

Make media and tech innovations work for you

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You ain't seen nothin' yet!

That's our feeling about sports media. As you try to follow the accelerating changes, we're here to help. Our suggestion: Follow the Tech. We see nine key innovations changing our industry this decade:

Real-time information: The power of sports is that it's live and its intrinsic appeal cuts across all demographics, getting everyone simultaneously focused on a single event. Yet, we're just scratching the surface. You're typically streaming 45 seconds behind live action. Trying to find a game? Good luck! Powerful solutions are coming — score fixes for your phone and wearables, sub-second latency streaming, and the race is on to provide the 21st century sports "TV Guide." No more sports fan FOMO! Instant custom curation of live events, triggering tune-in for start of games, significant in-game reporting, social interaction, sharing of remarkable plays and propagation of data to drive gambling.

The cloud: It's fashionable to deride personalization as an overhyped pipe dream. But the ascension of giant cloud companies and privacy-protection software will enable sports properties with significant data to join forces, unlocking the ability to truly know their fans, creating huge value. And for fans, finally, the opportunity to get value from that shared knowledge such as combined packages of streaming, tickets, merchandise and exclusive team/player access. But cloud innovations extend well beyond that. Today, game telecasts can be directed on an iPad and voiced from any location on the globe with a high-speed connection.

Games: Growing up, TV was our default. Now, playing games is mainstream — as an activity and a business. In the past five years, viewing of esports and game streamers has exploded on [Twitch](#) and [YouTube](#), transforming spectators into participants. See the effects in traditional sports game presentation (EA's Madden has meaningfully influenced [NFL](#) coverage with Skycam for NFL telecasts). Today's carefully produced live-event megacasts will soon be supplemented by platforms giving everyone a voice. Here, podcasting presents a true launching pad. Example: JJ Redick on ESPN. League video game rights may rival broadcast fees (see FIFA's next agreement following its 30-year partnership with EA).

Betting: Consolidation in sports betting will trim today's dozen players into a big 3-4, and the reality of sports' "big bet" on gambling will play out. Betting advertising will become national too. Other effects are uncertain. Through aggressive industry marketing, some fans are already more interested in their fantasy players or action on a particular game rather than "their" team. We foresee increasing friction over vague "official" injury reports. In-action wagering, powered by sub-second latency streaming, is also coming. Look for MVPDs to embrace "live live" sports as a rationale to stay subscribed to the endangered TV bundle. All of this will challenge the unified fabric that's traditionally made sports, *sports*.

Artificial intelligence: Startups mastering computer vision (“Shazam for Video”) are revolutionizing everything from content algorithms to sports video highlights, social media monitoring, athlete scouting and combating streaming piracy. Astonishingly, most of these breakthroughs will be invisible to fans. Fans will find themselves watching more TikToks, not sure why, but noticing more, better and increasingly tailored services. The combination of relevant AI data and cloud breakthroughs will further accelerate development of new sports products and services.

Networks for everyone: As audiences continue fragmenting, today’s social media networks will simply be “networks,” proliferating especially among elusive younger fans. The dominant social media experience at the 2028 L.A. Olympics has probably not even been created yet! Rights holders will have to work much harder just to identify and engage their audiences. Networks have already established virtual sports bars for fans to gather and express fandom, promote content and events, allowing players and teams to directly communicate, an on-ramp to ...

The metaverse: At the height of COVID, 300 million people attended 2D interactive meetings on Zoom — building blocks of the metaverse, where people go to *do* things together. As Everblue’s games expert Dylan Glendinning explains: “A place where your digital identity is just as important as your physical identity.” Our former colleague Steve Hellmuth points out the significant role of key **NBA** partner **Microsoft**. It hosts sports and games (Xbox, Halo and soon, presumably, **Activision**), and it’s a leading funder of the metaverse, making virtual workplaces productive (270 million active “Teams” monthly). Expect the creation of new 3D interactive services as sports and games experiences merge.

Premium streaming: We expect streaming’s superior user experience to continue slowly decimating the traditional TV bundle. From a business standpoint, it’s a mixed bag. Streaming allows content owners to go direct, eliminates the need for middlemen, creates many new bidders for rights, allows for wide variety of new offerings and has created an exciting market in sports docs. AppleTV+, Prime Video, FloSports, ESPN+, Paramount+ and Peacock each expand demand for live sports while simultaneously attacking the bundle (where the money still is), spreading audiences thinner. In addition, for the most popular games, streaming millions of feeds is inherently inefficient versus traditional multicasting. The challenge, regardless, will be getting young fans to *pay* considering that ...

Free streaming is also exploding. Not just YouTube, Twitch, Snap, Instagram, Twitter, but also the doppelganger FAST services (free ad-supported streaming) being launched by all top pay TV networks, the vast competition for time and attention from user-generated interactions detailed above, and pay TV piracy.

There is no clean, well-lit path ahead. Our best intelligence is to improve your product by making these and other technical innovations work for you.

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