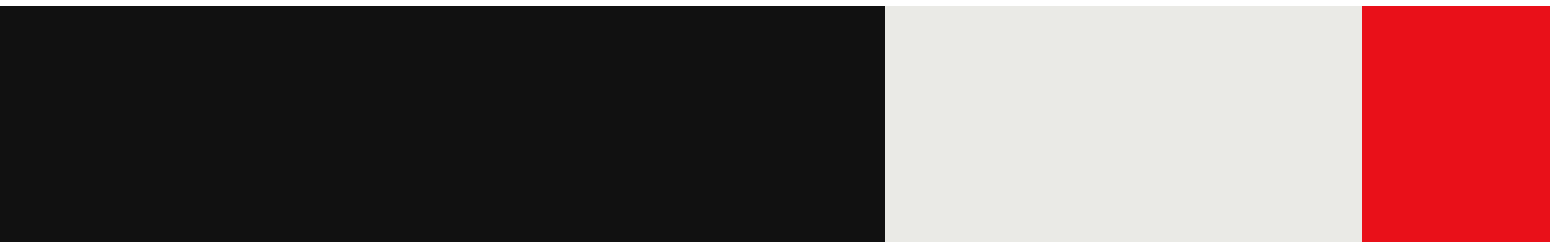



# Sports media bets big on streaming and gambling

Article



Faced with booming media rights costs and legalized gambling, broadcasters, streaming services, and leagues are navigating how to stay innovative, remain profitable, and keep sports accessible for everyone.

## The escalating cost of media rights

Media rights costs for major sports have surged dramatically, posing a significant challenge for traditional broadcasters like NBC and Disney.

“Media rights have just skyrocketed,” our analyst Ross Benes said during a [recent webinar](#), reflecting the immense financial pressure on legacy networks. “They’re double what they were [in 2017]... some companies used to be traditional partners but were outbid by Amazon.”

Annual US sports rights will reach \$29.54 billion this year, and by 2027, yearly rights are expected to cost \$34.72 billion, according to S&P Global Market Intelligence.

Streaming platforms such as [Amazon](#) and [Netflix](#) are now key players, aggressively bidding on these rights to attract subscribers, even at a loss. This trend has led to major shake-ups in the broadcasting landscape. For instance, Amazon Prime Video replaced traditional networks as the exclusive home of Thursday Night Football.

“Streaming services, even if they're going to lose money short term, want to bet on sports because they're trying to attract subscribers,” Benes said.

### **Sports betting as a revenue stream**

Since the legalization of [sports betting](#) in 2018, gambling has become deeply intertwined with sports broadcasting. Today, 38 states and Washington, DC allow some version of legalized sports betting.

“Betting is very much part of the ecosystem now,” Benes said. In 2023, US sports betting apps were downloaded 34.9 million times, according to January 2024 research from Data.ai. Features like real-time betting lines and fantasy sports integrations have also become standard in live broadcasts, enhancing engagement and attracting new audiences.

The financial impact is undeniable, with betting revenues doubling in recent years, Benes noted. In 2024, online sports betting revenues will reach \$12.37 billion, according to EMARKETER’s September 2024 forecast. For leagues and broadcasters grappling with rising media rights costs, sports betting endorsements offer a crucial revenue stream to offset these expenses. However, the rapid growth of gambling partnerships is not without its challenges.

While leagues embrace the financial benefits of sports betting, they also face [ethical questions](#). “For the consumer, gambling is not only sanctioned but encouraged,” Benes said, yet leagues enforce tough restrictions on athletes. These conflicting messages risk fueling controversies as fan betting becomes more mainstream, potentially jeopardizing the integrity of the games.

## Impacts on consumers and fans

For sports fans, the convergence of streaming and gambling has both positive and negative implications. On one hand, digital platforms, fantasy teams, and interactive betting features have greatly increased fan engagement. The combination of digital sports viewership and betting partnerships amplifies how fans engage with sports without necessarily sitting down to watch the full game on TV, Benes explained.

However, the rising cost of media rights has financial repercussions for viewers. “If TV networks and streaming services pay double or triple what they used to for rights, they pass that cost to customers in subscription pricing. At what point does it become too expensive?” Benes said.

This trend raises concerns about affordability, particularly for younger fans who may be priced out of premium sports content.

[Watch the full webinar.](#)

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