

THE PSYCHOSOCIAL IMPACT OF DAILY FANTASY SPORTS GAMES



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The triangular convergence of digital technologies, sport and the gambling industry has multiplied the possible combinations of products that, having originated in one field, have evolved into something different (Lopez-Gonzalez & Griffiths, 2017). For instance, fantasy leagues and videogames existed in the pre-internet era, but it was not until the internet's arrival that their convergence with gambling materialized. All things considered, the integration of sports themed products becomes easier as their digitalization process continues, blurring the lines between formerly distinctive markets.

Fantasy sports games have been popular for many years and involves individuals assuming the role of a professional sports team manager (typically football in the UK) and assembling a virtual team of sportsmen to compete against other players within a private or public league. For decades, the game was played out across the whole season with the winners being those that had accumulated the most points (with the points gained being based on the real-life statistics of individual sportsmen using a predetermined scoring system).

However, fantasy sports have changed dramatically over the last few years. Fantasy leagues have grown into a multi-billion-dollar industry in the US, arguably because of their controversial legal status as a skill game, contrary to the chance-based games of online sports betting, illegal in most of the jurisdictions (Lopez-Gonzalez & Griffiths, 2017). Although the game can still be played over a whole season, the playing of daily fantasy sports (DFS) has become increasingly popular (particularly in countries such as the USA, Canada, and Australia) and can operate over much shorter time periods. In DFS, players can pay to play and this has led to the blurring of lines of whether the activity is a game or whether it is gambling. As Pickering, Blaszczynski, Hartmann and Keen

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(2016) in the journal Current Addiction Reports: “Daily fantasy sports (DFS) is the most recent and controversial of FS games...It is an accelerated version of FS conducted over much shorter time periods: generally a single game (per day) or weekly round of competition. Users pay entry fees ranging from US 25 cents to US \$5000 per league, which is deposited into a prize pool typically paid out to the highest ranked users in the contest. A portion of the entry fees also goes to the operator as commission. Accordingly, DFS, as such, is most associated with wagering. Currently, the US DFS market is dominated by ‘FanDuel’ and ‘DraftKings’ (combined with about 95% of the market)”.

According to figures in the same paper, in the USA, the fantasy sports (FS) market is currently estimated to be between \$3 and \$4 billion. In 2015, approximately 57 million Americans played FS. Research suggests that the prevalence rates are higher in North America than elsewhere with 19% of Canadian adults and 16% of American adults engaging in FS compared to 10% of British adults and 6% of Australian adults (Pickering et al., 2016). However, these figures relate to FS rather than DFS and many FS players do not pay money to participate in the game and simply play for fun.

There has been much debate (particularly by US legislators) as to whether playing DFS for money is classed as a legitimate form of gambling. If gambling is defined as “an agreement between two or more parties to deliberately stake something of value (typically money) with intent to profit on the outcome of an event that is determined wholly, or partially by chance” (the definition used by Pickering et al [2016]), then DFS could well be a form of gambling as they argue: “DFS can be construed as representing a form of gambling: (a) DFS includes an agreement between an individual and others, (b) money is staked on the relative performances of athletes across a certain number of sporting events with the outcome determined by both chance and skill, and (c) chance is involved given that multiple unknown factors can influence outcomes. In this regard, similarities are found in horse and sports wagering where some skill in selecting horse/sports outcomes is present, but unpredictable variables influence results (i.e., chance)...Literature from the legal field asserts that gambling must contain three elements: (a) consideration (staking something of value in order to participate), (b) chance (luck is a substantial factor in determining results), and (c) prizes (cash, merchandise, services, or points) are redeemable...While the first and third elements are clearly present

in DFS, the second element, chance, is the source of current disagreement”.

