



ACTIVATE CONSULTING TECHNOLOGY & MEDIA OUTLOOK 2025 **SPORTS MEDIA & BETTING**

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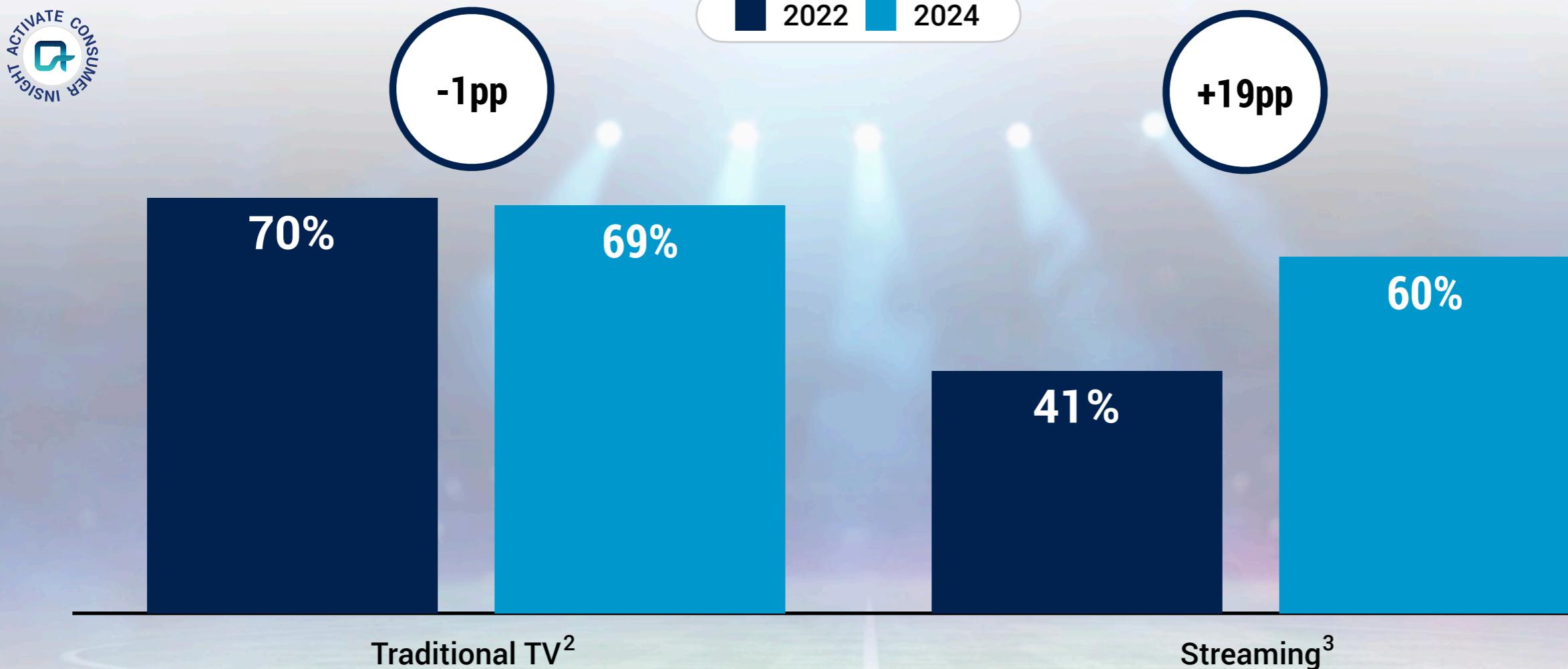


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Sports fans are increasingly watching video on both traditional television and streaming

LIVE SPORTS VIEWERSHIP BY PLATFORM, U.S., 2022 VS. 2024, % LIVE SPORTS VIEWERS¹ AGED 18+



1. "Live Sports Viewers" are defined as adults aged 18+ who have watched at least one live sports event within the last 12 months.

2. "Traditional TV" consists of viewership through Pay TV (i.e. cable/satellite TV subscriptions) and over-the-air (e.g. watching for free through an antenna). 3. "Streaming" is defined as video watched on Connected TV, mobile phone, tablet, or desktop/laptop. Connected TVs are TV sets that can connect to the internet through built-in internet capabilities (i.e. Smart TVs) or through another device such as a streaming device (e.g. Amazon Fire TV, Apple TV, Google Chromecast, Roku), game console, or Blu-ray player.

Sources: Activate analysis, Activate 2022 Consumer Technology & Media Research Study (n = 4,001), Activate 2024 Consumer Technology & Media Research Study (n = 4,004)

Sports streaming growth will accelerate as more games from the top leagues are available on streaming (and in some cases exclusively) (1/2)



AVAILABILITY OF 2024-2025 NFL REGULAR SEASON GAMES¹ BY DISTRIBUTION PLATFORM



Sports streaming growth will accelerate as more games from the top leagues are available on streaming (and in some cases exclusively) (2/2)



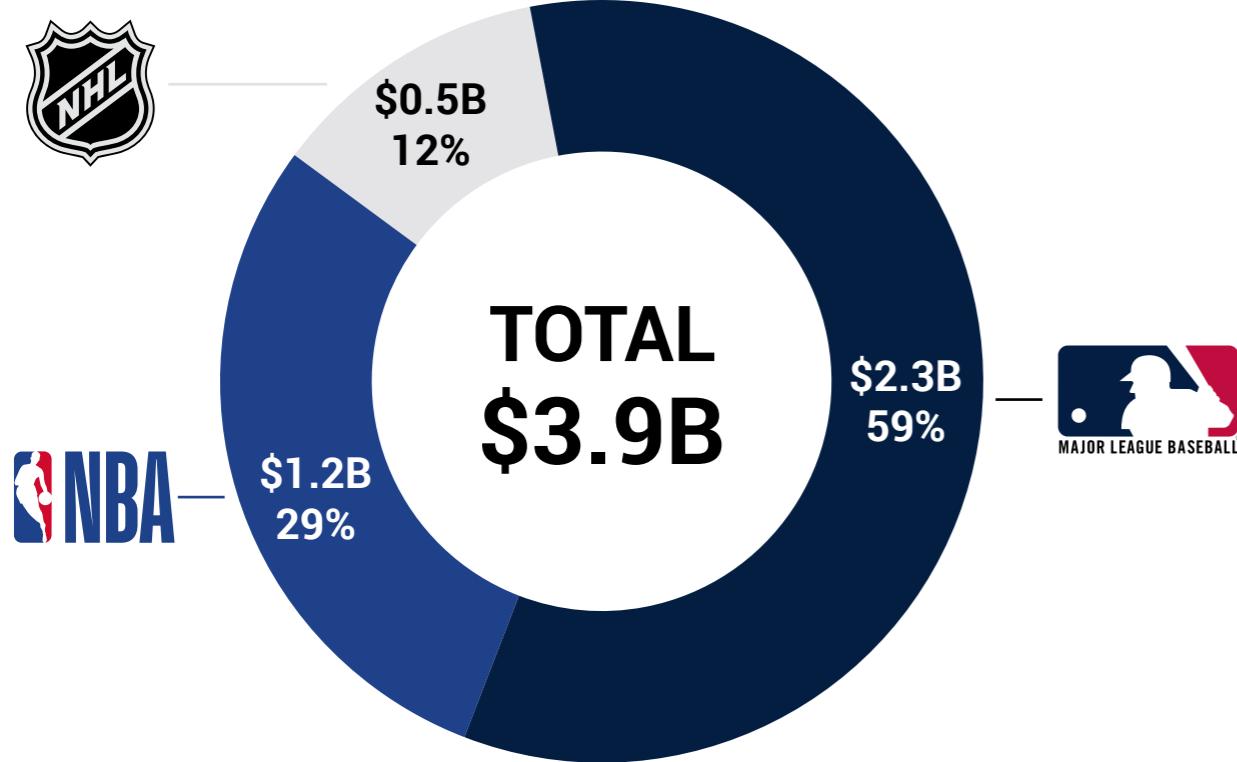
2025-2036 NBA MEDIA RIGHTS DEAL OVERVIEW

