

GOING FOR GOLD

SportsVOD - Setting new records



Game, Set, Match

“The sports streaming industry is currently a chaotic jumble of broadcasting rights, forcing fans to cobble together various subscriptions just to catch all the games they desire.”

Those are the words of Emma Roth, tech journalist at The Verge. And she’s not wrong.

In the USA, sporting events provide some of the most popular — and most profitable — content in the world. Major events like the Super Bowl, NBA Finals and World Series draw vast audiences and generate huge revenue for sporting leagues and broadcasting networks. But how sports fans access, manage and pay for that content remains an overly complex and costly affair.

With content spread across multiple services — and multiple bills — the ‘SportsVOD’ market (Sports Video on Demand) increasingly feels like a relay race, with the onus on subscribers to pass the baton from one subscription to the next.

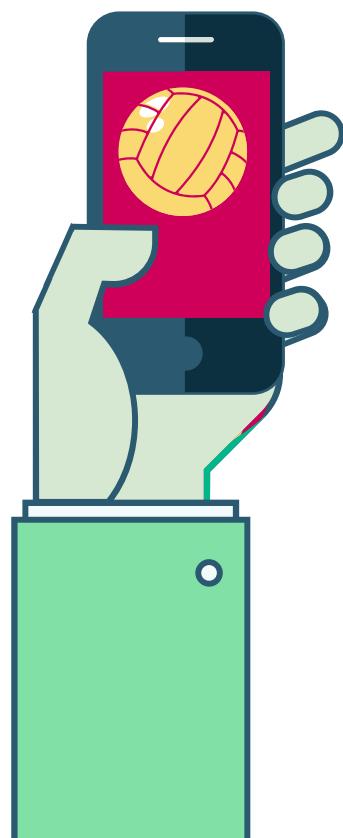
Realizing the impact of this fragmentation, many services are now rethinking the market. This year will potentially see media giants ESPN, Fox, and WB Discovery join forces to create the first major collaborative sports streaming service (widely nicknamed “Spulu”), as the need for bundled services becomes increasingly clear.

But what about those that aren’t part of the mainstream? How can sports streaming services of all sizes collaborate, grow, and reach new sports fans? And how could traditionally non-sports players like Amazon Prime impact this space?

These are the questions we set out to answer with our survey of over 2,000 SportsVOD subscription users. By understanding how sports fans use streaming services, and what they want from these subscriptions in future, this research provides insight into the lucrative SportsVOD market, both for streaming platforms themselves, and the businesses who may one day help to unite these services into a single point of access through Super Bundling.

In this report, you'll discover

- 1 What's changing in the US SportsVOD landscape, and why this matters
- 2 SportsVOD and the consumer: attitudes, frustrations and desires
- 3 How Super Bundling promises to rescue the SportsVOD subscription market
- 4 The unique value of SportsVOD subscribers to Super Bundling content providers and telcos



1. The changing landscape of SportsVOD

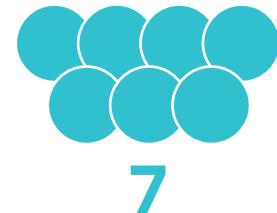
Fragmentation in play

As the roar of the digital crowd grows louder, the SportsVOD field has expanded dramatically, reflecting not just the appetite for sports content but also the complexity of its distribution.

Today, the average SportsVOD subscriber maintains 7 different subscription services, compared to an average of 5 among all US subscribers.

This higher number of subscriptions likely results from the fragmented nature of the sporting world, an industry typically defined by strict contracts and broadcasting rights. From weekly football games to landmark events like the Olympics, sports fans are forced to navigate a patchwork of subscriptions to access all of their desired content.

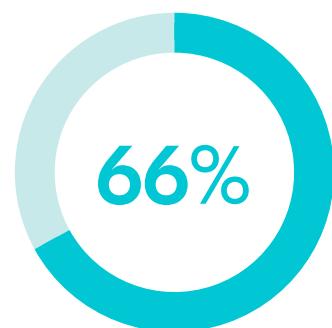
But with more subscriptions inevitably comes more cost, with the average subscriber now paying a massive \$120 per month for all of their subscription services — leagues above the \$77 paid by a typical US subscriber.



the average number of subscriptions per person



The amount SportsVOD subscribers pay for their subscriptions



SportsVOD subscribers pay 66% more per month than the average US subscriber

Paris Olympics — A Streaming Boom



Securing streaming rights to major sporting events is a huge win for SportsVOD content providers. Just look at the Super Bowl effect on Paramount+, which grew by 3.7m subscribers in the last quarter as a result. Will Peacock have the same boost when broadcasting the Olympics this summer?

