

## team marketing research

### ► Season ticket prices level off as NHL teams hike premium seating tickets

Average ticket price increases 1.3 percent to \$41.56 using new formula; Fan Cost Index up 0.5 percent to \$240.43.

National Hockey League teams have held prices in check for this season, according to the 2002-2003 NHL Fan Cost Index™ (FCI) survey conducted by Chicago-based *Team Marketing Report*.

The average ticket price increased 1.3 percent to \$41.56, and the FCI slightly rose to \$240.43, a 0.5-percent increase from a season ago. The 1.3-percent average ticket price increase is the smallest percentage

increase in the nine-year history of the NHL survey.

Ticket sales executives from every NHL 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 accurately compare this year's survey results with last year.

*continued on next page*

Team	Avg. Ticket	Pct. Change	Avg. Prem. Ticket	Beer	Soft Drink	Hot Dog	Parking	Program	Cap	FCI	Pct. Change
Philadelphia Flyers New Jersey Devils <sup>1</sup>	\$57.06 54.67	4.3% 0.0%	\$141.64 ---	\$4.25 <sup>16</sup> 5.00 <sup>14</sup>	\$3.50 <sup>24</sup> 2.75 <sup>20</sup>	\$3.50 3.00	\$10.00 8.00	\$4.00 10.00	\$13.99 15.00	\$310.72 309.68	4.5% 0.3%
Detroit Red Wings <sup>1</sup> Boston Bruins	56.72 51.37	5.7% 4.2%	--- 70.00	4.50 <sup>16</sup> 4.00 <sup>14</sup>	2.50 <sup>12</sup> 2.50 <sup>14</sup>	3.00 3.00	6.00 18.00	5.00 10.00	15.00 10.00	303.88 293.49	5.7% 2.9%
Los Angeles Kings New York Rangers	48.12 44.58	4.9% 0.0%	105.24 133.33	7.25 <sup>16</sup> 5.75 <sup>20</sup>	3.50 <sup>16</sup> 3.00 <sup>24</sup>	3.75 3.50	10.00 20.00	5.00 10.00	12.00 12.00	280.00 279.83	2.9% -3.4%
Chicago Blackhawks Toronto Maple Leafs <sup>2</sup>	47.57 48.48	0.0% 9.8%	62.42 117.56	5.00 <sup>16</sup> 3.74 <sup>14</sup>	3.00 <sup>16</sup> 2.05 <sup>20</sup>	3.00 2.37	16.00 9.47	5.00 3.16	13.00 13.86	276.28 263.28	0.0% 7.6%
Pittsburgh Penguins <sup>3</sup> Columbus Blue Jackets	47.18 43.90	0.0% 0.0%	108.08 93.82	5.25 <sup>21</sup> 4.00 <sup>16</sup>	2.50 <sup>16</sup> 2.50 <sup>16</sup>	2.50 2.50	10.00 10.00	0.00 5.00	15.00 15.99	259.21 255.58	-2.3% 0.0%
Atlanta Thrashers Minnesota Wild	40.26 46.08	0.0% 3.7%	159.97 78.93	5.75 <sup>20</sup> 4.00 <sup>16</sup>	2.00 <sup>14</sup> 2.50 <sup>16</sup>	3.75 3.00	10.00 10.00	8.00 2.00	15.99 10.00	253.51 248.34	-5.0% -5.9%
St. Louis Blues Washington Capitals	42.68 41.74	-11.6% 14.8%	87.69 95.05	4.75 <sup>14</sup> 4.50 <sup>16</sup>	2.75 <sup>12</sup> 2.50 <sup>16</sup>	2.75 2.50	10.00 15.00	5.00 5.00	12.99 12.00	248.20 244.95	-5.8% 6.8%
San Jose Sharks	39.15	3.8%	81.50	4.50 <sup>16</sup>	2.50 <sup>16</sup>	3.75	13.00	5.00	15.00	243.59	2.8%
<b>NHL AVERAGE</b>	<b>41.56</b>	<b>1.3%</b>	<b>85.26</b>	<b>4.55<sup>16</sup></b>	<b>2.51<sup>17</sup></b>	<b>2.98</b>	<b>9.71</b>	<b>3.94</b>	<b>12.76</b>	<b>240.43</b>	<b>0.5%</b>
Dallas Stars Nashville Predators <sup>3</sup>	38.11 42.90	0.0% -1.6%	120.42 77.41	4.00 <sup>12</sup> 4.00 <sup>16</sup>	2.75 <sup>12</sup> 2.75 <sup>16</sup>	3.75 3.50	9.00 10.00	6.00 0.00	15.99 12.00	239.43 238.61	1.9% 0.5%
Colorado Avalanche New York Islanders <sup>3</sup>	40.66 38.44	8.8% 7.8%	99.18 89.14	5.25 <sup>16</sup> 5.50 <sup>20</sup>	3.25 <sup>12</sup> 2.50 <sup>14</sup>	2.00 5.00	10.00 6.00	5.00 0.00	11.00 15.00	236.13 234.76	0.6% 6.9%
Buffalo Sabres Phoenix Coyotes	37.96 31.32	4.3% 4.4%	81.00 86.66	4.00 <sup>16</sup> 5.00 <sup>16</sup>	2.25 <sup>16</sup> 2.50 <sup>16</sup>	2.50 3.00	6.00 7.00	5.00 5.00	14.00 20.00	222.84 214.28	3.3% 5.6%
Mighty Ducks of Anaheim <sup>3</sup> Vancouver Canucks <sup>2</sup>	37.32 39.72	-8.2% 1.1%	83.47 81.08	4.50 <sup>12</sup> 4.42 <sup>16</sup>	2.75 <sup>20</sup> 1.89 <sup>12</sup>	2.75 2.21	8.00 6.31	0.00 1.26	12.00 9.47	212.28 211.89	-9.9% 0.6%
Ottawa Senators <sup>2,3</sup> Florida Panthers	40.38 32.58	-2.4% -24.7%	72.78 79.78	3.47 <sup>14</sup> 5.25 <sup>20</sup>	2.21 <sup>22</sup> 3.25 <sup>20</sup>	2.05 3.75	6.31 10.00	0.00 4.00	6.31 8.00	204.41 202.82	-2.0% -14.5%
Carolina Hurricanes Montreal Canadiens <sup>2</sup>	31.77 35.97	12.3% 14.1%	67.22 69.06	5.00 <sup>16</sup> 3.32 <sup>14</sup>	2.75 <sup>20</sup> 1.89 <sup>20</sup>	3.00 1.89	7.00 9.47	1.00 2.53	12.00 6.31	193.06 192.81	5.4% 11.1%
Tampa Bay Lightning <sup>3</sup> Calgary Flames <sup>2</sup>	29.93 30.68	-18.9% 9.8%	81.15 67.31	4.00 <sup>14</sup> 2.64 <sup>14</sup>	1.00 <sup>12</sup> 1.89 <sup>24</sup>	4.00 1.89	6.00 3.79	0.00 3.16	15.00 12.62	183.71 178.87	-14.6% 5.9%
Edmonton Oilers <sup>2</sup>	29.36	5.9%	66.77	3.63 <sup>16</sup>	1.74 <sup>16</sup>	2.37	3.79	3.16	12.63	176.52	8.9%

