

Amazon and NBC's new NBA TV and streaming deals will elevate their ad businesses

Article

The news: The **NBA** has finalized new partnerships with **NBC** and **Amazon Prime Video**, marking significant changes in its broadcasting landscape. These deals, valued at **\$76 billion**,

will see the NBA Finals continue on **ABC/ESPN** for the next 11 seasons.

- **TNT Sports**, a current NBA broadcast partner owned by **Warner Bros. Discovery**, may still contest these agreements, according to CEO **David Zaslav**.
- The deals await approval from the NBA's board of governors, expected to be a formality during its meeting in Las Vegas next week.
- NBC will broadcast games on Tuesdays and stream additional content on **Peacock**, while Amazon will feature games on Thursdays and weekends. ESPN retains a significant portion of the coverage, including exclusive rights to the NBA Finals.

Why it matters: Live sporting events, including NBA games, are one of the few remaining forms of appointment viewing, attracting significant ad spend.

- Our forecast calls for digital live sports viewers in the US to grow from 95.5 million in 2023 to 126.8 million by 2027—a 32.8% increase over four years.
- Younger audiences (ages 13 to 34) are leading the shift to digital, with 24% consuming sports [via subscription video-on-demand](#) (SVOD), compared with just 16% for those 55 and older.
- The worldwide media rights value of all sports properties is projected to rise from \$51.21 billion in 2019 [to \\$63.74 billion by 2026](#), highlighting the escalating importance and investment in live sports content.

Implications for Amazon: The tech giant's new NBA rights will boost its advertising business and offer more value to Prime members—and at \$1.8 billion per year, the deal is a manageable investment considering Amazon's \$2 trillion valuation.

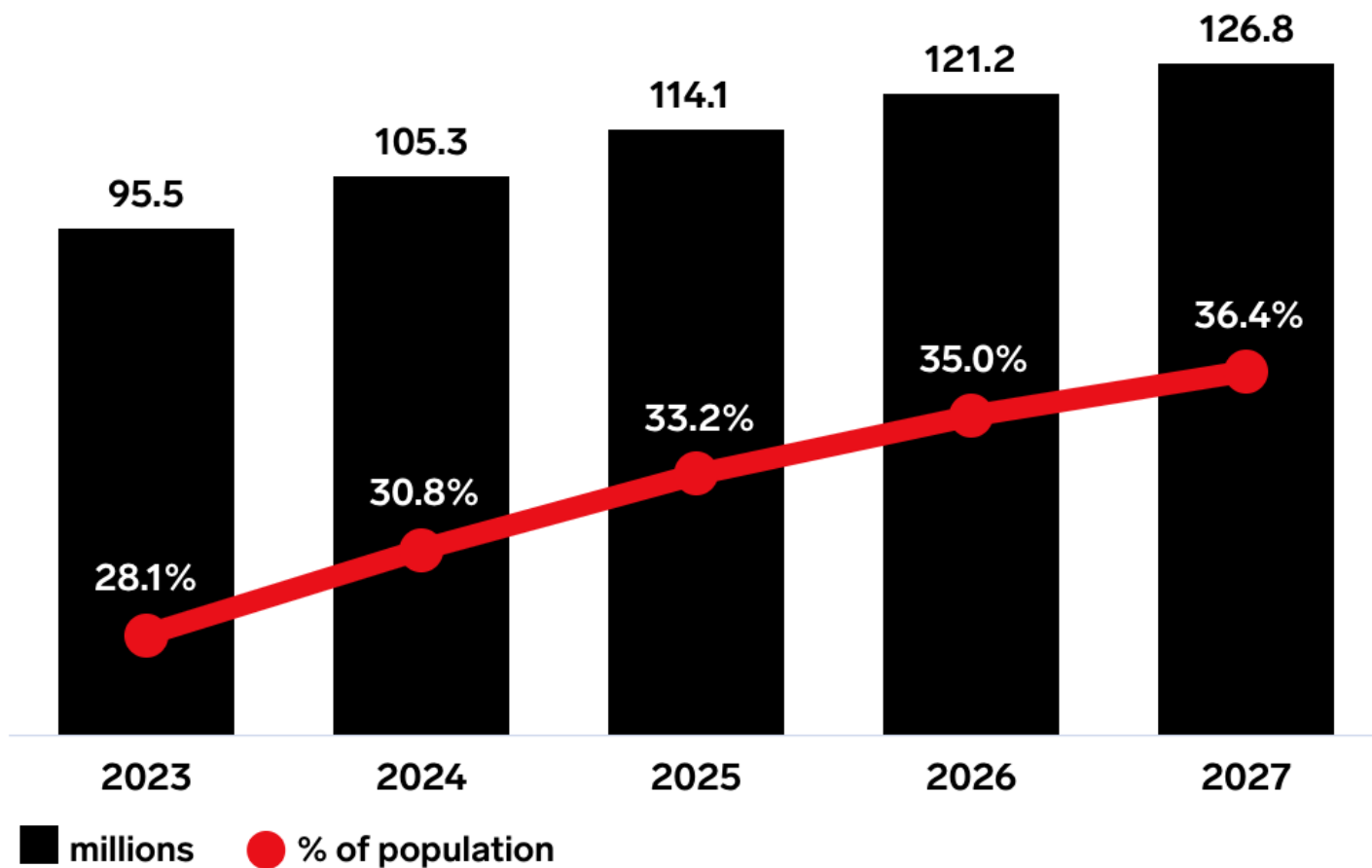
- The deal is seen as a defensive strategy to retain and bolster Prime members.
- NBA games will enable Amazon to promote Prime Video's original shows to a large audience. The more viewers watch those shows, the more advertising inventory the company will be able to serve.

Our take: The new deals represent a strategic diversification of the NBA's broadcasting partners, potentially boosting viewership through varied platforms and schedules.

- In some ways, the move increases accessibility; in other ways, it increases friction for sports aficionados, who will need to remember which provider carries specific games.

Digital Live Sports Viewers

US, 2023-2027



Note: individuals of any age who watch live sports content at least once per month over the course of the season of at least one sport on digital platforms such as OTT, TV Everywhere and vMVPDs; excludes highlight viewing and viewing of nonlive content; excludes esports; excludes Olympics content

Source: EMARKETER Forecast, March 2023