One in four US subscribers (29%) will sign up to a new streaming service to watch the Olympic Games this July. For those who already pay for at least one 'SportsVOD' streaming platform, this figure jumps to a massive 66%.

66%

of current SportsVOD subscribers have said they will sign up for yet another service just to watch the Olympics

29%

of US subscribers will sign up to a new streaming service to watch the Olympic Games this July



The price of loyalty

As some of the highest value customers in the subscription service market, sports fans are a lucrative audience worth acquiring and retaining.

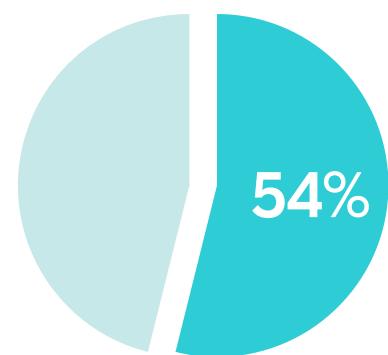
But with higher costs come higher expectations, and there's only so far that subscribers can be pushed before they hit the unsubscribe button.

With platforms like ESPN+ upping their fees, many subscribers simply can't afford to keep multiple services switched on at all times. In fact, over half (54%) of those paying for SportsVOD services say they can't afford all the subscriptions they would like.

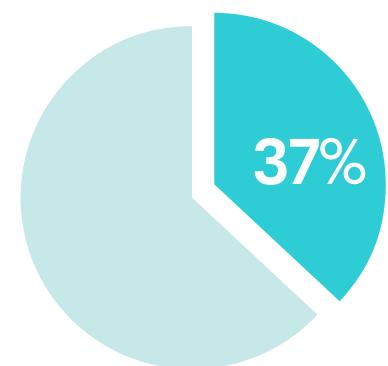
Instead, over a third (37%) regularly pause, cancel and re-subscribe to different services. For many, this constant switching represents the best (and cheapest) way to access all the content they want.

And it's not just price hikes that are impacting this market. Recent months have also seen a crackdown on password sharing, with platforms like ESPN+ and YouTube (home of the NFL Sunday Ticket) forcing viewers to pay for services they previously accessed for free.

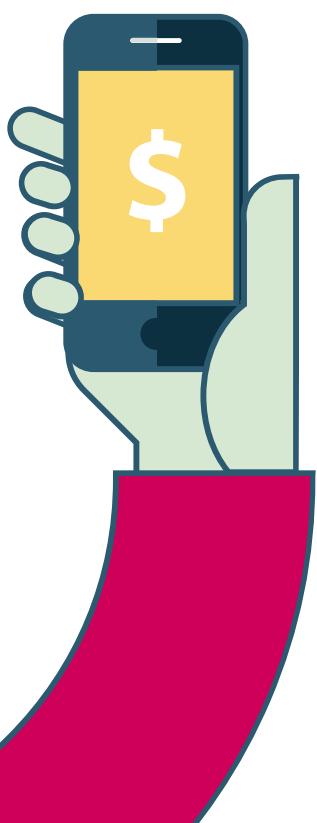
Sports fans are clearly hungry for content, but the disjointed and costly nature of SportsVOD subscriptions is quickly becoming a source of frustration.



of those paying for SportsVOD services cannot afford all the subscriptions they would like



of SportsVOD subscribers regularly pause, cancel and jump between different subscription services



2. Consumer attitudes to current frustrations with SportsVOD subscriptions

Multiple subscriptions, multiple frustrations

As the field of play for SportsVOD has expanded, cheers have turned to groans among sports fans, who are suffering through a frustrating user experience.

A staggering 73% of SportsVOD subscribers agree that there are simply too many subscription services available today. The growing tally of subscriptions is just too much to track and manage. In fact, most sports fans (56%) can't even tell you where or how they signed up for their growing portfolio of subscriptions.

That's why more than half (55%) of SportsVOD subscribers are annoyed by the lack of a centralized hub for managing their subscriptions. 57% are frustrated by their inability to pause subscriptions as needed, and 60% are looking for the option to opt out of automatic renewals.

And to make matters worse — many are now paying for subscriptions that go unused, with 63% admitting to holding onto services they no longer engage with.

