

May 6, 2022

ASIA PACIFIC SPORTS MEDIA REVENUES TO GROW AT 6% CAGR OVER 2021-26 TO REACH US\$9B

Key Highlights

- *Asia Pacific Sports revenues in TV and online video will grow at a combined 6% CAGR between 2021-26, rising from US\$6.7 bil. in 2021 to US\$8.9 bil. by 2026. After a 15% contraction during the pandemic in 2020, sports media revenues grew 30%-plus in 2021 and is projected to grow by 11% in 2022.*
- *Sports rights costs will grow 5.6% in 2022 to reach US\$6.5 bil. and at a CAGR of 4.0% between 2021-26 to reach US\$7.4 bil. by 2026. Football leads the sports rights market in APAC, driven by the Premier League.*
- *Rights for the 2022-2025 Premier League have fallen by ~25% to ~US\$1.4 bil. because of a substantial deterioration in China. Ex-China, Premier Rights values for Asia Pacific grew by 10% to US\$1.2 bil., driven by increases in Australia & New Zealand; Indonesia; Japan; Korea and Thailand with the role of OTT vital.*
- *Cricket dominates sports media rights spends in the India market with IPL as tentpole. Rights value continue to concentrate across the top 3 properties the IPL, ICC and BCCI, which are expected to experience a significant increase in future. Digital windows are expected to drive rights costs over the next five years.*
- *Sports media revenue growth and recovery in 2021-22 has been led by Australia, China, India, Korea, Indonesia and Thailand. Four markets – Australia, China, India and Japan – will contribute more than 82% to revenues in 2022, growing to 83% by 2026.*
- *In 2022, online video's share of APAC sports revenues will grow to 33% versus 28% in 2021, and is expected to reach 42% by 2026. Major market drivers of online video sports market share growth include Australia & New Zealand; China; India; Indonesia; Singapore; and Taiwan. TV will remain critical in India, Japan, Korea and Malaysia but its overall share of APAC sports revenues will fall from 72% in 2021 to 58% by 2026.*

(SINGAPORE, MAY 6, 2022) The market for sports rights and sports media revenues across Asia Pacific recovered in 2021 after the damaging impact of the Covid-19 pandemic in 2020 and is expected to grow at a sustainable rate over 2021-26, according to a new report published today by Media Partners Asia (MPA). The main driver will be consumer and advertiser demand for live sports across integrated streaming entertainment & sports platforms along with TV networks in key geographies.

The report, entitled **ASIA PACIFIC SPORTS MEDIA 2022**, tracks the growth trajectory of sports rights and TV & online video sports revenues across 14 markets in Asia Pacific. The market for sports across Asia Pacific crashed during 2020 with the impact of the Covid-19 pandemic. According to MPA, sports rights for the Asia Pacific contracted by ~US\$1.2 bil. in 2020 while sports media revenues fell by ~US\$0.9 bil. in the same year. Rights values crashed in China in 2020 while revenue contraction was marked in Australia and Japan. 2021 saw significant recovery in rights values and revenue, which MPA expects to continue in 2022, ensuring that rights values return to pre-pandemic levels, surpassing the absolute value of rights registered in 2018. In 2021, sports media revenue growth was especially significant in Australia, China, India, Japan, Korea and Southeast Asia, led by Indonesia and Thailand.

Commenting on the findings of the report, MPA executive director Vivek Couto said:

“Sports remains vital in Asia Pacific as a tactical weapon to build brand and market share and in certain instances, pricing power. However premium tier-1 rights generally remain loss leaders or breakeven bets, especially in the case of marquee football and cricket properties. TV platforms remain important for the value of sports rights and monetization but the growth of online video as well as tighter consumer & advertising wallets have squeezed growth in key Asia Pacific markets with many players impacted by cord cutting as customers continue to churn to: (1) Integrated entertainment and sports streaming platforms; (2) Pure play sports streaming platforms; and (3) Piracy. TV reach and revenues will however grow at a robust rate in large scale markets such as India, which emerged as the second-largest TV sports market through the pandemic, after Japan.

Meanwhile, the rapid growth of online video distribution has boosted sports rights and revenues through SVOD and freemium windows, especially in markets such as Australia, India, Indonesia and Korea. The economics of pure play sports streaming remains challenging; integrated entertainment and sports platforms remain on a stronger path while TV and streaming bundles will continue to play an important part in unlocking the value of sports.”

