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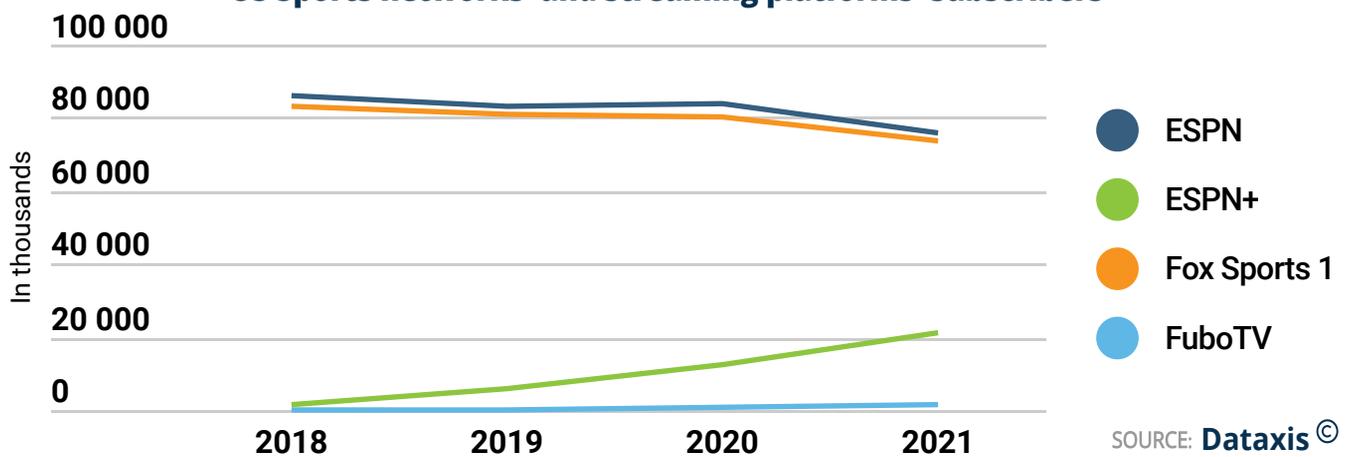
US streaming platforms ready to play their trump card with sports

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The long-awaited involvement of tech giants in the sports broadcasting market has never been this much a reality. Until now, only Amazon had been investing in premium sports properties, should it be in the US or in Western European markets, while YouTube has rather turned to be a flexible and complementary offer to traditional broadcasters' coverage. On its side, Facebook did secure premium rights in Latin America or Asia, but this strategy was actually part of a bigger plan, to increase its footprint in those markets. But Apple's recent deal with the Major League of Baseball to broadcast two Friday games in several markets (including the US, Canada, Brazil, Japan and the UK) is the latest example of an accelerated rush into the sports market for significant US streaming services.

The MLB recently announced another deal with Comcast's Peacock, that just finished its coverage of the Winter Olympics, and will be one of the destinations for the Premier League fans, as NBC secured rights to Premier League until 2028, through a massive deal worth more than two billion dollars. A month ago, HBO Max also made its first significant move into sports live content with an agreement to show women's and men's national soccer games. Paramount Plus will also showcase CBS' premium sports rights such as Champions League. Even Netflix might have some ambition to go beyond sports documentaries or series, and is open to making its entry into premium sports, as declared by its CEO Reed Hastings. All these generalist platforms add up to already existing sports-specialized platforms such as ESPN+, and see in sports an opportunity to attract and retain core fans, who could possibly renounce to traditional cable sports channels.

US Sports networks' and streaming platforms' subscribers



The most prominent of them, ESPN, has been losing ground in 2021, decreasing by around 10% from 84 million subscribers in 2020 to 76 million at the end of 2021, while its streaming platform ESPN+ has experienced a massive growth over the last twelve months, easily surpassing the 20-million subscriber milestone by reaching 21.3 million. This increase is however to be put into perspective, since ESPN+ (as well as Disney+) has been automatically integrated into Hulu's Live TV customers since December 2021. Sports networks still resist the pressure from streaming services when it comes to revenues: indeed, affiliate fees for ESPN and ESPN2 still amount to around 10 dollars, while ESPN+'s ARPU is lower than 6\$. Those opposite trends put Disney in face of a dilemma about the right moment to push even further its streaming-centred strategy, and renounce its still gainful cable business.

The entry of these new actors on the sports broadcasting market might strengthen even further the trend of inflating costs for sports rights, that has been witnessed over the last media rights tenders, with the NFL nearly doubling the value of its TV rights for the next cycle for instance.

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