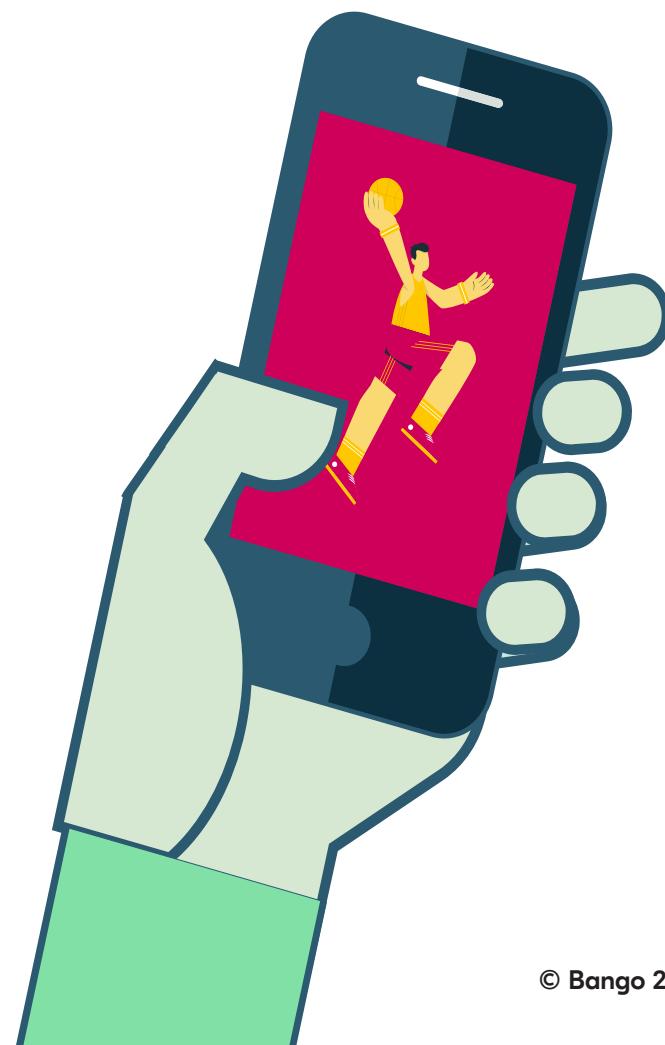
Ads, upgrades and piracy

The introduction of ads onto streaming services, including SportsVOD, has not gone unnoticed. 71% of SportsVOD subscribers have upgraded a subscription to remove ads, while a significant majority (79%) firmly believe that paid subscriptions should never include ads, viewing this as a breach of trust by already premium streaming services.

Too many services, higher prices, and ads to boot.

These factors have conspired to drive a concerning trend towards piracy. Over half (55%) of SportsVOD subscribers now view pirated streams as “the best way” to watch and manage all their content in one place, vs a quarter (27%) among US subscribers more generally. This trend highlights the urgency for SportsVOD content providers to reconsider their business models to better align with what consumers want.

The SportsVOD market is at a critical moment. The half-time whistle has been blown. With growing costs, increasing fragmentation, and subscriber dissatisfaction at an all-time high, the need for a strategic rethink is clear.



73%

of those who pay for SportsVOD agree that there are too many subscription services now

56%

of those who pay for SportsVOD find it too hard to keep track of where and how they signed up to their subscriptions

57%

of those who pay for SportsVOD are frustrated that they can't just pause their subscriptions whenever they like

55%

of those who pay for SportsVOD are annoyed they can't manage all of their subscriptions in one place

60%

of SportsVOD subscribers wish they could opt out of automatic renewals

71%

of those who pay for SportsVOD have upgraded a subscription since an ad supported version launched

79%

of those who pay for SportsVOD agree that paid subscriptions should never display ads

55%

of SportsVOD subscribers believe pirate streaming services are "the best way" to access all of the content they want right now, compared with 27% among US subscribers at large

3 The move towards Super Bundling

Eyes on the prize

Despite the challenges, it's not too late for SportsVOD platforms to change the game and beat the odds. Super Bundling has emerged as the strategy that promises to streamline this fragmented landscape and address subscriber woes.

