

team marketing research

► Lack of new ballparks and removal of premium seats levels 2002 MLB FCI

Average ticket price increases 3.8 percent to \$18.31 using new formula; Fan Cost Index rises 3.0 percent to \$145.26

With only three franchises increasing season ticket prices by more than 10 percent, the Major League Baseball's average ticket price climbed 3.8 percent to \$18.31, according to the 2002 MLB Fan Cost Index™ (FCI) survey conducted by Team Marketing Report.

TMR's exclusive survey takes a representative look at how much

a family of four will spend at a sporting event. Based on feedback from high-level ticket executives from all four major leagues surveyed each year, the FCI will no longer include premium-level seats as part of its weighted measurement for the average price ticket.

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Team	Avg. Ticket	Pct. Change	Avg. Child Ticket	Beer	Soft Drink	Hot Dog	Parking	Program	Cap	FCI	Pct. Change
Boston Red Sox ¹	\$39.68	13.8%	\$39.68	\$4.50 ¹²	\$2.75 ¹⁴	\$2.75	\$15.00	\$2.00	\$10.00	\$228.73	9.2%
Chicago Cubs	24.05	13.6%	24.05	4.75 ¹⁶	2.50 ¹⁴	2.50	12.00	5.00	17.00	181.69	9.3%
New York Yankees ¹	24.26	0.0%	24.26	5.25 ¹⁶	2.75 ¹⁸	2.50	10.00	5.00	14.95	178.44	0.0%
New York Mets	22.53	0.0%	22.53	6.00 ²⁰	3.50 ²²	3.75	8.00	4.00	14.95	177.03	0.8%
Seattle Mariners	24.60	7.0%	24.60	5.50 ¹⁶	2.50 ¹⁶	3.25	15.00	4.00	9.00	173.39	-4.2%
San Francisco Giants ¹	20.84	8.3%	20.84	6.25 ²⁰	2.50 ¹⁶	3.00	15.00	7.00	12.00	170.87	3.9%
Cleveland Indians	22.33	0.0%	22.33	4.00 ¹⁴	2.25 ¹²	2.50	10.00	2.50	15.00	161.31	7.0%
Detroit Tigers	20.44	-2.4%	20.44	4.50 ¹⁶	2.75 ²⁰	2.75	8.00	5.00	15.00	160.76	0.0%
Chicago White Sox	18.73	0.0%	16.81	4.50 ¹⁶	2.25 ¹⁴	2.75	11.00	4.00	20.00	159.09	14.8%
Houston Astros	18.87	6.5%	18.53	6.00 ¹⁶	3.50 ²¹	3.75	10.00	4.00	12.00	157.81	10.2%
Atlanta Braves ¹	20.59	-0.9%	20.59	5.50 ¹⁶	2.00 ¹⁶	2.50	10.00	5.00	12.00	155.35	-0.5%
St. Louis Cardinals ¹	21.43	0.0%	18.53	5.50 ²⁴	2.25 ¹⁴	2.50	10.00	4.00	12.00	151.93	0.0%
Pittsburgh Pirates	20.52	5.2%	20.52	4.00 ¹⁶	2.25 ¹⁶	2.25	9.00	5.00	12.00	151.08	0.7%
Texas Rangers ¹	18.03	0.0%	17.32	4.75 ²⁰	2.25 ¹⁶	2.25	8.00	6.00	16.00	150.21	0.0%
Los Angeles Dodgers	16.38	5.6%	16.38	6.50 ¹²	3.50 ²⁰	3.25	8.00	4.00	12.00	145.53	2.5%
MLB AVERAGE	18.31	3.8%	17.96	4.86 ¹⁷	2.45 ¹⁶	2.71	8.63	4.20	12.67	145.26	3.0%
Baltimore Orioles	18.23	0.0%	18.23	4.25 ¹⁸	2.00 ¹⁶	2.50	8.00	5.00	12.00	141.42	7.8%
Colorado Rockies	15.21	0.0%	15.21	5.25 ¹⁶	3.00 ¹⁶	3.25	7.00	5.00	14.00	141.34	2.2%
Tampa Bay Devil Rays ²	15.83	-1.9%	15.83	5.00 ¹⁶	2.50 ¹⁶	3.00	5.00	4.00	15.00	138.33	4.4%
Philadelphia Phillies	15.26	6.5%	14.70	5.25 ²¹	3.00 ²⁰	3.00	7.00	4.00	14.00	137.42	4.7%
San Diego Padres ¹	15.20	10.6%	15.20	4.25 ¹⁶	2.75 ¹⁶	2.25	6.00	4.00	14.99	133.27	4.6%
Milwaukee Brewers	17.63	8.0%	17.25	4.50 ¹⁶	2.00 ¹²	2.50	6.00	4.00	10.00	130.76	5.4%
Cincinnati Reds	16.66	8.1%	16.66	5.25 ²⁰	2.25 ¹⁶	1.75	7.00	3.50	10.00	127.14	-1.5%
Oakland Athletics	14.94	6.2%	14.94	4.25 ¹⁴	1.75 ¹⁴	3.00	5.00	4.00	12.00	124.25	2.9%
Toronto Blue Jays ³	15.54	0.5%	15.54	2.95 ¹⁴	1.63 ²⁰	2.04	12.54	3.14	9.85	121.26	5.8%
Minnesota Twins	11.78	8.8%	11.78	5.50 ²⁴	3.00 ²⁰	3.00	5.00	4.00	13.00	121.13	-7.1%
Arizona Diamondbacks	13.80	5.2%	13.80	5.00 ¹⁶	2.50 ¹⁶	3.00	6.00	1.00	9.99	115.17	2.4%
Anaheim Angels	11.79	3.2%	11.34	5.25 ¹⁶	2.00 ¹⁴	2.75	8.00	5.00	10.00	113.76	2.7%
Kansas City Royals	12.30	-5.2%	12.30	3.25 ¹²	2.25 ¹⁴	2.25	6.00	5.00	12.00	113.70	-4.9%
Florida Marlins ¹	12.72	0.0%	10.95	5.25 ¹⁶	2.00 ¹²	3.00	5.00	4.00	10.00	110.84	0.0%
Montreal Expos ³	9.00	-2.1%	7.75	3.14 ¹²	1.25 ¹²	1.88	6.27	3.76	9.40	84.89	10.6%

