



FIFA opens up bidding for Club World Cup rights, but streamers may not bite

Article



The news: FIFA is searching for a broadcast partner for the upcoming men's **Club World Cup** —a separate event from the flagship World Cup tournament—which begins in June 2025 in



the US.

The sports league published an "invitation to tender" for broadcasting rights in the Americas, Asia, Middle East, and North Africa, opening up the floodgates for bidders and ending a reported deal with **Apple** that never came to fruition.

Rights, anyone? FIFA is trying and struggling to find a rights partner for the Club World Cup, a yearly tournament that the sports league is hoping to build out to be a major media event akin to its flagship World Cup tournament.

- Apple appeared to be a good bet for a streaming partner: The tech giant spent billions to acquire the rights to Major League Soccer (MLS) broadcasts in a decade-long bid to increase the sport's US popularity. <u>Major talent from Europe</u>, namely Lionel Messi, have joined MLS teams and boosted viewership.
- But Apple's MLS investment came at a very different time. The company joined other streaming services like YouTube and Amazon Prime Video in dishing out billions for sports rights when interest rates were much lower.

Late to the frenzy: The changing financial realities of sports rights deals are made clear by FIFA's Club World Cup struggles.

- With yearslong, multibillion dollar commitments already on the docket that streamers are looking to drive returns on, the prospect of another hefty acquisition of an unproven sports asset could be off the table.
- FIFA's proposed deal with Apple was reportedly valued at £800 million (\$994 million)—only a quarter of what FIFA was initially hoping to secure for its rights package. As it struggles to find a partner, FIFA is reportedly seeking a \$2 billion investment to bolster <u>its own free, adsupported FIFA+ streaming service</u>.

Our take: Streaming services that have already committed to lengthy and costly rights deals are unlikely to give the Club World Cup a look—but the lower price point could be appealing for smaller streaming services like **Paramount+** and **Peacock** that are staring down an uncertain future if they can't boost viewership or secure a killer app



Most Common Challenges When Targeting Sports Fans According to Marketers Worldwide, Jan 2024 % of respondents

Targeting the right audience		53%
Measurement		51%
ROI		49 %
Budget constraints		43%
Content production	34%	
Note: top 3 responses Source: Genius Sports, "Sports Advertising Report	2024," May 30, 2024	4
286162		