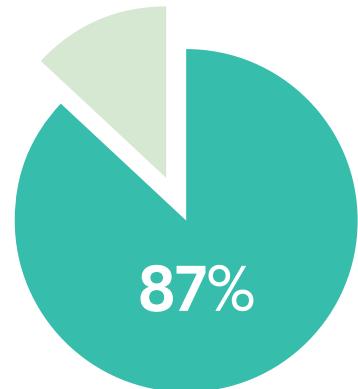
Let's do an action replay: the current nature of the SportsVOD market is not just a minor inconvenience — it's a significant barrier preventing subscribers from enjoying a seamless sports viewing experience.

While initiatives like "Spulu" or Disney's reselling of NFL and Fox Sports are genuine attempts to simplify access to sports content, they don't take the market all the way to the finish line. These efforts combine content under larger corporate umbrellas without necessarily providing the flexibility and subscriber-centric approach that characterizes Super Bundling.

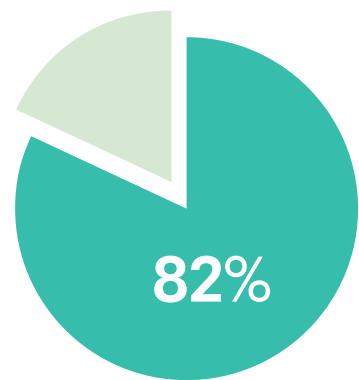
Super Bundling allows for unified content hubs where diverse SportsVOD content can coexist. This approach doesn't just benefit the large players — it also provides a lifeline to smaller, niche content providers who might otherwise be squeezed out of the market.

It's a tide that raises all boats, allowing SportsVOD content providers to focus on what they do best: delivering quality sports coverage to their audiences.

Super Bundling simplifies the decision-making process for sports fans by offering an all-in-one package that reduces the need for multiple subscriptions and brings billing and login information into a single account.



of those paying for SportsVOD would prefer for all their subscriptions to be accessible within a single 'content hub'



of subscribers would be more loyal to a brand that provided such a service, compared to 67% of US subscribers at large

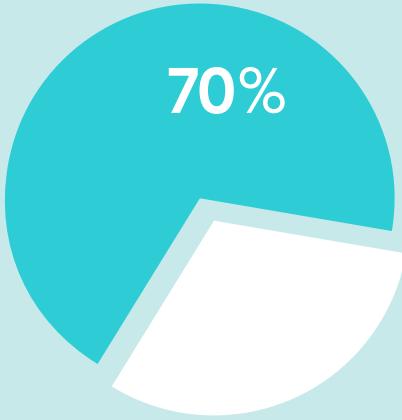
The role of telcos in Super Bundling

Telcos, with their existing infrastructure and vast customer bases, are already at the forefront of the Super Bundling revolution. By integrating a variety of SportsVOD content into their offerings, they can create eye-catching packages that cater directly to sports fans. This not only provides value for subscribers but also solidifies the telcos' role in digital entertainment.

Americans love sport and are willing to pay for it, but are crying out for a simpler way to do so. And with the Summer of sport shaping up for 2024,

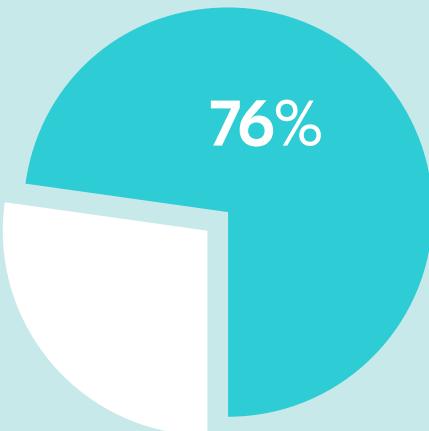
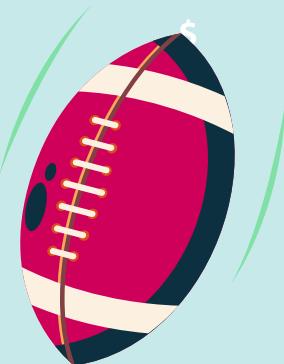
there's never been a better time for telcos to step up to the plate and take advantage of this huge opportunity.

Verizon's +play platform, powered by Bango's Digital Vending Machine®, is a prime example of how telcos can leverage Super Bundling to meet consumer demands effectively and supercharge their customer acquisition and retention. With +play, Verizon customers can combine NFL+ Premium with the NBA, UFC Fight Pass and The Athletic all in one place.