Average ticket price represents a weighted average of season ticket prices for general seating categories, determined by factoring the tickets in each price range as a percentage of the total number of seats in each ballpark. This marks the first year that premium seating (tickets that come with at least one added amenity) are not included in the survey. In order to calculate an accurate "percentage change," we used the new formula for last season's prices for all general seating categories. Luxury suites are also excluded from the survey. Season-ticket pricing is used for any team that offers some or all tickets at lower prices for customers who buy season tickets.

The Fan Cost Index™ comprises the prices of two (2) adult average-price tickets, two (2) child average-price tickets, two (2) small draft beers, four (4) small soft drinks, four (4) regular-size hot dogs, parking for one (1) car, two (2) game programs and two (2) least expensive, adult-size adjustable caps. Costs were determined by telephone calls with representatives of the teams, venues and concessionaires. Identical questions were asked in all interviews.

Notes: ¹2002 concession prices were not released by these teams at press; figures are from 2001. ²Tampa Bay discontinued selling 15,637 Upper Reserved seats, priced at \$8.77, as season tickets.

³Canadian prices are converted to U.S. dollars at a rate of US\$1=C\$1.595. (Last season, the rate was US\$1=C\$1.563.) Superscript numbers next to Beer and Soft Drink prices denote smallest available size in ounces.

Then and now: MLB average tickets, concessions, parking, souvenirs and Fan Cost Index

Year	Average Ticket Price	Beer	Soft Drink	Hot Dog	Parking	Program	Cap	Fan Cost Index
2002	\$18.31	\$4.86 ¹⁷	\$2.45 ¹⁶	\$2.71	\$8.63	\$4.20	\$12.67	\$145.26
1997	12.39	3.68 ¹⁵	1.81 ¹⁵	1.97	6.38	3.27	11.14	107.26
1992	9.41	2.95 ¹⁴	1.31 ¹⁴	1.78	5.48	2.69	9.97	86.72

Notes: The 2002 survey is exactly like the 1992 and 1997 surveys in that all three do not include premium-seating level tickets. The 1998 Fan Cost Index™ survey was the first to use premium seats as part of the weighted average used to calculate average ticket prices and FCIs. Superscript numbers next to Beer and Soft Drink prices denote smallest available size in ounces, on average.

With a majority of these seats sold before the general public even had a chance to purchase them, the weighted measurements, including these premium seats, were not representative of what a fan could purchase on an everyday basis.

Ticket sales executives from every MLB team were asked to list last year's prices again, specifying the type of category for each ticket level. TMR retrofitted the 2001 survey, using the same criteria, in order to compare this year's survey results with last year.

Using the new formula, a family of four will spend on average \$145.26 at a MLB game this season, an increase of 3.3 percent from a year ago (the adjusted 2001 MLB average FCI was \$140.97). Last season's adjusted average ticket price was \$17.64.