**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 arena. This marks the first year that premium seating tickets 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 (4) 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: <sup>1</sup>New Jersey and Detroit do not have any premium seats. <sup>2</sup>Canadian prices are converted to U.S. dollars at a rate of 1 USD = 1.58371 CAD. Last season, the rate was 1 USD = 1.572 CAD.

<sup>3</sup>Pittsburgh, Nashville, New York Islanders, Anaheim, Ottawa and Tampa Bay do not charge for game programs. Superscript numbers next to Beer and Soft Drink prices denote smallest available size in ounces.

Using the new formula, a family of four will spend on average \$240.43 at a NHL game this season (the adjusted 2001 NHL average FCI was \$239.62). Last season's adjusted average ticket price was \$41.02.

The NHL 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.

The Philadelphia Flyers own the highest averaged price ticket at \$57.06. The team also tops the FCI category with a group of four outing spending \$310.72 on average. The Edmonton Oilers' averaged price ticket and FCI ranks as the most affordable, at \$29.36 and \$176.52, respectively. The prices shown for all Canadian teams have been converted to U.S. dollars from Canadian dollars.

TMR's exclusive survey takes a representative look at how much a group of four will spend at a sporting event. For the purposes of the FCI survey, season ticket pricing is used to determine the average ticket price.

This year, 13 teams either held prices, lowered prices or reconfigured its seating capacities to include more affordable season tickets for families. The decreases include: Florida Panthers (24.7 percent), Tampa Bay Lightning (18.9 percent), St. Louis Blues (11.6 percent), Mighty Ducks of Anaheim (8.2), Ottawa Senators (2.4 percent) and Nashville Predators (1.6 percent).

