

# Streamers pull back on the sports rights feeding frenzy to protect the brand

Article

**The news:** Streaming services' response to two controversial movements in the sports broadcasting industry show they're not willing to buy in at the cost of their reputations.

- **Amazon** and **Apple** have reportedly turned down media rights to stream **LIV Golf**, the professional **golf league funded by Saudi Arabia's government-owned sovereign wealth fund**.
- **Disney CEO Bob Chapek** recently told CNBC that while **ESPN** is “never going to be a [sportsbook],” it is looking for a “well-respected” partner to flesh out a betting service for the sports network.

**Disney and gambling:** Disney's statements about its sports gambling ventures show just how important brand reputation is to the major streaming services.

- ESPN has floated interest in sports gambling for some time. In December 2021, Chapek called the market a “very significant opportunity” for Disney, calling ESPN “the perfect platform for this.”
- Legalization in many states is chipping away at the stigma, but the negative association with gambling still lingers. Disney carefully curates a glossy, family-friendly brand, one that it would rather not muddy by handling the transactions itself.
- Meanwhile, other digital media companies and sportsbooks themselves are racing to bring betting to TV screens. ESPN's enormous reach means it doesn't have to worry about getting left behind; sportsbooks will have to court it to get access to its audience.

**The golf rights gambit:** Apple and Amazon have both been willing to make bids in the billions of dollars for digital broadcasting rights to foreign sports leagues. So why is it avoiding partnering with LIV?

- Sports broadcasting rights have become a flashpoint of the streaming wars, especially in foreign markets. Earlier this year, streaming services battled for the rights to stream cricket from the Indian Premiere League, with both Amazon and Apple throwing their hats in the ring to the tune of as much as \$7.7 billion.
- But while cricket is a proven bet for Indian viewership, the brand new LIV isn't as much. Not even the networks want in on this one—Apple and Amazon join ESPN, CBS, NBC, and Fox in brushing aside a deal, per The Wall Street Journal.
- ESPN, NBC, and CBS have existing deals with PGA Golf that they may not want to sour—especially since the PGA is in conflict with LIV. The Saudi golf league has been criticized as an

attempt to whitewash human rights abuses, and has swept up top players with multimillion dollar contracts and prize pools, resulting in many players being suspended from the PGA.

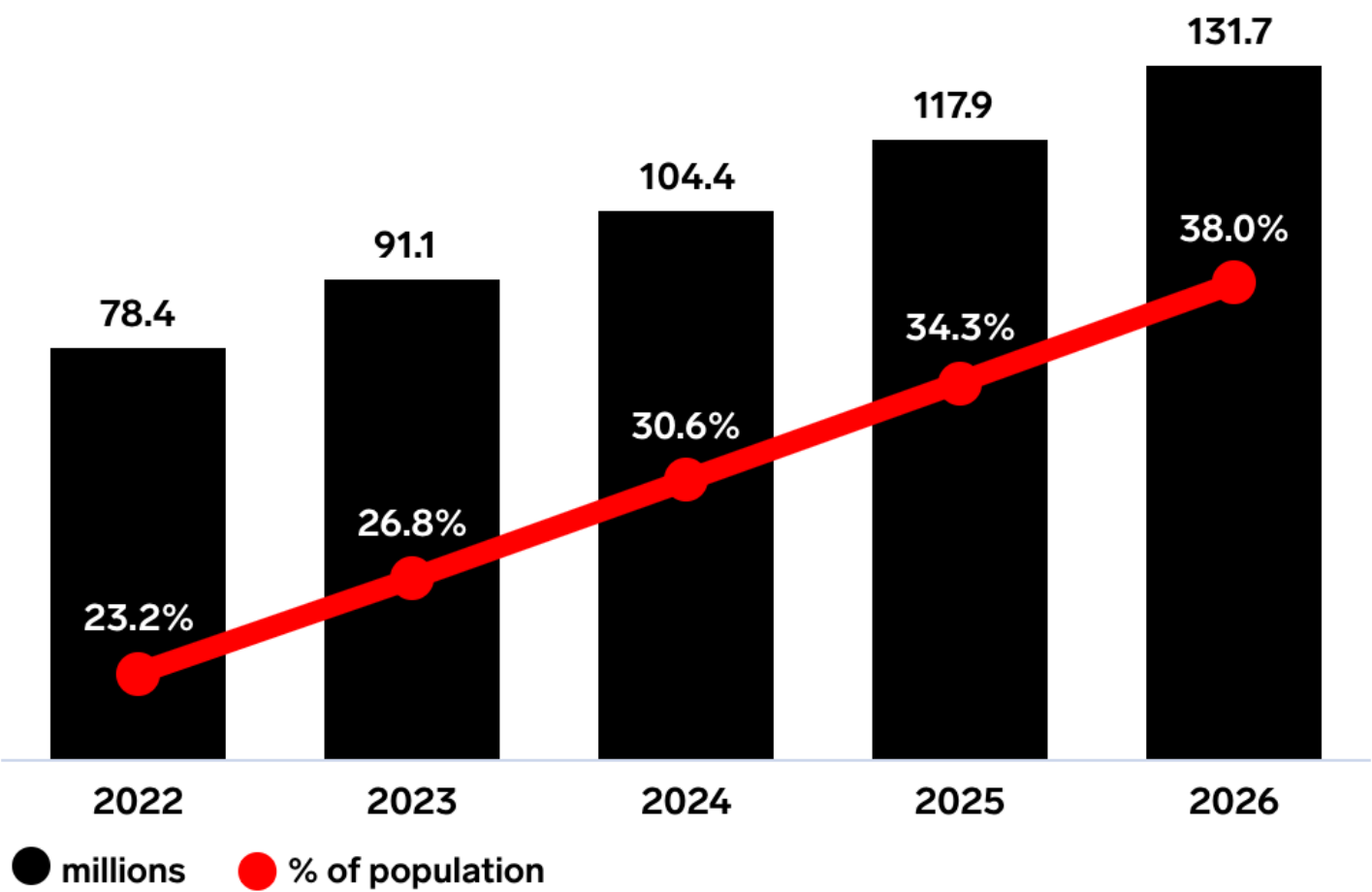
- The LIV is reportedly seeking a hefty rights deal, which could also turn streamers off. While they've been willing to bid billions before, a tightening economy and potential hit to the streamer's brand for associating with the league has cooled their hunger.

**The big takeaway:** Sports offer streamers a crucial way to fight for customers both at home and abroad in the face of dwindling viewership and subscriptions. But controversies around LIV and sports gambling show that streamers aren't willing to throw caution to the wind.

- The LIV might not be shut out forever. If it can prove that the audience for its league outweighs its controversies, its next season might have the streaming giants fighting tooth and nail for a slice.

# Digital Live Sports Viewers

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