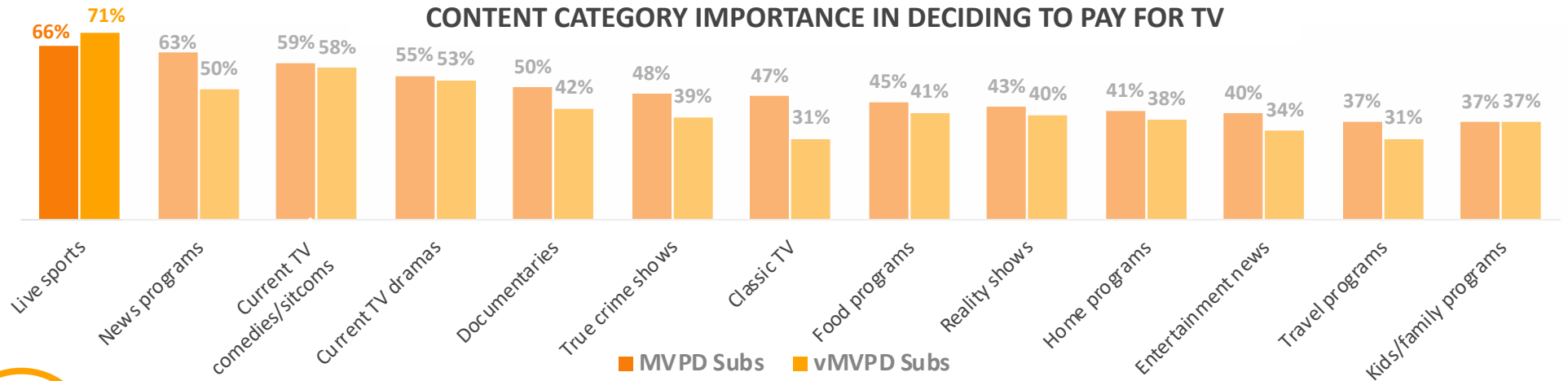


# THE VALUE OF LIVE SPORTS

## 1 LIVE SPORTS ARE HOLDING UP THE PAY TV BUNDLE

Live sports have primacy among all pay TV programming options. It's the top reason consumers decide to pay for TV.

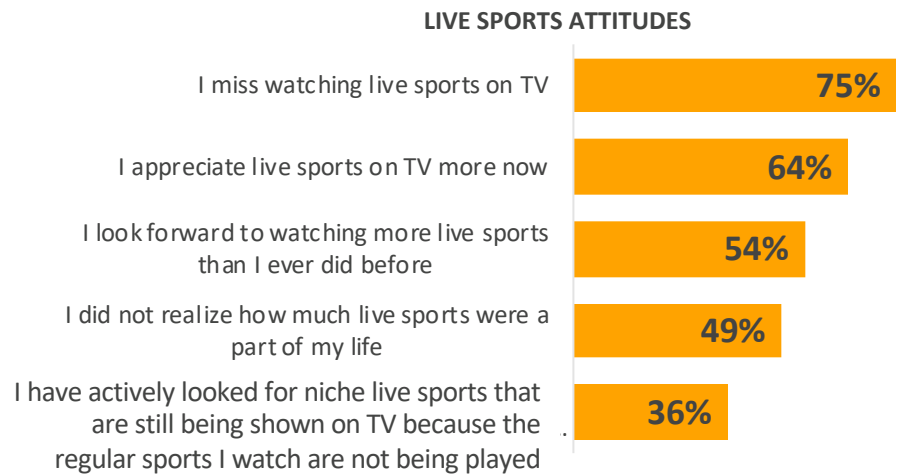
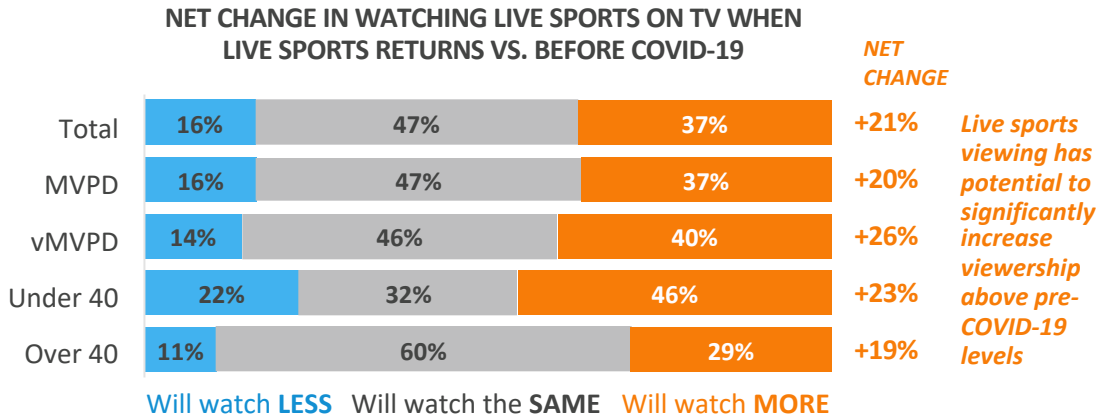
- vMVPD subscribers over-index in valuing live sports
- Distributors will need to prioritize live sports to sustain their businesses in the face of cord cutting and switching. Networks that focus on programming like reality, home, travel, and kids should be sacrificed long before sports.