The US legislation on gambling rests on whether an activity is more skill than chance determined. If DFS is predominantly a game of skill it is not deemed to be a form of gambling. The DFS operators claim that DFS games are not gambling because of the “substantial” amount of skill involved in the selection and management of FS teams. But is this any different for the professional gambler who bets on horse racing given the many factors that the person gambling has to take into account (the form of the horse, the skill of the jockey, the weather conditions, the state of the track, the number of other horses involved in the race, etc.)? Similarly, poker and blackjack are both games that players can win big if they are skilful. Furthermore, as Thomas and colleagues (2015) argued in an Australian report for the Victorian Responsible Gambling Foundation, the enhanced participatory role that fantasy games introduce could facilitate the ‘illusion of control’ as they perform actions, making bettors overestimate the importance of skills and knowledge for the outcome of the competitions.

The illusion of control was defined by Langer (1975) as being “an expectancy of a personal success inappropriately higher than the objective probability would warrant” (p.316). This was tested for experimentally in a series of studies that supported her original hypothesis (i.e. under some circumstances people will produce skill orientations towards chance events). Langer reported that individuals bet more when cutting cards against a ‘nervous’ competitor than against a ‘confident’ one, and that individuals would sell previously bought lottery tickets for a higher price if they had picked it themselves as opposed to having the ticket ‘assigned’ by someone else. Other experiments showed that certain factors such as the nature of the competition, the familiarity of the task, and the degree of personal involvement influence the belief that skill is a controlling force. In essence, Langer’s basic assumption was that in some chance settings, those conditions that involve factors of choice, familiarity, involvement and/or competition, may stimulate the illusion of control to produce skill orientations. All these conditions are present in DFS games.

Control and the illusion of control may also depend upon the motivation to play fantasy sports games in the first place. A study by Farquhar and Meeds (2007) published in the Journal of

Computer-Mediated Communication, reported two basic types of FS players. The first type was highly involved, enjoyed the statistics of FS, viewed FS playing as skillful, and enjoyed outsmarting FS playing losers. The second type was much less involved, viewed FS playing as a game of chance, were motivated by the thrill and arousal of winning, and the bragging rights that followed. However, this study was carried out on FS players rather than DFS players and motivations by the latter group may be different.

Interestingly, research by Drayer, Dwyer and Shapiro (2013) published in the *European Sport Management Quarterly* suggests that those who engage in playing DFS games do not typically engage in other forms of gambling. Earlier research by Dwyer and Kim (2011) published in the *Journal of Sport Management*, reported that compared to more traditional forms of gambling, the elements of fun, excitement, competition play a bigger role than winning money in the playing of DFS games.

However, a study carried out Martin and Nelson (2014) in *Addictive Behaviors* reported that college students who were FS players (free and fee-based) were five times more likely to incur gambling problems than non-FS users, and students who played FS for money had significantly higher rates of gambling problems than those who played in free leagues. A more recent 2016 study by Marchica and Derevensky published in the *International Journal of Mental Health and Addiction* examined data from national surveys of collegiate athletes and reported a steady rise in FS participation among college students between 2004 and 2012. They reported that approximately half of the male and a quarter of the female college athletes who qualified as at-risk or problem gamblers also reported wagering on FS.

The rise of DFS playing has mirrored the rise of the standardization and quantification of sports action (i.e., the generation of 'big data'). Like sports betting, a prerequisite for DFS playing is the conversion of sport performance into data. Data and big data industries in sport have blossomed over the last decade, and data driven technologies have taken centre stage in the transmission of sports content (Lopez-Gonzalez & Griffiths, 2017). Data companies (such as the Perform Group) have signed long-terms deals with sport competitions worldwide to extract, analyse and deliver data content. These data are bought by sports betting and FS operators to produce the bettable elements in the market.

Personally, I believe that playing DFS games for money is definitely a form of gambling, and even if it isn't legally classed as a form of gambling, the games contain structural elements (including high event frequencies, low entry fee per game, lots of games, etc.) that can facilitate excessive use and expose vulnerable players to harm. DFS operators also allow team line-ups from a previous sporting event to populate other events which increases the speed of play, another factor that can facilitate habitual use (Harris & Griffiths, 2017). However, the number of studies to date examining the psychosocial impact of DFS games are few and it will be some while before the potential risks of DFS games compared to more traditional types of gambling are known and elucidated. :: **CGi**

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