		SEASON PROGRAMMING						
LINEAR	STREAMING	ANNUAL VALUE			FIRST AND SECOND ROUND PLAYOFFS			
		\$2.6B	Every finals game, each season	10 seasons, 1 series each season	~18 games/season		80 games/season	
		\$2.5B		6 seasons, 1 series each season	~28 games/season		100 games/season	
Not Available		\$1.9B		6 seasons, 1 series each season	~1/3 of games/season	Every game/season (6 games)	66 games/season	Championship game, semi-finals, and quarter-finals

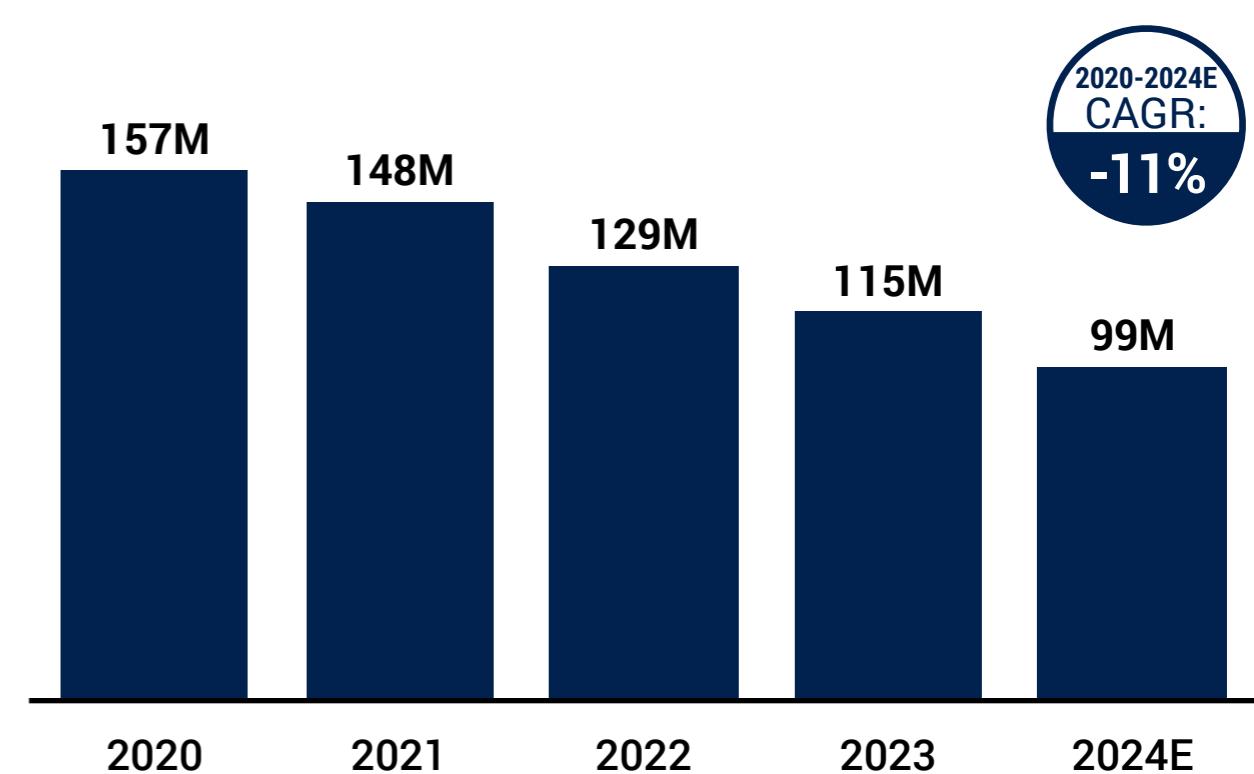
A significant share of NBA games will only be available on streaming beginning with the 2025 season

Almost \$4B is at risk as distribution of Regional Sports Networks declines precipitously

