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The end of "all or nothing" and what comes next for media consumption

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For the four decades of the cable sports era, the choice for fans has been simple: Buy cable/satellite and get everything. Every major national or local sports event, on all widely distributed channels, plus every major entertainment, music and news network. In short and until recently, substantially all programming — an all-you-can-eat buffet (except movie channels) — at a set per-home price. Or, should you decline to buy pay TV, you get nearly nothing (just broadcast if you were enterprising enough to put up an antenna). Netflix now is obviously an outlier, but virtually all of the sports events you would be likely to watch were part of "the bundle."

This ultra-simple way of buying and consuming live sports is already coming to an end. This fall, you'll need **Amazon** Prime to see most Thursday night **NFL** games. You must have **ESPN**+ if you're a **UFC** fan. As our friends at "The Marchand and Ourand Sports Media Podcast" pointed out, tennis fans had to pay twice (ESPN and ESPN+) to watch all of the Australian Open matches. That's the new fan playbook, and it's more expensive. Soon it's rumored that Apple TV+ may be required to watch Wednesday night **MLB** games previously on ESPN. If you want RSNs, forget about **Hulu** or YouTube TV, and if you are a big sports viewer, ignore Dish altogether. The great unbundling is underway, and it is truly the end of "all or nothing." That won't happen all at once, but the change is coming this decade. And that's before more seismic effects wrought by everyone from FanDuel to Discord to Fanatics.

How should sports properties navigate this transition? We have four main observations:

1. The future of distribution is fragmented — and soon to be further split among linear TV, streaming (and PPV of various durations), betting, social media, chat and 3D interactive platforms. Ten years ago, you could reach substantially your entire audience through a single deal with one sports media company. That is no longer true, especially for younger viewers (see No. 4). Traditional "exclusivity" in media deals needs to be fundamentally reconceived — establishing greater value in more narrow grants than just cable or broadcast, first half or second half of the season or by language, geography, or night of the week, which were all that was needed pre-internet, in a simpler time when distribution channels and business models were far more limited. Thus:

2. New licensable products and formats are crucial. The single vanilla live game broadcast production (another all-or-nothing relic) is not nearly enough anymore either. Multicasts will proliferate: The ManningCast and the Nickelodeon NFL Kidscast are just the start, but expect more of these targeting multiple demographics/languages from rights holders, not just rights buyers. There will be video highlights in multiple forms and lengths, increasingly personalized and curated "FAST" (Free Advertising Supported Television) channels, imaginative "re-watches," immersive 3D interactive experiences (Sport@Roblox), betting, 4/8K, merch and NFTs. To do that:

3. A sports property needs to become its own executive producer — in terms of audience segmentation, game presentation, formatting storytelling, strategic scheduling and investment. Much is rightly made of the NFL's recent blockbuster 11-year, $113 billion TV rights deals. Behind the scenes, the NFL earned the agreements by consistently increasing the value of its product for fans and media partners — pioneering the Red Zone, extending the regular season, expanding the playoffs (Super Wild Card Weekend), moving the Super Bowl and NFL draft back, creating the Rookie Combine, defining a window for free agency and making its training camps an event. The **NBA** and its players have achieved leading global reach on multiple social media platforms, and have invested in and accelerated interesting tech startups. The lesson for all: You can't just rely on the network "professionals" anymore. "Who is our executive producer?" our former boss NBA Commissioner David Stern used to challenge us (Ed was the NBA's first back in 1982). The NBA just filled that position again, naming our former colleague Gregg Winik, whose assignment is imperative because ...

4. Younger sports fans are much different. The iPhone debuted in 2007, and it changed almost everything about experiencing sports. Now, fans have in their pockets: the live game broadcast (soon, multiple versions thereof); every score, 24/7 breaking news; unlimited social media feeds, alerts, stats; the ability to transact, bet and buy instantaneously, anywhere. On Jan. 31, the NBA put "CrunchTime," its version of RedZone, exclusively on its own app, commercial free. In 2027, this iPhone generation will turn 20, just entering their buying-power years. Are you ready for that?

The end of "all or nothing" is thus quite daunting. Sports is no longer the default source of intergenerational bonding. We can't assume our kids just want to "go out and play" and automatically share the Little League, pickup basketball, or touch football matches that were the experience of older fans and fed traditional sports fandom, parenthood and viewership. We also don't know when we will finally have COVID under control and what its long-term impact is on sports. However, unbundling and new tech breakthroughs also bring opportunity (plus, of course, the promise of multiple new bundles to come). Sports properties like the NFL and NBA that go on offense now will likely be rewarded.

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