This season also marks the first year since 1997 that premium seating tickets (including club levels and on-the-glass seats for hockey games) were not incorporated into the final weighted average ticket price. Premium-level tickets include all tickets that include one of the following with the price of the ticket: free food, free parking, free membership into a private club or in-seat wait service.

Since a majority of these premium seats sold to corporations and local companies before the general public even has a chance to purchase them, the weighted measurements from the previous formula were not representative of what a fan could purchase.

Teams with a high percentage of their seats in the premium category saw their average ticket price significantly drop using the new formula (see chart, right).

The Colorado Avalanche (52.4 percent) and Dallas Stars (51.4 percent) designate more than half of its total capacity to premium seats. Using the new weighted average, without premium seats, the Avalanche's average-priced ticket is \$40.66. Last season, when premium seats were included, the team's average ticket was \$65.35.

The Avalanche's \$99.18 average premium ticket price includes its Rinkside seats (the first five rows closest to the ice), four different club levels and its entire lower bowl. The least-expensive season ticket price for one seat in the lower bowl is \$86.

"We feel that we have a very strong corporate presence at our games, and we want to provide the highest-quality game experience for these companies and their clients," said Jean Martineau, Vice President of Communications and Team Services for the Avalanche.

The Stars offer \$250 "Celebrity" seats (on the glass), \$135 StarsClub Premium, \$120 StarsClub Preferred and \$90 StarsClub

### Percentage of premium seats to arena

Team	Avg. Prem. Ticket	No. of Prem. Seats	Pct. Premium
Colorado Avalanche	\$99.18	8,929	52.4%
Dallas Stars	120.42	8,729	51.4%
Florida Panthers	79.78	7,529	40.7%
Toronto Maple Leafs <sup>1</sup>	117.56	7,333	41.6%
New York Islanders	89.14	7,051	44.2%
Carolina Hurricanes	67.22	5,362	30.4%
Phoenix Coyotes	86.66	5,124	31.5%
San Jose Sharks	81.50	4,943	28.9%
Montreal Canadiens <sup>1</sup>	69.06	4,158	21.0%
New York Rangers	133.33	3,774	23.9%
<b>NHL AVERAGE</b>	<b>85.26</b>	<b>3,580</b>	<b>20.8%</b>
Edmonton Oilers <sup>1</sup>	66.77	3,553	22.1%
Chicago Blackhawks	62.42	3,220	15.7%
Minnesota Wild	78.93	3,180	18.3%
Washington Capitals	95.05	2,845	16.3%
Los Angeles Kings	105.24	2,631	16.6%
St. Louis Blues	87.69	2,576	13.8%
Tampa Bay Lightning	81.15	2,439	13.9%
Calgary Flames <sup>1</sup>	67.31	2,434	15.0%
Buffalo Sabres	81.00	2,432	13.7%
Ottawa Senators <sup>1</sup>	72.78	2,376	14.4%
Boston Bruins	70.00	2,350	14.8%
Atlanta Thrashers	159.97	2,258	13.3%
Vancouver Canucks <sup>1</sup>	81.08	2,198	13.1%
Nashville Predators	77.41	2,160	13.8%
Columbus Blue Jackets	93.82	2,116	12.4%
Mighty Ducks of Anaheim	83.47	1,960	12.1%
Pittsburgh Penguins	108.08	1,928	11.9%
Philadelphia Flyers	141.64	1,821	10.3%
Detroit Red Wings <sup>2</sup>	---	0	0.0%
New Jersey Devils <sup>2</sup>	---	0	0.0%

**Notes:** "Pct. Premium" is the percentage of the number of premium tickets divided by the total capacity of the arena. <sup>1</sup>Canadian prices are converted to U.S. dollars at a rate of 1 USD = 1.58371 CAD. <sup>2</sup>Detroit and New Jersey do not offer any premium tickets. Both teams were listed as "zero" in order to compute the league averages. The NHL Average includes the zeros posted for Detroit and New Jersey.

Luxury seats in addition to the 2,036 club-level seats at American Airlines Center. Including premium seats, the Stars' average ticket price is \$75.91. By removing the 8,729 seats from the equation, the average drops to \$38.11.

Conversely, the top three most-expensive outings belong to teams without any premium seats —the Detroit Red Wings and New Jersey Devils — and the team with the fewest number of premium seats in its arena, the Flyers.

All three teams have higher average ticket prices to compensate for the lack of premium seats, and the large revenues they generate.

For the first time since 1992, a new arena will not open in the NHL.

**EDITOR'S NOTE:** Team Marketing Report will use the same methodology for the NBA FCI survey next month.