimension (gambling) that has shown evidence of reliability in previous literature was added to more completely segment the sample of daily fantasy sport participants (Dwyer & Kim, 2011). In total, a 16 item scale was utilized.
Additionally, nine behavioral intention items asked respondents’ the likelihood of consuming both DFF-related activity and general NFL content. The intentions used in this study included hours and money spent researching for DFF activity, amount of wagering on DFF and (weekly and per contest) and wagering success, number of contests, and number of hours spent consuming the NFL on television and the Internet. Intentions to consume will be measured on a 7-point Likert-type likelihood scale. Finally, nine items will be developed to provide a demographic profile of respondents. The panel for this study has been selected and the survey will be deployed in early November. Data collection will conclude in early December.

Preliminary tests of scale properties will be conducted for the MSFFP. Confirmatory factor analysis (CFA) and Average Variance Extracted will be examined for construct and convergent validity, respectively. Cronbach’s alpha coefficients will be examined for scale reliability. The sample will then be segmented based on the resulting factor motives for DFF participation. The Ward’s cluster algorithm will be used for this study in an exploratory hierarchal cluster analysis to assist in selecting the number of clusters (segments) for a subsequent K-means analysis. Cluster analysis is often used as a means for market segmentation when researchers do not know the number of groups in advance but wish to establish groups and then analyze group membership (Kaufman & Rousseeuw, 2005). Following the segmentation of the sample, the data will be analyzed using a MANOVA to ascertain whether statistically significant differences could be identified between the motivational segments based on the behavioral intentions in relation to each form of consumption.

The forthcoming research represents some of the first research on DFS participants. Given the intense debate surrounding the activity, it is critical to understand how DFS participation may be different from traditional fantasy sports. Specifically, given the financial orientation of DFS, it is critical to understand how financial gain serves as a motivation to participate and how that motive may be associated with different attitudes and behaviors. The findings may help legislators understand the potential need for regulation and may help marketers develop segmentation strategies within this rapidly expanding activity.

References


Drayer, J., Dwyer, B., & Shapiro, S.L. (2013). Examining the impact of league entry fees on online fantasy sport participation and league consumption. European Sport Management Quarterly, 13, 339-357. DOI:10.1080/16184742.2013.783605


