

Top US women's sports competitions show strong growth potential for broadcasting revenue

Star power is crucial to reaching the next level of rights revenue

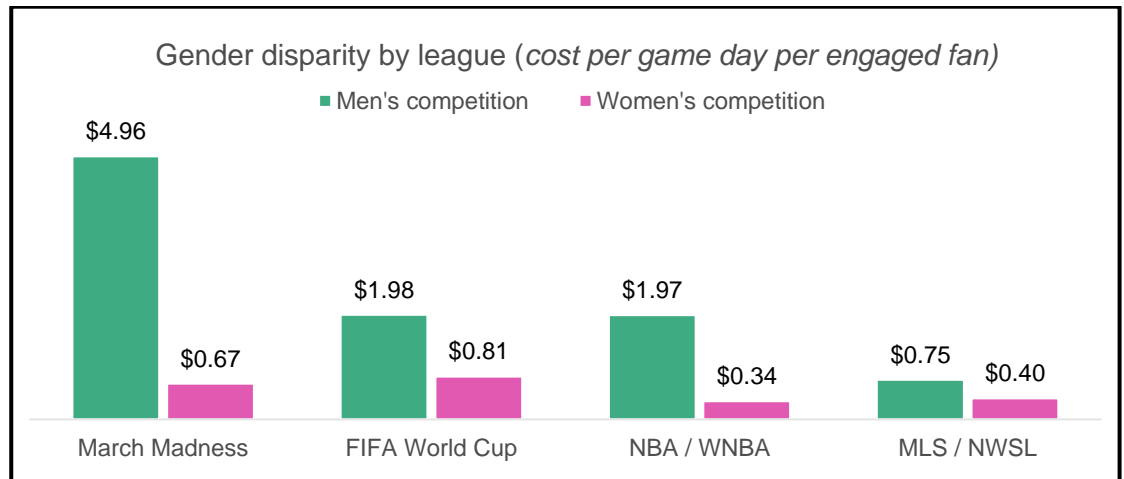
London, 4th September 2024: Key US women's sports have huge upside potential in rights value based on fan engagement relative to men's sport when pegged to current rights value, according to the latest research from Ampere Analysis. In a new report, Ampere has calculated the difference in media rights deals for women's and men's US sports competitions based on value per engaged fans per game day. The research uses fan engagement to value the untapped opportunity in the top four US women's leagues: NCAA's March Madness, the FIFA Women's World Cup, WNBA, and the National Women's Soccer League. Despite the potential to generate more media rights revenue, these competitions must sustain current fan growth through their long media rights cycles to fully capitalize on the demand for women's sports

The analysis: The following analysis accounts for the quantity of fans who watch live, and the number of total days with games included in each deal. Despite accounting for these two variables within each rights deal, disparity persists in the value placed on each competition, namely between men's and women's 'equivalent' competitions.

Valuing the disparity between men's and women's sports rights

- Analysis of the top US sports media rights deals shows that based on cost per game day per engaged fan*, the women's March Madness, the FIFA Women's World Cup, WNBA, and the National Women's Soccer League have achieved lower value versus the equivalent men's competitions**
- Specifically, March Madness has the highest disparity in cost per game day per engaged fan (\$4.96 for men vs. \$0.67 for women). Next are the NBA/WNBA (\$1.97 vs. \$0.34), the FIFA World Cup (\$1.98 vs. \$0.81), and the Major League Soccer (MLS)/National Women's Soccer League (NWSL) (\$0.75 vs. \$0.40)*
- If the women's March Madness competition was valued at the same cost per game day per engaged fan as the men's competition, the tournament would generate roughly 3.6 times current broadcasting revenue. While wider factors will influence the true value of the event, this figure nonetheless indicates significant upside in rights revenue in the next media cycle, enabled by growing interest in women's basketball

- The structure of rights bundles, where women’s events are packaged with other competitions’ rights, plus long US media rights cycles mean many key women’s competitions should be able to unlock higher revenue with shorter rights cycles; the current women’s March Madness deal runs until 2032.