## 2 VALUE OF LIVE SPORTS? FAR GREATER THAN PREVIOUSLY BELIEVED

Live sports is a massive part of people's lives and COVID-19 has made this clear. The pent-up demand for live sports is causing a re-assessment of the role sports play in our lives and a realization that consumers have UNDERVALUED live sports content.

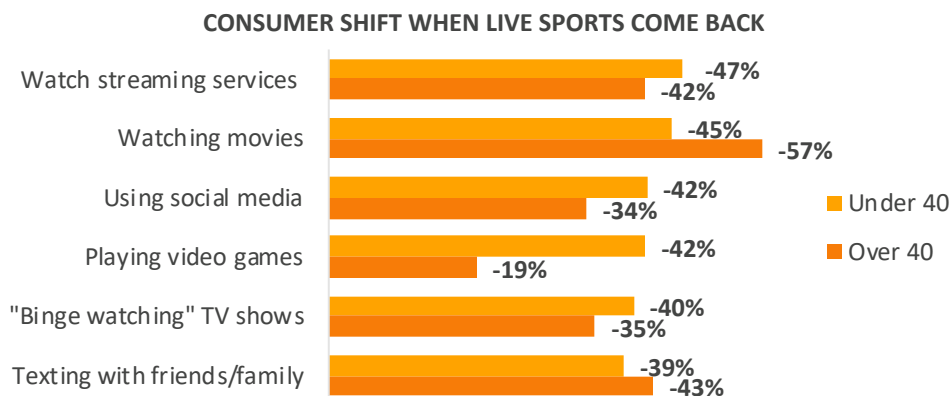
- Sports viewers desperately miss sports on TV and majority look forward to watching more live sports than ever before.
- Pay TV services are less valuable without live sports and +21% would watch more live sports than they did before the crisis



## 3 BEHAVIORS HAVE CHANGED DUE TO COVID-19 LACK OF LIVE SPORTS

The lack of live sports, potentially even more than COVID-19, has motivated major behavioral shifts in the entertainment ecosystem. The return of live sports will likely eat into streaming TV, social media and gaming habits developed during quarantine.

- The increase in SVOD viewing (as well as gaming and social media usage among younger sports viewers) can be attributed to the lack of live sports, not COVID-19.
- We will see many Covid-19 behaviors reverse when live sports come back.
- There is a sense of urgency for the return of live sports
- Content consumers are watching in place of live sports is running out. It will take a long time for studios to replenish libraries. Live sports' role in the bundle will be more critical than ever over the next year.
- For lapsed Pay TV subs, A/SVODs are satisfying their entertainment content needs. They subscribe to vMVPD's primarily for something they can't get on the streamers: Live Sports



## 4 DELIVERY WITHOUT FANS IN THE STANDS

89% of sports viewers will watch live sports on TV if games start to take place without fans in the stands

## 5 WHAT'S THE RISK FOR PAY TV PROVIDERS?

Not carrying live sports would be a major problem for MVPDs and vMVPDs

64% Considering switching providers if their current provider does not offer live sports  
39% Likely to switch providers if current provider doesn't offer live sports

**THE TAKEAWAY** » Live sports provides so much value to pay TV, that 39% of subscribers are willing to switch providers to access live sports. The number of those willing to switch increases among younger sport consumers: 44% under 40 are likely to switch if their current provider doesn't carry sport networks once live sports come back to TV.

LIKELIHOOD OF SWITCHING PROVIDERS IF CURRENT PROVIDER DOES NOT CARRY SPORTS NETWORKS ONCE LIVE SPORTS COME BACK TO TV?

