Chapter XI

A League of Our Own: Empowerment of Sport Consumers Through Fantasy Sports Participation

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ABSTRACT

The explosion of fantasy sports and the dearth of research about it create a need for investigation in this relatively new form of sport spectatorship. This chapter proposes a conceptual framework for marketers to utilize in their examinations of influences on the consumption of fantasy sports by postmodern sports fans. The framework is based on literature from psychology, sociology, sport management/marketing, general management/marketing, and consumer behavior. It leads to the proposition that fantasy sports consumption is impacted by the interplay of psychological characteristics internal to consumers, social interactions, and external influences controlled by fantasy sports marketers.

INTRODUCTION

While estimations concerning the exact size and scope of the fantasy sports industry vary, what remains unchallenged is its status as a maturing industry connected to large portions of leisure time and activity, escalating numbers of participants, and increasing marketplace fertility (Janoff, 2005). Janoff (2005) and Fisher (2007) estimated fantasy sports to be a $2 billion industry in 2005, including website fees, game add-on features, videogames, and so on. Less well known are the underlying dynamics of the unique market of fantasy players and the major transformations occurring within the fantasy sports business (Russo & Walker, 2006). The explosion of popularity in fantasy sports participation and the dearth of research about it create a need for investigation in this relatively new form of sport spectatorship (Davis & Duncan, 2006), not to mention new
challenges for marketers, media companies, and others within the sport industry who wish to capitalize on the fantasy sports audience (Russo & Walker, 2006).

The purpose of this chapter is to propose a conceptual framework for marketers to utilize in their examinations of influences on the consumption of fantasy sports by postmodern sports fans. The framework is based on literature from psychology, sociology, sport management/marketing, general management/marketing, and consumer behavior.

BACKGROUND

History

Fantasy sports leagues, first known as rotisserie leagues, were started using the sport of baseball in the United States during the early 1980’s by American journalists Glen Waggoner and Daniel Okrent (Hu, 2003). Okrent, a former editor of *The New York Times*, concocted the basic rules of the game on a plane trip in 1987, then passed them on to friends at a Manhattan restaurant called LaRotisserie, from whence the game’s original moniker was derived (Bernhard & Eade, 2005; Walker, 2007). Much like modern versions of fantasy sports, rotisserie owners drafted original teams from a pool of active players, tracked season-long statistics, and declared winners based on statistical performances (Bernhard & Eade, 2005; Diamond, 2004; Walker, 2007). The advent of high-speed computers and the Internet revolutionized statistical calculations for these rotisserie leagues, which now operate competitively on roster management elements such as fixed spending allowances or round-robin drafts, trades, waivers, and lineup changes (“Fantasy Baseball”, n.d.).

According to Bernhard and Eade (2005), fantasy sports have two universal fundamental foundations. First, scoring is formulaically computed and winners are determined using the current season statistics of a sport’s players. Naturally, these scoring formulas can vary widely and may be customized from league to league. Second, fantasy leagues begin their seasons with drafts in which players are chosen to fill the rosters of the fantasy teams.

Beyond these fundamental foundations, Bernhard and Eade (2005) note that other typical fantasy sport league characteristics include:

- A commissioner, who manages the league by establishing its rules and resolving disputes
- Team names, which are often unique creations of team owners or variants of actual sport franchise names
- The season, in which points are scored and from which winners are determined through head-to-head competition and/or rankings through accumulated points
- Season conclusion, in which a league winner is determined through head-to-head competition and/or accumulated points.

Recent movement from subscription models to widely available free fantasy games began when these games were offered by online providers and portals – such as ESPN.com, NFL.com, FoxSports.com, and AOL.com – to capitalize on robust online ad markets and compete with Yahoo!’s long-standing practice of offering free games (Russo & Walker, 2006).

Because of their widespread popularity and subsequent abilities to generate considerable sums of revenue, proprietary rights to various elements involved in fantasy sports games have undergone much recent consideration and even litigation. In 2005, Major League Baseball Advanced Media (MLBAM) entered a five-year, $50 million deal with the MLB® Players Association for its members’ interactive rights. St. Louis-based CDM Fantasy Sports sued MLBAM after failing to obtain a fantasy sports license from MLBAM, asserting that the use of raw MLB® player names and statistics is public domain (Fisher, 2006a). Though MLBAM contended that commercial use