

US Sports technology market

October 13 2025

Interviewees

Kim Chua, Partner, OC&C Strategy Consultants

Ye Chen, Partner, OC&C Strategy Consultants



HOW IS THE MARKET CONCENTRATION EVOLVING? ARE WE SEEING CONSOLIDATION, OR A FRAGMENTED ECOSYSTEM OF STARTUPS AND NICHE PLAYERS?

Answer: The market remains fairly fragmented, with a wide mix of startups, scale-ups and a few emerging leaders beginning to capture greater market share. There is still significant white space and growth potential, allowing smaller and niche players to establish strong positions. A variety of technology vendors continue to enter the space, often targeting different tiers or segments of the sports ecosystem. Some consolidation is visible at the top end of the market, particularly among elite teams, professional leagues and established rights holders, where long-term partnerships are more common. However, as one moves into emerging or lower-tier sports, the landscape becomes increasingly fragmented, with numerous players offering specialized solutions. Overall, while selective concentration is occurring at the high end, the broader ecosystem continues to be diverse, dynamic and open to innovation.

WE CAME ACROSS SONY'S RECENT ACQUISITION OF STATSPORTS, A SPORTS WEARABLES & ANALYTICS FIRM. SO, ARE THESE LARGE DIVERSIFIED TECH PLAYERS (E.G. SONY, APPLE) INTEGRATING ACROSS THE VALUE CHAIN (HARDWARE, SOFTWARE, DATA)?

Answer: Sony Sports appears focused on expanding its presence in sports technology, as reflected in its growing portfolio and recent moves. Among other major digital players, strategies vary: some, such as Amazon, prefer working with third-party technology providers, while others, like Netflix, have traditionally built their own systems, though this may be evolving. Overall, the market shows a mix of integration and partnership approaches across the value chain.

HOW DO THE SMALLER PLAYERS DIFFERENTIATE FROM THE LARGE FIRMS?

Answer: Smaller players often differentiate by focusing on areas that larger firms overlook. While the premium end of the market is more established, there is growing demand for solutions at lower price points and with simpler, more user-friendly interfaces that appeal to consumer or prosumer users. Many startups succeed by offering greater flexibility, affordability and ease of use compared to complex tools designed for elite teams. Others focus on specific sports, regions, or community levels, recognizing that each has distinct technological needs. For example, video or AI tools may vary between indoor and outdoor sports. This focus on specialization and adaptability allows smaller firms to succeed in niche segments and compete effectively with larger incumbents.

ARE THERE ANY PARTICULAR SEGMENTS WITHIN SPORTS TECHNOLOGY THAT ARE CURRENTLY SEEING STRONG DEMAND IN THE US?

Answer: The youth sports segment is seeing particularly strong demand in the US. This includes areas such as team management, streaming and fan engagement platforms. The trend reflects a growing professionalization of lower-tier sports, with many adopting tools once used only by elite teams. High parental involvement and spending on youth athletics have also fueled growth, making youth sports one of the most active and fast-evolving areas in the market.

HOW HAS THE TECHNOLOGICAL LANDSCAPE WITHIN SPORTS TECHNOLOGY EVOLVED OVER THE RECENT YEARS? IN PARTICULAR, WHAT ROLE IS AI PLAYING?

Answer: Over the past few years, the sports technology landscape has evolved rapidly, driven by advances in cloud computing and AI. Cloud-based solutions have centralized and simplified workflows, improving how games are produced, transmitted and managed. AI has become a major catalyst, powering automated production and affordable broadcasting for lower-tier and youth sports, making live streaming far more accessible and cost-efficient. In performance analytics, AI enables teams to translate complex data into actionable insights that enhance athlete performance. These innovations have democratized access to technology, allowing smaller organizations to reach new audiences and create richer content. More broadly, technology is fueling the professionalization of sports, helping teams and rights holders optimize operations, monetize fan engagement and generate stronger returns on growing investment in the sector.

WHAT IS THE OVERALL MARKET OUTLOOK FOR THE SPORTS TECHNOLOGY INDUSTRY AND WHAT ARE THE KEY GROWTH DRIVERS AND HEADWINDS SHAPING ITS TRAJECTORY?

Answer: The overall outlook for the sports technology industry is positive, supported by steady growth across media, fan engagement and analytics. While precise US market sizing varies depending on definition, the broader sports ecosystem is expanding, driven by rising investment from media and streaming platforms seeking to enhance content quality and audience engagement. Key growth drivers include the increasing monetization of fan bases, the professionalization of sports operations and the international expansion of major US leagues, which are creating new demand for technology solutions. The appeal of sports as a content category remains strong and resilient. However, there are notable headwinds, including shifting consumer habits away from traditional TV, rising competition from other entertainment formats and challenges in maintaining fan engagement across fragmented digital platforms. Sustaining fandom among younger audiences will be especially important, as they are more drawn to athletes and personalities than to teams or leagues. In essence, continued innovation in fan engagement, analytics and content delivery will be crucial to capturing growth and countering these structural shifts.

HOW DOES THE US COMPARE TO EUROPE OR ASIA IN TERMS OF ADOPTION PACE AND INVESTMENT INTENSITY??

Answer: The US sports rights market has been more dynamic and faster-growing than in Europe, attracting greater investment from media and streaming companies competing for broadcasting rights. This influx of buyers has driven up demand and value for sports content, making the US market significantly more buoyant than its European counterpart.

WHAT ARE THE KEY DRIVERS OF PROFITABILITY?

Answer: Profitability in the sports technology sector depends mainly on revenue growth, driven by customer acquisition, pricing power and expansion into new markets or sports. It also reflects the financial strength and willingness to pay of customers relative to competition. Consolidation is emerging as a key lever to improve margins by increasing scale, reducing overlap and sharing resources across technologies. While cost control and product innovation remain important, the main driver of profitability is the ability to sustain strong and scalable revenue growth.

WHAT ARE THE BIGGEST BARRIERS TO SCALING SPORTS TECHNOLOGY SOLUTIONS ACROSS US LEAGUES AND FRANCHISES?

Answer: A key barrier to scaling sports technology in the US is its relationship-driven market, where adoption often relies on established networks. Each sport has unique needs, making it difficult to adapt one solution across leagues. As a result, many startups succeed in one sport but face challenges expanding into others due to differences in operations, culture and product fit.

ARE SWITCHING COSTS HIGH IN THE US SPORTS TECHNOLOGY INDUSTRY?

Answer: Switching costs in the US sports technology market are generally low, though they vary by product and level of system integration. Most teams can change providers relatively easily, except where solutions are deeply embedded in data or broadcast workflows. Relationships and trust often discourage switching, especially among elite teams, but the technical barriers themselves are limited. As a result, customer loyalty depends more on performance and reliability than on structural lock-in.