LOCAL MLB, NBA, AND NHL ANNUAL RIGHTS VALUE¹,
U.S., 2024, BILLIONS USD



TOTAL REGIONAL SPORTS NETWORK SUBSCRIPTIONS,
U.S., 2020-2024E, MILLIONS SUBSCRIPTIONS



Local sports rights deliver ~\$4B in annual revenue to the NBA, MLB, and NHL

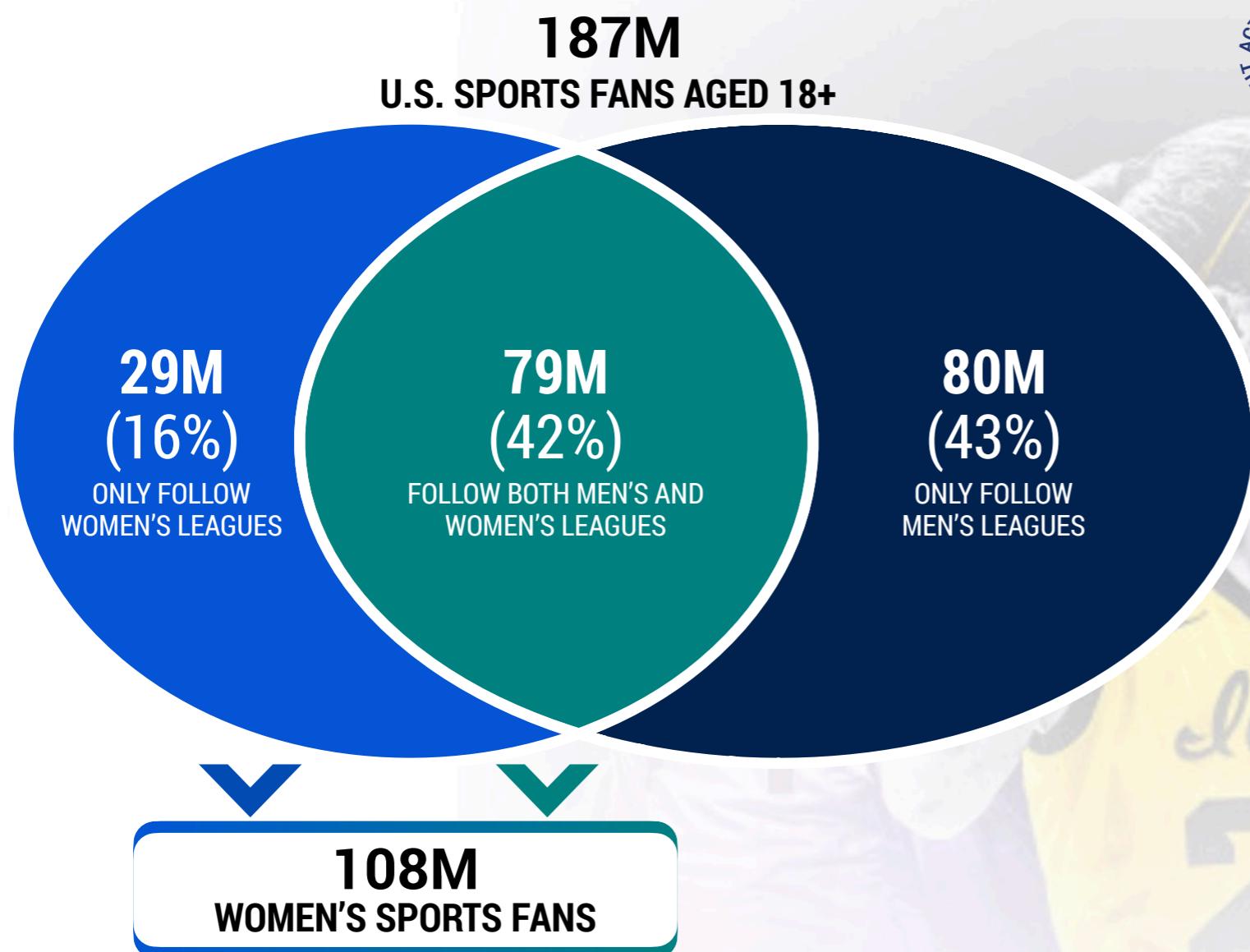
Private equity investments in sports teams are likely to increase

PRIVATE EQUITY INVESTMENTS IN SPORTS TEAMS ACROSS U.S. BIG 4 SPORTS LEAGUES

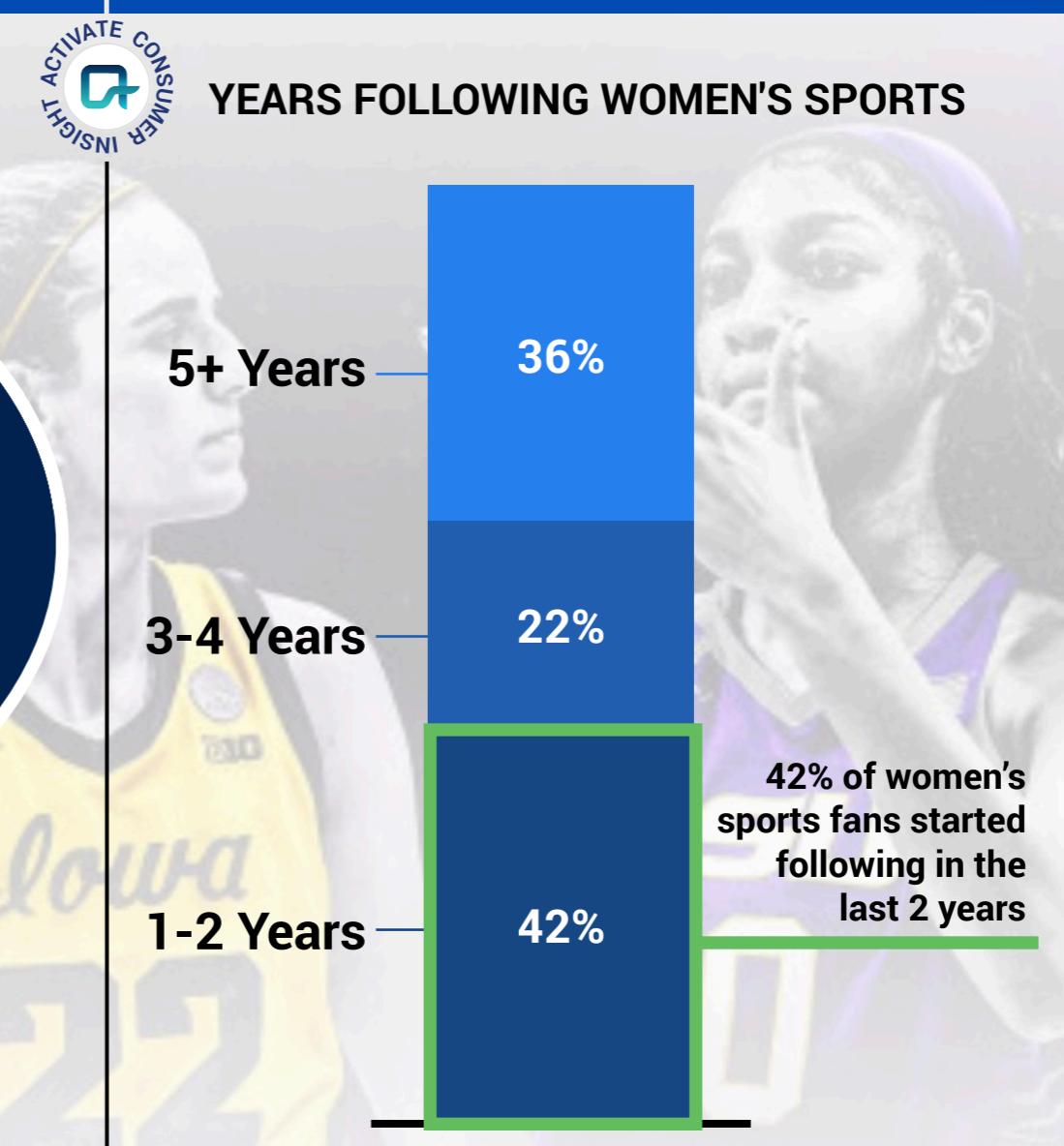
	<p>In August 2024, NFL owners approved allowing teams to sell up to 10% of equity to a group of eight pre-approved institutional investors:</p> <p>ARCTOS ØARES Blackstone CARLYLE CVC DYNASTY EQUITY LUDIS CAPITAL 6 SIXTH STREET™</p>				
	    		   		