70%

of SportsVOD subscribers would prefer their cell phone provider to offer this service, compared with 50% among US subscribers at large



76%

of people currently paying for a SportsVOD subscription would be open to paying a higher monthly mobile/internet bill if a package of popular subscriptions were automatically included

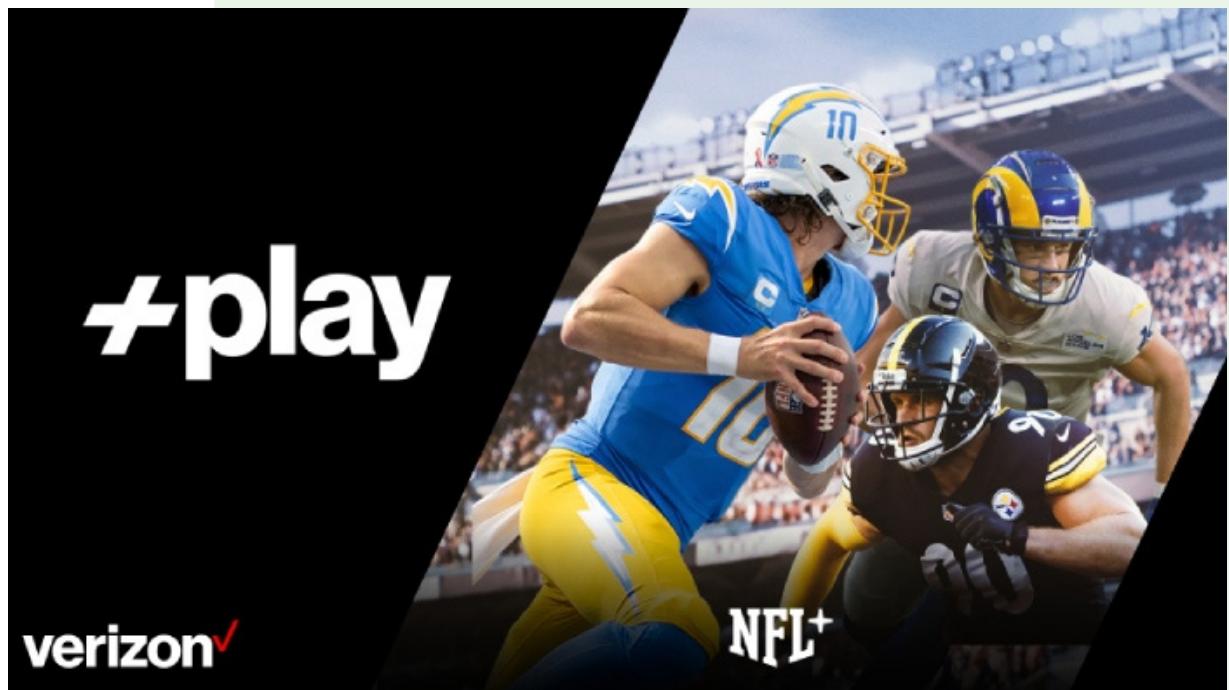
Super Bundling: a win-win-win strategy

Rather than having to choose between disjointed services or all in one monoliths, Super Bundling finally brings some flexibility to the Sports industry. It puts the subscriber first, creating the opportunity for people to mix and match rather than forcing them into an all or nothing situation. That's not just best for the subscriber, it's best for the industry as a whole.

By providing a centralized platform that offers flexibility, transparency, and diversity in content, Super Bundling addresses the core frustrations currently plaguing SportsVOD subscribers. It ensures that even as the market grows, the consumer experience remains at the forefront of provider strategies.

Subscribers are crying out for telcos to take control of the disjointed subscription market. Those that do, will be rewarded with customer growth, higher revenue per customer, and greater loyalty.

Subscribers will spend more time engaging with their subscriptions, and subscription bundling will drive new customer acquisition and expansion of the overall market. Content providers can spend less on marketing and more on providing great content. Customers can try out services without fear of "lock in". SportsVOD subscribers ultimately get what the data in this report says that they want. More flexibility, more transparency, and better control over costs and content.



5. ■ Where do I start?

SportsVOD content providers

Super Bundling gives content providers instant access to a ready-made distribution, marketing and billing network offered by telcos and other channels around the world. Bringing together telcos and content providers in one place, the Digital Vending Machine® from Bango is a SaaS product that enables the Super Bundling of content subscriptions.

