Star India bags IPL media rights for $2.55bn

NEW DELHI - Broadcast giant Star India has won global media rights for the highly lucrative Indian Premier League, the most popular sports event in the cricket-mad country of 1.25 billion, with a record $2.55 billion bid.



AFP/File / Money Sharma

Rupert Murdoch's Star beat rival bidders including Sony, Facebook and Airtel to win both television and digital rights to the cricket tournament for five years from 2018.

The 20-over IPL format started in 2008 and has become a star-studded franchise which last year generated a staggering $380 million in revenue in a single eight-week season.

Sponsors and advertisers often plan product launches around major tournaments and pay top dollar to book advertising slots ahead of the matches.

"Sports is a catalyst to drive the rest of the network, as well as to get people to subscribe to digital offerings," Jehil Thakkar, partner at Deloitte India, told AFP.

"You own the consumer on whichever platform they are on -- mobile, tablets, tv, computers.

"They've paid more than double from the previous auction and that's quite a bold bet and a bet on the future."

Sony, which previously held the television rights, had paid the equivalent of $1.2 billion at today's values for a 10-year contract in 2008.

The IPL, which is broadcast around the world, is hugely popular for its mix of sport and showbiz, with a number of teams fronted by big Bollywood names.

Its huge success has inspired a range of sporting franchises including boxing, badminton and poker.

Experts said Star would use the IPL's popularity to drive viewers to other content, on different platforms including smartphones.

There are now more than 300 million smartphones in India and companies across sectors are looking for ways to target their users.

Announcing the deal on Monday, the chairman and chief executive of Star India Uday Shankar said it "reaffirms our commitment to serve cricket fans and make cricket even bigger than it is".

Source: AFP

For more, visit: https://www.bizcommunity.com