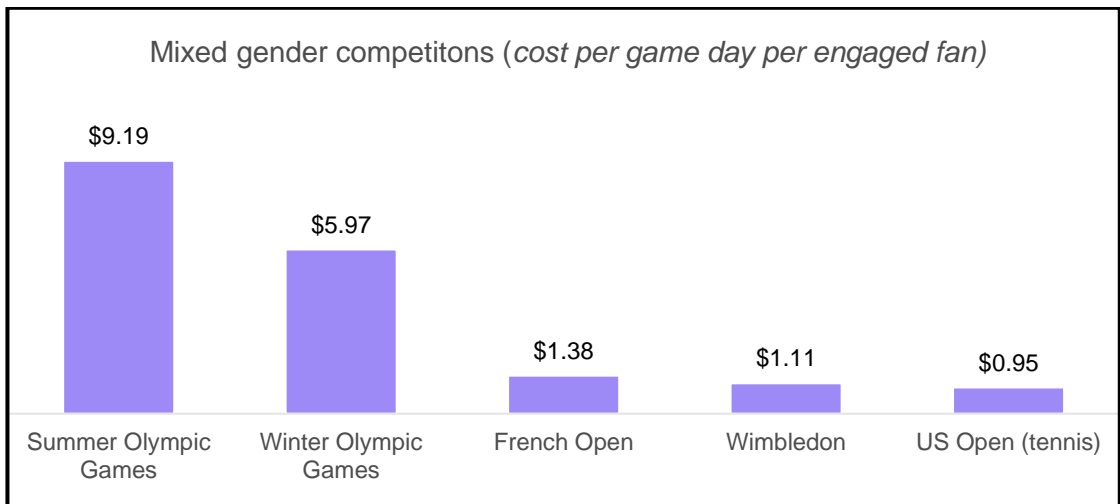
Unlocking the value

- Fans of a women’s competition are likely to also be fans of the men’s equivalent. Selling rights independently to bring more potential buyers into the mix could help women’s competitions generate higher rights fees
 - For a given sport, broadcasters without men’s rights may be willing to pay more for the women’s equivalent compared to broadcasters who do hold men’s rights, as the former would benefit from bringing in additional unique viewers i.e. fans of the given sport who are not already on their platform
 - By the same token, owning rights to both the men’s and women’s competitions gives a platform the ability to tap into an existing audience, potentially boosting engagement and driving ad revenue
- Should interest, engagement and support from advertisers for women’s sports continue to grow over time, shorter rights deals would allow the leagues in question to cash in on popularity. They would do this through earlier renewals and minimize the ‘lag effect’ of the media rights cycle as interest in women’s sport from both fans, advertisers and potential subscribers grows.
- Investment in women’s sports can enable further enhancement of the broadcasts and associated content, which will in turn help drive further traction. For example, the most recent NWSL deal (in which its annual rights revenue increased from \$1.5m to \$60m) promised a significant allocation of spend to increase the production quality of broadcasts

- Star power is crucial for the continued growth of female leagues. Popular, local athletes drive viewership. Women’s leagues must produce new stars like the WNBA’s Caitlin Clark to break through to the next level of rights revenue

The Olympic difference

- Mixed-gender competitions like tennis’ Wimbledon, The French and US Opens have achieved greater value than key women-only events on a cost per fan per game day basis, despite being short duration which limits monetization opportunities
- The exception is The Olympics. The latest US deal makes it the most valuable sport on a cost-per-fan per-game day basis.
- The Summer Olympics ranks by far the most expensive competition for cost per game day per engaged fan. The low number of competition days relative to leagues that span several months contributes to this high cost per game day per engaged fan
- However, the 329 events at the Paris Olympics provide ample opportunity for NBC to utilize its subscription video-on-demand platform Peacock and provide value in driving new subscribers to the service
- This high price tag for the Olympics was not without results: NBCUniversal reported 30.6 million average viewership for their primetime Olympics programming over the course of the competition.



Sam Nursall, Senior Analyst at Ampere Analysis says: “The numbers show that women’s sports have huge upside potential come the next round of rights deals and suggest there is currently a lag between interest and engagement with women’s sports and the buy-in from broadcasters. While multiple factors influence value, it’s clear that women’s sports have a growing loyal and engaged fan base, the value of which is likely

to become clear as broadcasters, advertisers and platforms witness the return on their current investments and contribute themselves to growing the profile of key women’s competitions.”

Ends

Notes to Editors

* Media rights revenue inputs for the NBA, MLB, NHL, WNBA and NWSL refer to national TV rights, and exclude deals with regional sports networks.

$$\begin{array}{c}
 \text{Yearly US media} \\
 \text{rights revenue (\$)}^1 \\
 \hline
 \left(\begin{array}{c} \text{Yearly \# of days with} \\ \text{games included in} \\ \text{media rights deal}^2 \end{array} \right) \left(\begin{array}{c} \text{Estimate \# of US fans} \\ \text{who watch all or most} \\ \text{of the competition live}^3 \end{array} \right) = \text{Cost per game day,} \\
 \text{per engaged fan}
 \end{array}$$

¹Ampere Sports – Media Rights
²Publicly available league/competition schedules
³Ampere Sports – Consumer

** Publicly available television ratings data has been used to corroborate the findings of the above methodology

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About Ampere Analysis

Founded in January 2015, Ampere Analysis is a new breed of media analyst firm. The company’s experienced team of sector-leading industry analysts specialises in sport, games, pay and multiscreen TV and next-generation content distribution. Our founders have more than 60 years combined experience of providing data, forecasts and consulting to the major film studios, telecoms and pay TV operators, technology companies, TV channel groups and investment banks. www.ampereanalysis.com