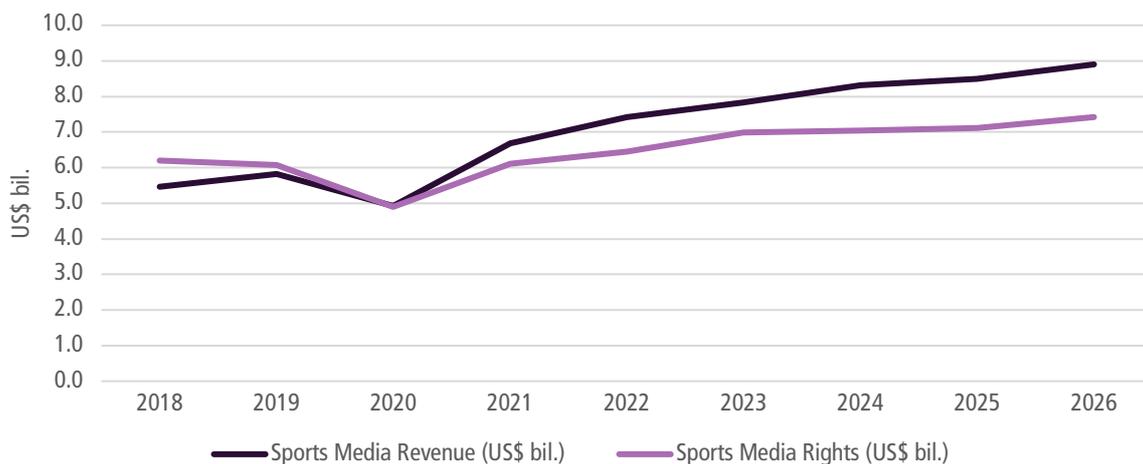
MPA projections indicate that Asia Pacific sports revenues in TV and online video will grow at a combined 5.9% CAGR between 2021-26, climbing from US\$6.7 bil. in 2021 to US\$8.9 bil. by 2026. Four markets – Australia, China, India and Japan – will contribute more than 82% to revenues in 2022, growing to 83% by 2026. In 2022, online video’s share of APAC sports revenues will grow to 33% in 2022 versus 28% in 2021, and is expected to reach 42% by 2026. Major market drivers of online video sports market share growth include Australia & New Zealand; China; India; Indonesia; Singapore; and Taiwan. TV will remain critical in India, Japan, Korea and Malaysia.

In the pan-regional sports broadcasting market, SpoTV, the Korean sports broadcaster owned by Eclat, has launched after the demise of the Fox Sports with a number of key properties across Greater Southeast Asia. Because of the break-up of Fox’s sports rights and the growth of local platforms (with Premier League rights in some instances), the pan regional sports media market has contracted, hitting a low in 2021 but growth has resumed in 2022, driven by beIN (which has retained some key properties post pandemic) and SpoTV.

Sports rights costs across Asia Pacific markets will grow 5.6% in 2022 to reach US\$6.5 bil. and at a CAGR of 4.0% between 2021-26 to reach US\$7.4 bil. by 2026. Four key markets dominate – Australia, China, India and Japan – and will contribute 77% to Asia Pacific sports rights investment in 2022, rising to 79% by 2026. Over the 2021-26 period, sports rights investment in India will grow at 10.1% CAGR, bolstered by demand for cricket properties, led by the Indian Premier League (IPL).

Football leads the sports rights market in APAC with the Premier League topping the list of individual properties. Rights for the 2022-2025 Premier League have fallen by ~25% to ~US\$1.4 bil. because of a substantial deterioration in China. Excluding China, Premier Rights values for Asia Pacific grew by 10% to US\$1.2 bil., driven by healthy increases in Australia & New Zealand, Indonesia, Japan, Korea and Thailand. In certain instances, 6-year right options were taken up, led by Optus Sport in Australia and StarHub in Singapore. Streaming was a key driver of inflation in markets such as Australia, Indonesia and Korea in particular.

APAC Sports Media Economics



Note: Analysis includes 14 Asia Pacific markets.

Source: Media Partners Asia

About Asia Pacific Sports Media 2022

This report tracks the growth trajectory of sports rights and TV & online video sports revenues & subscribers across 14 markets in Asia Pacific. The study includes historical data & projections with analysis of advertising revenues & subscription fees as well as rights costs over 2018-26. The report contains comprehensive analysis of key players & sports properties by geography with analysis of rights values across key Football, Cricket, Basketball, Baseball, Rugby, Tennis and other properties.

About Media Partners Asia (MPA)

Media Partners Asia (MPA) is the leading independent provider of research, advisory and consulting services across media, telecoms, sports and entertainment industries in the Asia Pacific and the Middle East. We provide advisory service with customized research and strategic recommendations to help clients launch new products & services, enter new markets, as well as acquire and sell businesses. MPA reports and services are used by local, regional, and global companies for strategic planning and equity & debt transactions. We also offer dedicated primary research through subsidiary AMPD Research to measure consumer behavior across the digital economy with deep insights focused on online video, connectivity, advertising and gaming. MPA also hosts the APOS Summit, the defining voice for the Asia Pacific media, telecoms, sports and entertainment industry.

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