the Atlantic

ALEXIS MADRIGAL - Alexis Madrigal is a senior editor at The Atlantic. He's the author of *Powering the Dream: The History and Promise of Green Technology*.

Estimating the Damage to the U.S. Economy Caused by Angry Birds

By Alexis Madrigal

SEP 13 2011, 9:15 AM ET

Every March, it is a requirement that every newspaper and website in every town in the United States run a story about how much money American companies lose because people watch the NCAA basketball tournament instead of working.

Challenger, Gray, and Christmas, the consulting firm that makes such estimates, has tried their hand at other games recently, too. A couple years ago, they gave a number for fantasy football, saying the hobby costs companies $10.5 billion in lost wages. So, when I heard today that people play 200 million minutes of Angry Birds a day, I wanted to know if the company had ever looked into lost productivity resulting from those dastardly pigs and their winged assassins. Sadly and inexplicably, they haven't. So, after looking at their methodology, I came up with my own estimate. Here it is.

THE ANGRY BIRD EFFECT

200,000,000 minutes of Angry Birds per day = **866,666,667** hours per year

If **5%** of those hours are Americans playing at work, that's **43,333,333** on-the-clock hours of Angry Birds per year

Multiplied by the hourly pay (**$35**) of America's smartphone owners*:

$1,516,666,667
wages lost due to Angry Birds

$1,200,000,000
rumored valuation of Rovio, Angry Birds creator

* Based on analysis of Pew smartphone adoption demographic data.

Obviously there are some really big assumptions in this calculation. The first is that five percent of the total Angry Bird hours are played by Americans at work. First, we don't know the international breakdown, nor do we know how often people play at work. But, five percent seemed like a reasonable assumption. Second, the Pew income data for smartphone ownership is not that precise, particularly on the upper ($75,000+) and lower (less than $30,000) ends. I had to pick numbers, so I basically split Americans up into four categories: people earning $30,000, $50,000, $75,000, and $100,000, then I calculated simple hourly wages for those groups (income/52/40) and did a weighted average based on smartphone adoption in those categories. The $35 per hour number I used is comparable with the $38 that Challenger, Gray, and Christmas used for fantasy sports players. But this is certainly a rough approximation. Put it this way: I bet this estimate is right to the order of magnitude, if not in the details.

Now, if you really want to get huge numbers, try looking at Facebook or web-based casual gaming sites this way

From www.theatlantic.com/technology/archive/2011/09/estimating-the-damage-to-the-us-economy-caused-by-angry-birds/244972/ 18 September 2011