Several global telcos have already created their own vibrant content hubs – bringing together dozens of providers including Netflix, ESPN, Amazon Prime, Duolingo, YouTube, Peloton, Audible and more in one seamlessly integrated solution.

The Digital Vending Machine® from Bango isn't just for established players. The low barrier to entry means it's ideal for content and service providers looking to make a name for themselves. Plus, it opens doors to some of the biggest reseller networks around including telcos, banks and retailers. Support for a range of commercial models means that the Digital Vending Machine® from Bango ensures you get to market at speed and with minimal integration pain.

The Digital Vending Machine® from Bango brings together resellers and content providers to enable Super Bundling of subscriptions at speed and scale

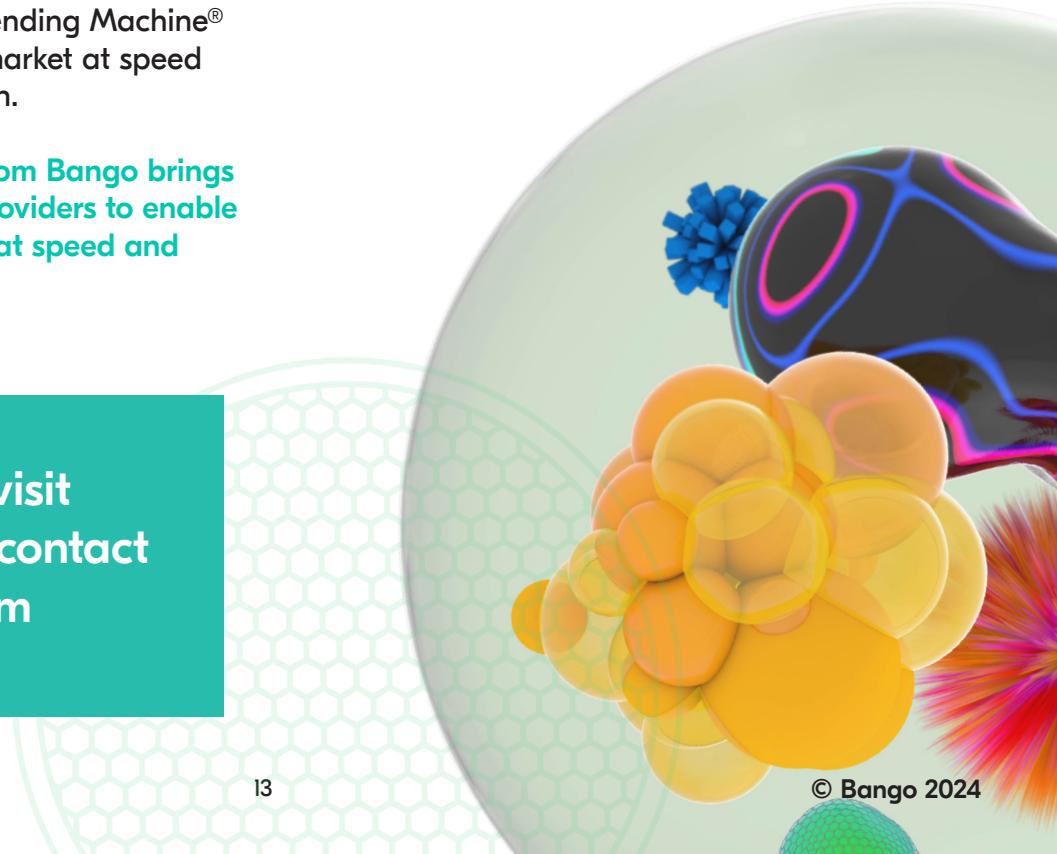
For more information visit
www.bango.com and contact
us at sales@bango.com

Telcos

The Digital Vending Machine® from Bango is loaded with pre-built integrations for hundreds of subscription products, apps, and streaming services. We provide all the core requirements via standardized technology enabling telcos to deliver Super Bundling in months, rather than years.

The Digital Vending Machine® from Bango is available as a SaaS product, which means telcos can quickly and easily scale, gaining access to a constantly evolving and growing ecosystem of global subscription and content providers. This happens through a single one-to-many integration, avoiding time-consuming one-to-one arrangements.

Enabling this super-fast time to market means that telcos can focus on the things that matter most to them: customer acquisition, retention and engagement. Developing subscription hubs with Verizon and Optus, we've helped create deals spanning Netflix, ESPN, Amazon Prime, Duolingo, YouTube, Peloton, Audible and more.



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