					
					

After many years of investment, women's sports have exploded in popularity, reaching 108M U.S. fans in 2024, many of whom started following women's leagues in the last two years

DISTRIBUTION OF SPORTS FANS¹ BY VIEWERSHIP OF WOMEN'S SPORTS²,
U.S., 2024, MILLIONS SPORTS FANS¹



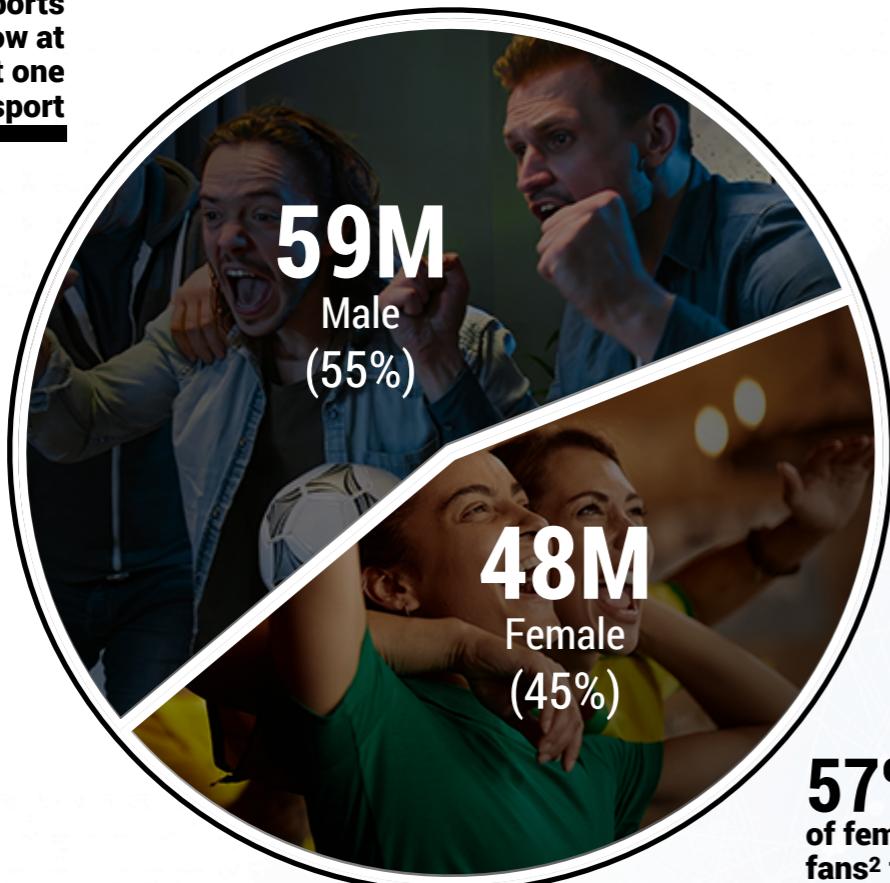
WOMEN'S SPORTS FANS¹ BY YEARS OF FANDOM,
U.S., 2024, % WOMEN'S SPORTS FANS¹



Women's sports have broad appeal across both men and women, and skew towards younger sports fans

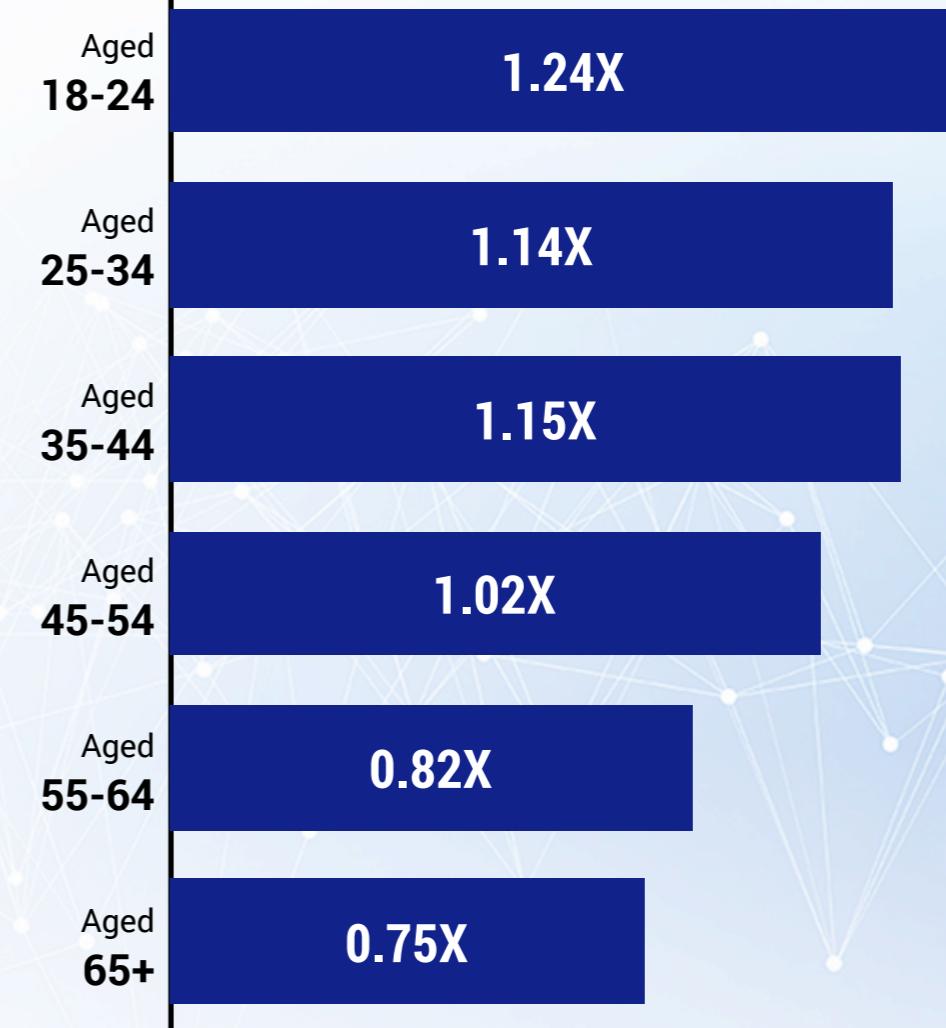
WOMEN'S SPORTS FANS BY GENDER^{1,2}, U.S., 2024,
% WOMEN'S SPORTS FANS²