The MLB FCI comprises the price of two (2) adult average-price tickets, two (2) child average-price tickets, two (2) small draft beers, four (4) small soft drinks, four (4) regular-size hot dogs, parking for one (1) car, two (2) game programs and two (2) least-expensive, adult-size caps.

Ten teams did not raise season ticket prices this year (Baltimore Orioles, Chicago White Sox, Cleveland Indians, Colorado Rockies, Florida Marlins, Montreal Expos, New York Mets, New York Yankees, St. Louis Cardinals and Texas Rangers), the largest number of teams to keep prices steady in any given year since 1995.

The Kansas City Royals (decrease of 5.2 percent), Detroit Tigers (2.4 percent), Tampa Bay Devil Rays (1.9 percent) and Atlanta Braves (0.9 percent) lowered prices or restructured seating capacities in their respective ballparks. The Devil Rays discontinued season tickets sales for 15,637 Upper Reserved seats priced at \$8.77 and lowered its "Beach" section season ticket price to \$3.69 per game from \$8.77.

"Last season, our upper decks would be close to full capacity and our lower bowl just seemed empty," said John Browne, Vice President of Sales and Marketing for the Devil Rays. "By moving our fans down to the bottom two levels, we hope to bring more electricity to the games."

The Boston Red Sox, for the fifth consecutive season, possess MLB's highest ticket average at \$39.68, more than \$15 more than the second-highest average ticket price (Seattle Mariners at \$24.60). Three teams increased prices more than 10 percent this season: Red Sox (13.8 percent), Chicago Cubs (13.6 percent) and San Diego Padres (10.6 percent). The Red Sox also rank first with the highest FCI at \$228.73, an increase of 9.2 percent from last year and more than 47 dollars more than the second-place Cubs.

The Montreal Expos' average ticket price is the most affordable in baseball, at \$9.00 (converted to U.S. dollars). A family of four in Montreal also has the least-expensive outing when they go to an Expos game; its FCI is \$84.89.

"When we began to include season ticket prices and club-level

seating in 1998, it was in response to being as representative and accurate as possible in regards to what an average ticket might cost," said Kurt Hunzeker, head of research for the FCI survey. "Now with some 'Diamond Club' and like-named categories offering free food and drinks, parking and other amenities as part of the ticket price, we felt that we had to again modify the survey to coincide with the changing times. I believe that this survey is now very representative of the marketplace."

Although their season ticket prices did not change this season, the Colorado Rockies substantially increased single-game ticket prices.

The Rockies increased its number of pricing tiers from two to four, in order to maximize revenues based on high ticket-demand games. The "Classic" pricing tier includes interleague games against the Cleveland Indians and New York Yankees as well as all fireworks nights during the summer months. This will be the first visit to Coors Field for the Indians and Yankees.

"This was a way to drive our revenues while still protecting the season ticket holder," said Keli McGregor, President of the Rockies.

Twelve teams offer season tickets for \$5.00 or less: Arizona Diamondbacks (768 seats for \$5.00 each and 310 seats at \$1.00 per ticket), Atlanta (4,114 for \$5.00, 186 for \$1.00), Cincinnati Reds (5,128 for \$5.00), Colorado (\$5.00 and \$4.00 seats), Detroit (320 seats for \$5.00), Florida (1,081 for \$4.00), Houston Astros (3,004 seats for \$5.00), Kansas City (5,118 for \$5.00), Milwaukee Brewers (625 for \$5.00 and 106 for \$1.00), Minnesota (18,216 for \$5.00), Tampa Bay (1,339 for \$3.69) and Texas (5,065 for \$3.00).

The chart above lists the average prices and sizes of every category surveyed in the FCI. Ticket prices categories used in the 2002 survey mirror those used for the 1991 through 1997 surveys. TMR first included club-level and premium-level seats in 1998.

Average ticket prices in 2002 climbed more 47.8 percent since 1997 and 94.6 percent since 1992. In a five-year comparison, average ticket prices increased 31.7 percent from 1992 to 1997.

The FCI rose 35.4 percent from 1997 to 2002 (23.7 percent from 1992 to 1997) and 67.5 percent over the last 10 years.

Ticket prices are not the only factors driving the FCI averages to new heights. Draft beers not only increased in price, but in size as well. The \$4.86 average price is for a 17-ounce draft beer. The average size in 1992 was 14 ounces. The Minnesota Twins and St. Louis Cardinals' smallest draft beers are 24 ounces, as reported by their concessionaires.

The same is true for soft drinks as the prices and sizes have risen from \$1.31 and 14 ounces in 1992 to \$2.45 and 16 ounces for 2002; an increase in price of more than 87 percent.

EDITOR'S NOTE: Team Marketing Report will use the same methodology for the NBA, NFL and NHL surveys later this year.