

Changing The Game: How Social Broadcasting Could Pop The Broadcast Sports' Bubble

SOCIAL MEDIA SPORT TELEVISION

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The biggest fish riding the tidal wave of TV cash in the UK are The Premier League, who signed a 5 year contract with Sky Sports worth £5.14 billion. However this is small fry when put against the NFL who signed a deal worth over \$39 billion in 2014 (clearing an eye-watering \$7 billion every year), Major League Baseball who raked in \$12.4 billion in 2014 from a TV deal with three major U.S. stations and the NBA who signed a broadcasting deal worth \$24 billion. Even cricket is getting in on the act with the ECB stating that their new 20twenty competition could be worth £1.25 billion in broadcasting rights in the UK alone. Whatever walk of life you're from, these are pretty big sums of money.

Whilst the megabucks broadcasting companies can certainly afford this investment, it comes at a price; mainly to the viewers with subscription prices rising to sky-high levels in order for broadcasters to fill the substantial black holes left on their P&L sheet after signing these deals. This has a knock on effect, with viewers unable to keep up with the price inflation, many people are choosing to illegally stream sports for free or not tune in at all. Whilst all these commercial contracts have been signed with traditional broadcast TV companies such as ESPN, CBS, TNT and Sky Sports we could potentially be on the verge of an alternative platform that could cause a considerable shake-up, and it's been right under our noses (literally) the whole time; social media.

'Social broadcasting' as it's known has been slowly creeping into our news feeds for a while now, without being widely recognised as a genuine form of broadcasting (think Fox and NBC live streaming anti-Trump protests as far back as two years ago). However with both Twitter and Facebook aggressively pushing their 'live' function, viewers are starting to recognize the opportunity to replace their traditional TV viewing platforms with a digital alternative because of one major benefit; it's free. People are still feeling the squeeze, particularly on their day to day amenities and cutting the monthly TV bill is something many households would welcome with open arms.

The most impressive progress so far has come, surprisingly, from Twitter who recently announced it will engage in a strong push on its sports broadcasting front. They have already signed a deal to live stream select Thursday night NFL matches and landed the rights to broadcast the entire PGA Tour, meaning that over 31 major golf tournaments will be able to be legally streamed online free of charge. However impressive this coup is for Twitter, the king of the sports social broadcasting market could yet prove to be Youtube, with its superior streaming capabilities and massive scale we could see a similar thing happen that has happened in the world of Football where social networks engage in bidding wars to secure the rights to the biggest sporting events, Youtube (and their access to the considerably sized wallet of Google), would certainly have a lot of clout.

Another advantage the social broadcasting sphere has over its traditional rival has come via new features on the pay-for-TV channels. Features such as VR and AR technology (although not widely available yet) as well as more widely accessible developments such as 3D, HD, 4K have prompted paying viewers to demand a higher quality viewing experience. Meaning broadcasters are being forced to up their game and get creative with the services they offer if they are to continue charging such high prices. This could be where the social broadcasting starts to generate traction, as they can provide an experience that is not revolutionary but the key thing is; doesn't have to be. As long as it's reliable, readily available and free of charge viewers are likely to tune-in, whereas paying customers are demanding a more sophisticated experience if they are to shell out their hard-earned cash. Therefore the pressure applied from below is a potential route which social media can generate influence in such a pricey market. Additionally, the expansion of digital platforms into the world of sports broadcasting opens up potentially billions of pounds worth of new sponsorship opportunities. If there's one thing that the sports broadcasting industry has taught us over the last 10 years, it's that they are never shy to bring in more sponsorship dollars to offset some of the massive fees they are paying to secure the events in the first place.

However whilst they are making inroads it is unlikely that social broadcasting will oust traditional broadcast corporations role just yet, viewers just aren't ready to give up on the tradition of sitting in front of the TV to watch the game, an image the ad industry continues

to flog across all sports. This is evident in the fact that much of the live events streamed on social media are currently done via a traditional TV provider (Sky, BT Sport, Fox Sport etc.). However with social media's growing influence in this sector we could soon see a dedicated Twitter or Facebook channel with dedicated production teams, commentators and analysts.

All in all, the sports broadcasting industry has been in a fairly traditional structure since its inception and has continued to operate in a similar manner throughout the commercial boom of the past decade. The introduction of social broadcasting could be the key to disrupting the market and potentially giving something back to viewers who are being asked more and more of every year. Social media may be the key player sticking up for the viewers by applying pressure to the big wigs from below, but could this lead to social media companies acquiring a monopoly across two major media industries? Possibly

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