58%
of male sports
fans² follow at
least one
women's sport

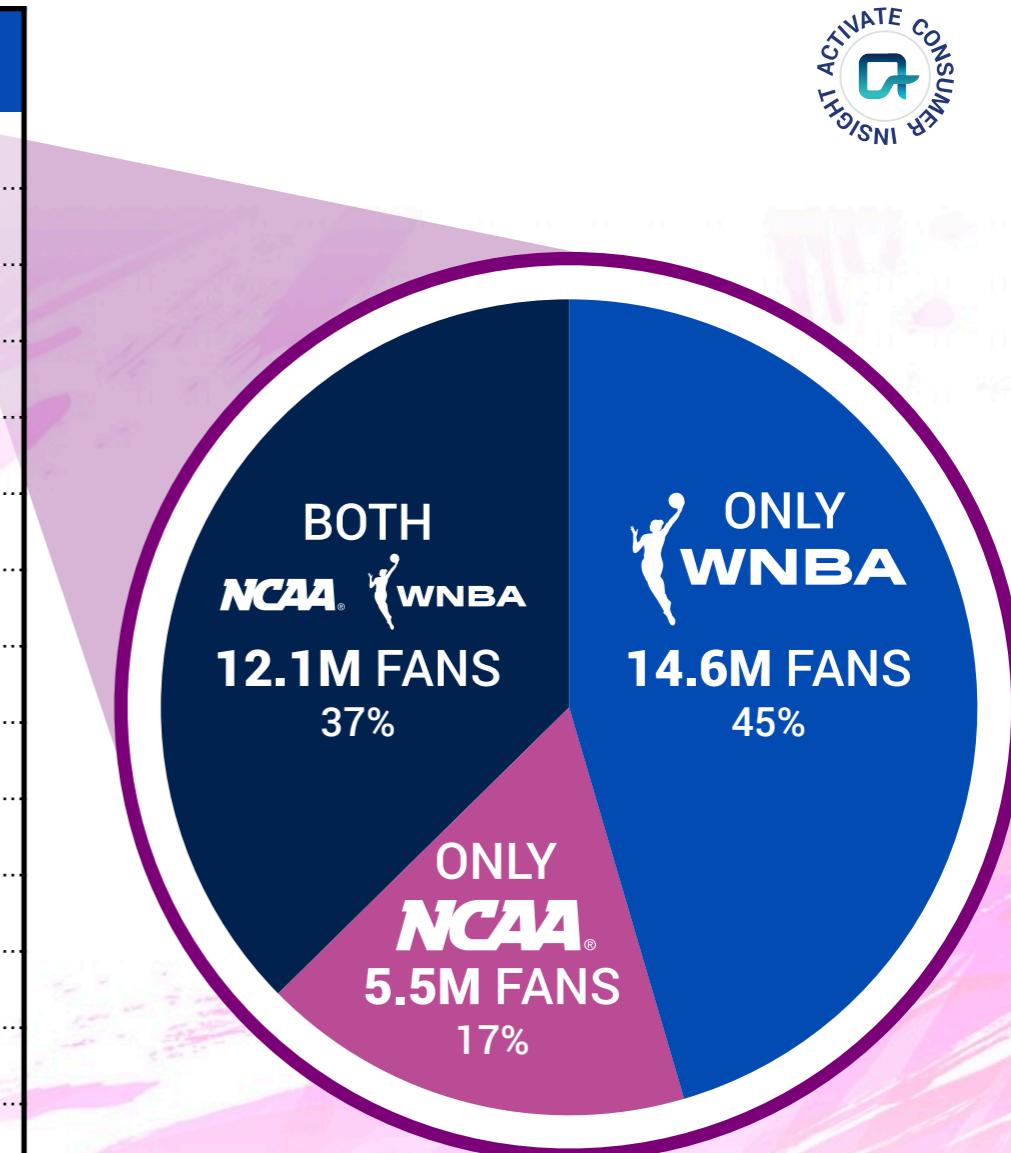
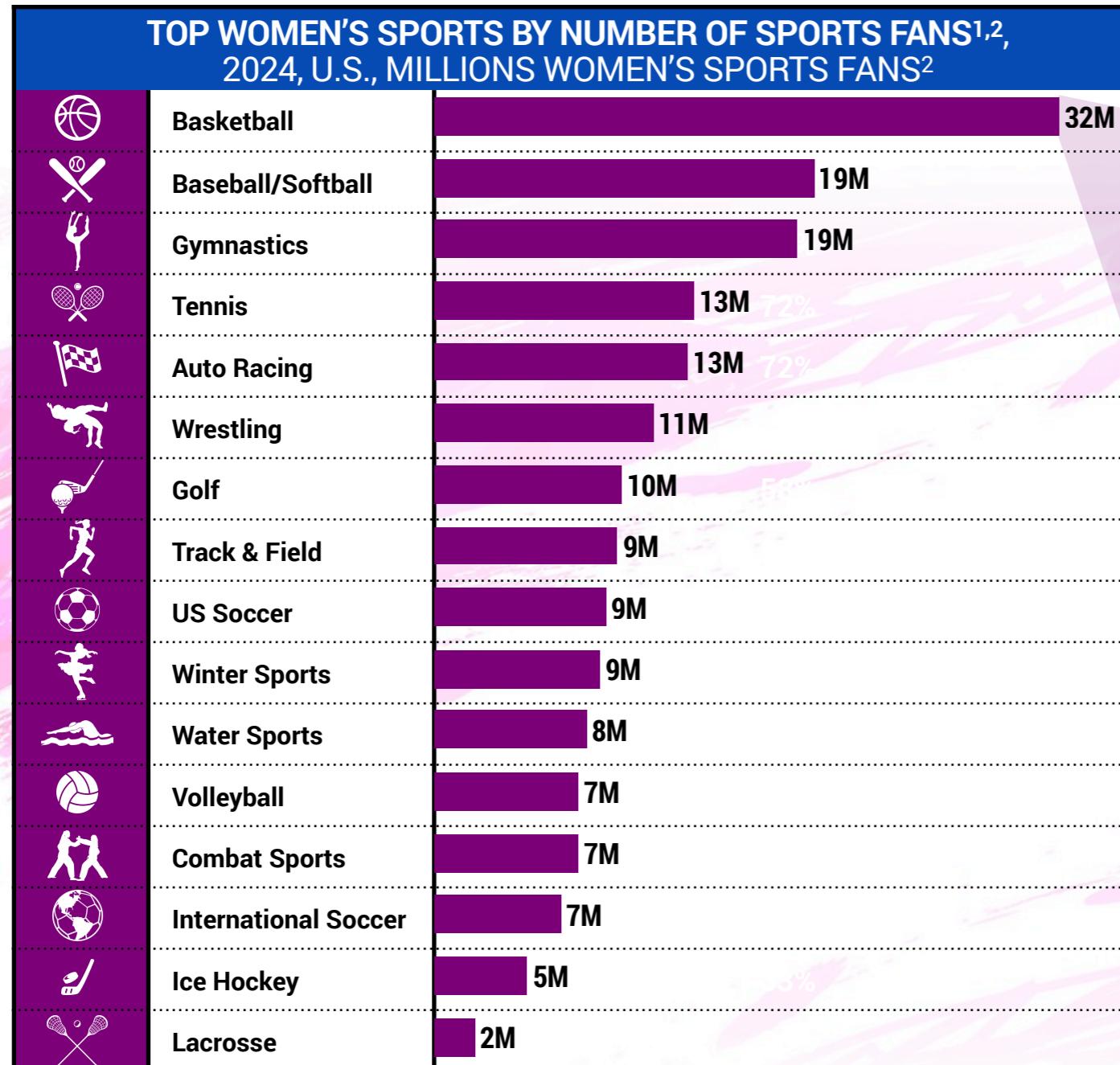


WOMEN'S SPORTS FANS² BY AGE GROUP, U.S., 2024, SPORTS
FANS² IN AGE GROUP INDEXED TO ALL SPORTS FANS²

**Younger fans are more likely to watch women's
sports than the average sports fan²...**



Basketball is the most popular women's sport, with over 30M fans across both the WNBA and the NCAA



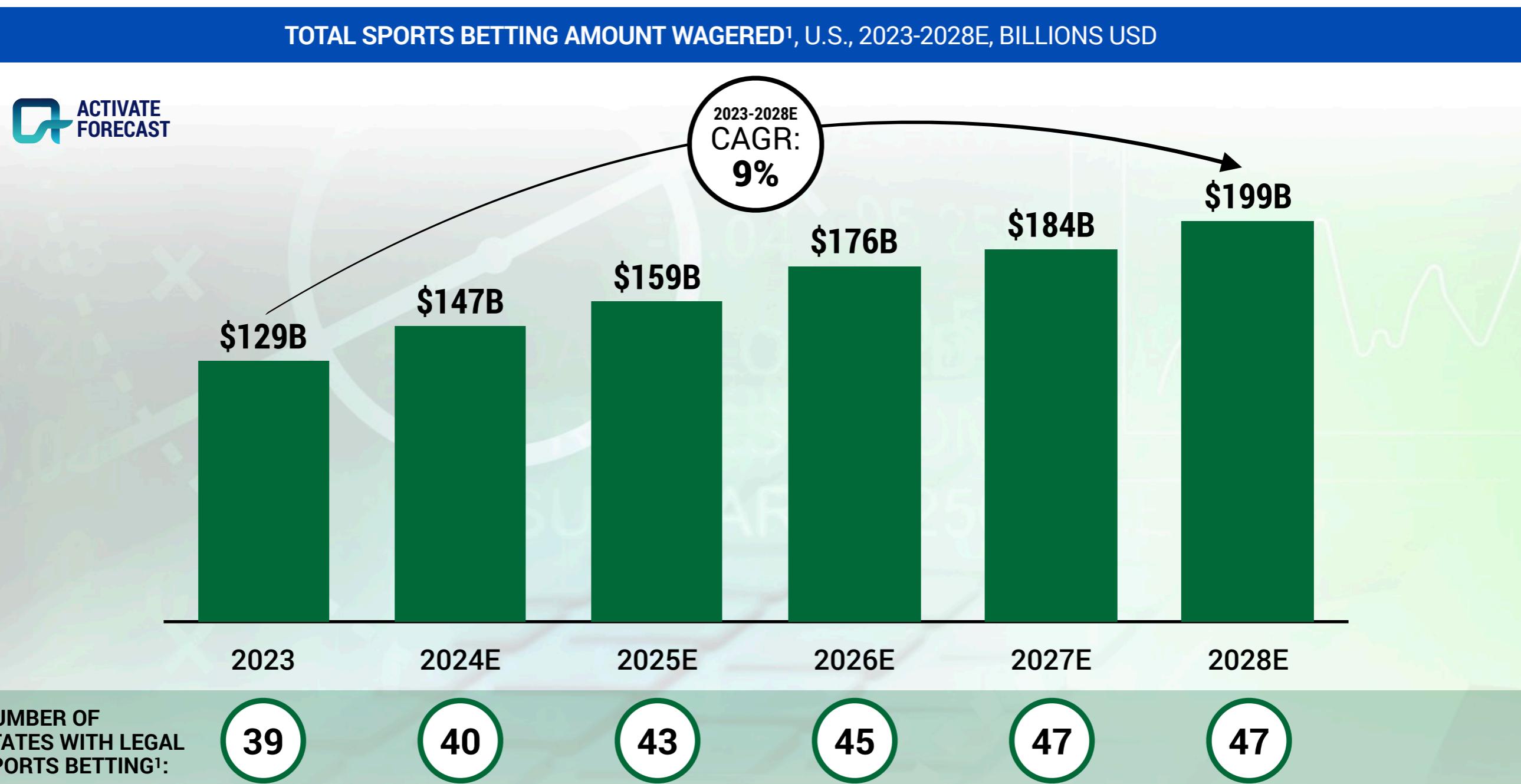
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The broad appeal of women's sports has led to significant investment in video rights, teams, and new leagues

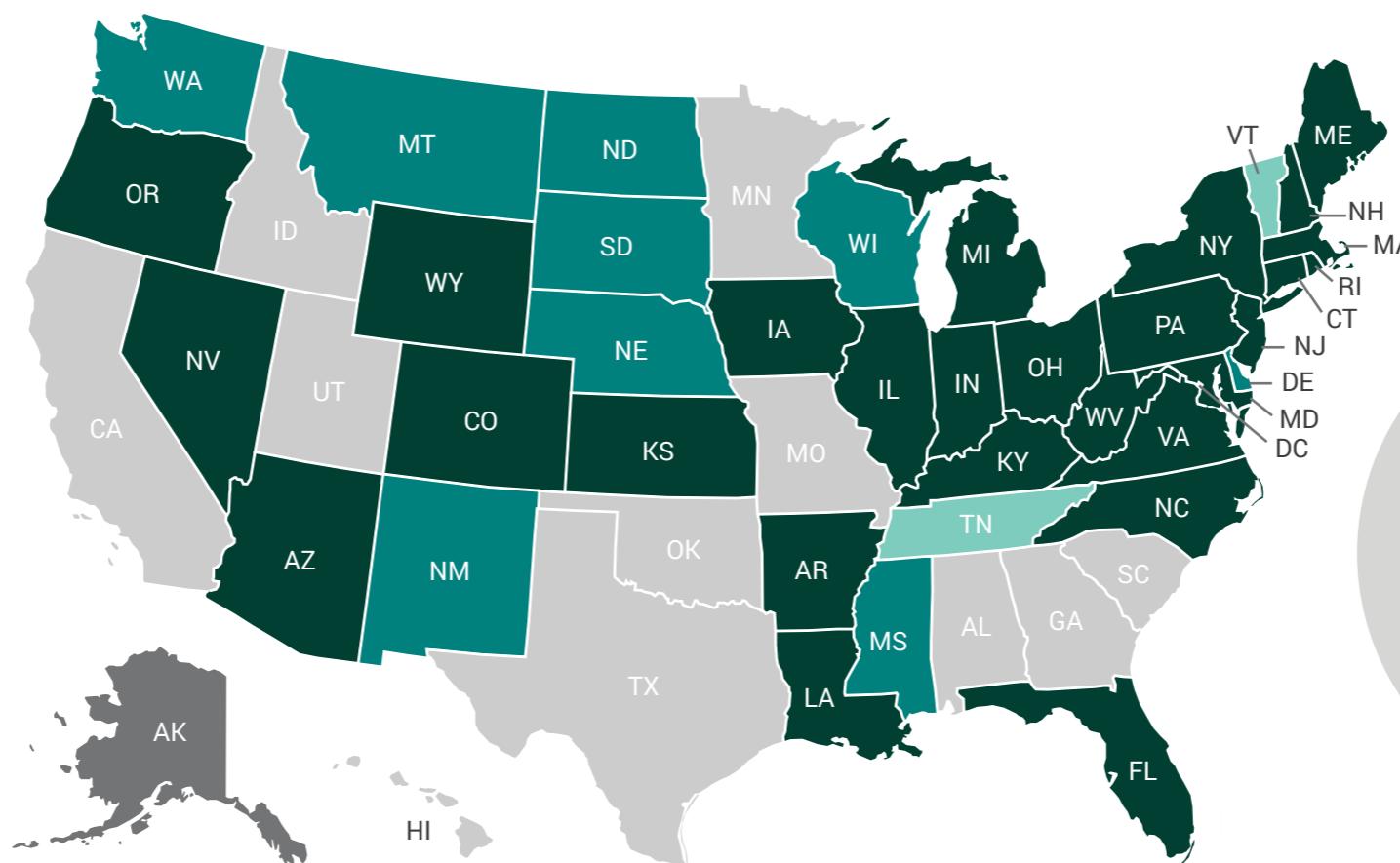
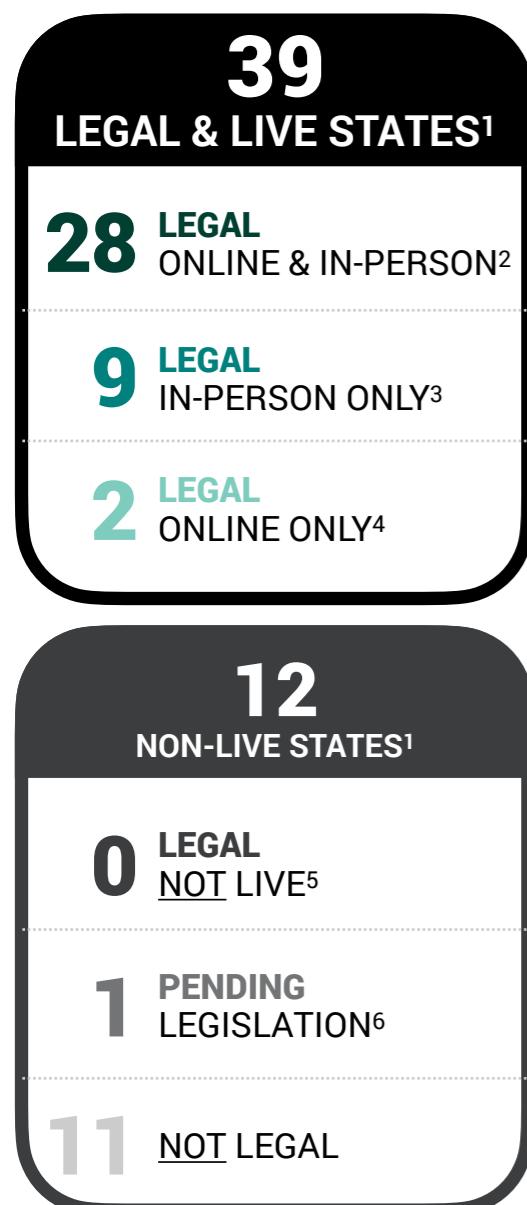
MAJOR NORTH AMERICAN INVESTMENTS AND LEAGUE EXPANSIONS/LAUNCHES IN WOMEN'S SPORTS

INVESTMENT TRENDS	KEY EVENTS & ANNOUNCEMENTS		
MEDIA RIGHTS INVESTMENTS	    <p>11-year, \$2.2B media rights deal announced in July 2024</p>	  <p>Multi-year agreement making Peacock the streaming provider for USL Super League matches announced in June 2024</p>	    <p>4-year, \$240M media rights deal announced in Nov. 2023</p>
TEAM ACQUISITIONS & EXPANSIONS	  <p>PORLAND EXPANSION</p> <p>Portland awarded league's 15th franchise in Sept. 2024; play to begin in 2026, following Golden State (2025) and Toronto (2026)</p>	  <p>MARC LASRY / NC COURAGE</p> <p>Majority stake acquisition in Sept. 2024, valuing club at \$108M</p>	  <p>WILLOW BAY / ANGEL CITY FC</p> <p>Majority stake acquisition in July 2024, valuing club at \$250M</p>
CREATION OF NEW LEAGUES	   <p>Inaugural season plans to be launched in 2025; investors include former athletes such as Alex Morgan, Carmelo Anthony, and Steve Nash</p>	 <p>LOVB</p> <p>Inaugural season plans to be launched in Jan. 2025; \$50M raised as of late 2023, and investors include Jayson Tatum and Billie Jean King</p>	 <p>MARK WALTER / PWHL</p> <p>Inaugural season launched in Jan. 2024; all six inaugural teams owned by Mark Walter</p>

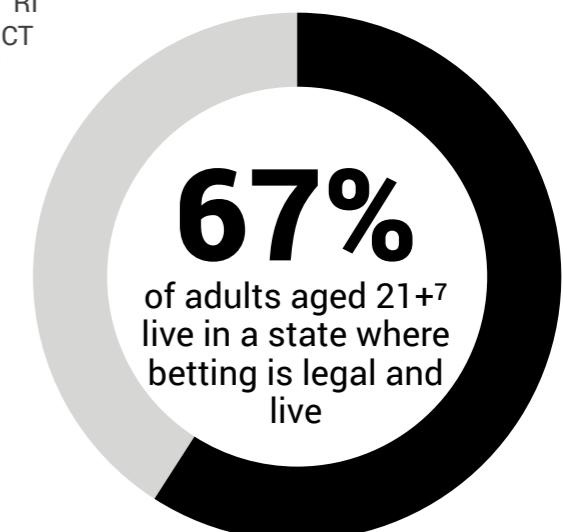
Sports betting will be a significant driver of sports fan engagement; we forecast that the total amount wagered in sports betting will reach ~\$200B by 2028



Today, sports betting is legal and live in 39 states, accounting for approximately two-thirds of the U.S. adult population

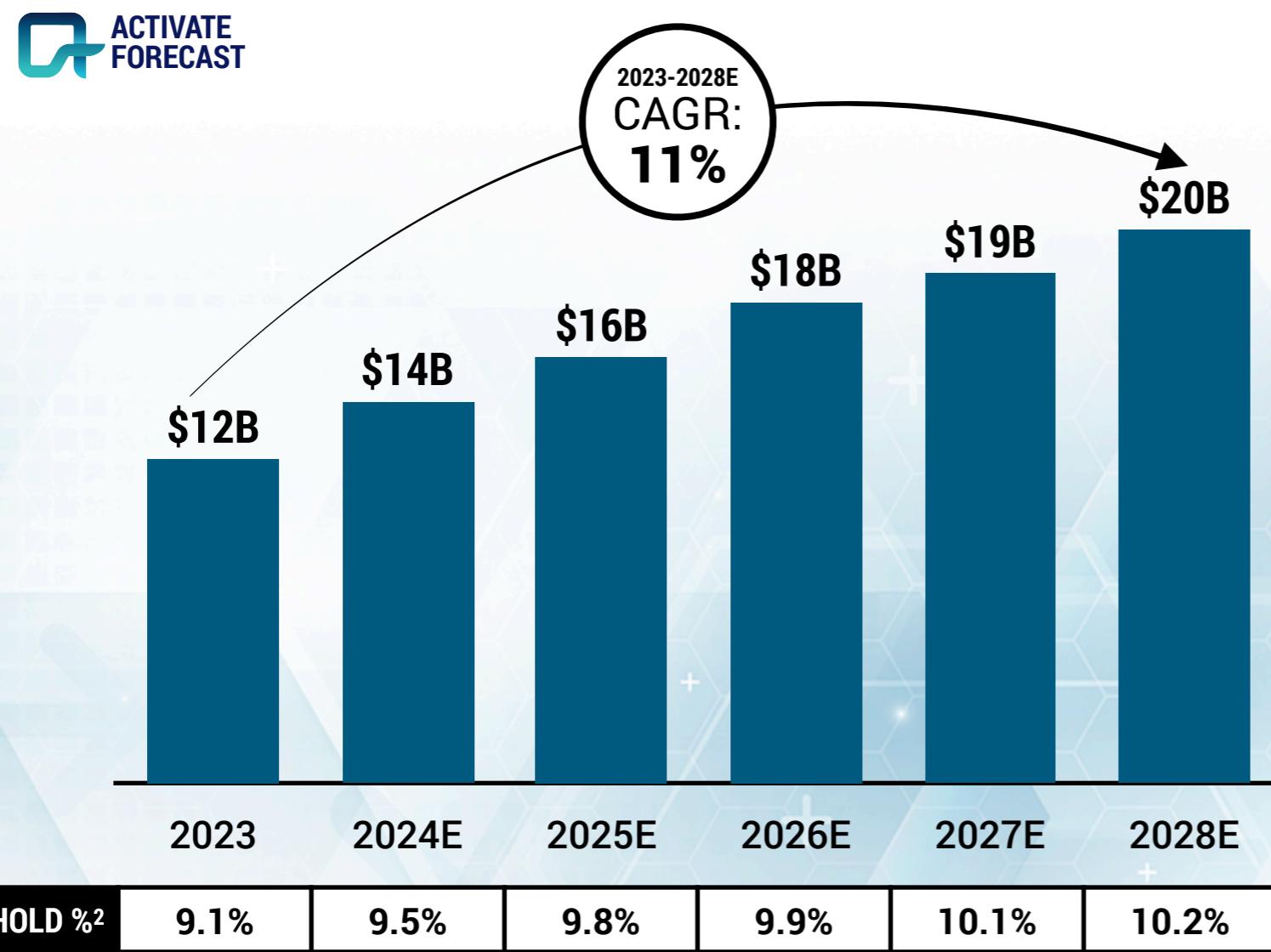
SPORTS BETTING MARKET LIVE STATES¹ BY CHANNEL, U.S., SEPT. 2024

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1. "Live states" are defined as states in which sports betting is legal and currently operational as of Sept. 2024. Includes Washington, D.C. as a state. 2. "Legal online & in-person" is defined as states where online sports betting and in-person sports betting is legal. 3. "Legal in-person only" is defined as states where sports betting is legal and live but permitted only within the physical boundaries of a retail-licensed sports betting operator or other geofenced location (e.g. sports venues, casinos, hotels, restaurants). 4. "Legal online only" is defined as states where sports betting is legal and live, but not permitted in-person; it is only legal online. 5. "Legal not live" is defined as states who have passed legislation legalizing sports betting, but, as of Sept. 2024, do not have any live operations to sports bet. 6. "Pending legislation" is defined as states that have active legislation to legalize sports betting. 7. 21 is the legal betting age in most states.
Sources: Activate analysis, Activate 2024 Consumer Technology & Media Research Study (n = 4,006), Legal Sports Report, State regulator sites

Sports betting operator revenue will exceed \$20B by 2028 and will grow faster than the amount wagered as operator margins continue to expand

GROSS GAMING REVENUE¹, U.S., 2023-2028E, BILLIONS USD

SPORTS BETTING REVENUE¹ GOES TO...

ONLINE SPORTSBOOKS  BETMGM  DRAFTKINGS  CAESARS. SPORTSBOOK  FANDUEL	CASINOS/RACETRACKS  CHURCHILL DOWNS  Sands  RESORTS  BELMONT PARK
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FACTORS CONTRIBUTING TO AN INCREASE IN HOLD PERCENTAGE²

- Promotion of same-game parlays on major online sportsbooks and continued development of high-margin betting products and markets*
- More accurate odds-setting due to increased sophistication of risk management solutions*
- Personalized betting experiences that tailor recommendations based on players' historical betting styles and activity*

1. Total handle less player winnings. Calculated as a share of the total amount wagered, dependent on odds, type of wager, and individual sportsbooks. 2. "Hold" is defined as the margin generated by the sportsbooks and calculated as the weighted average annualized hold percentage across all reporting jurisdictions.

Sources: Activate analysis, Legal Sports Report, The Lines, Nevada Gaming Control Board, SportsHandle, State regulator press releases, State regulator sites, U.K. Gambling Commission, The Wall Street Journal

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The Nielsen logo consists of a blue circle containing three white arrows pointing to the right.The Luminate logo consists of a blue circle containing the word "Luminate" in white, sans-serif font.The tubular logo consists of a blue circle containing a white icon of a video camera and the word "tubular" in white, sans-serif font.



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Outlook 2025

Thank you!

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