THE BEST OF — EPISODE 335

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On episode 335 of the Digital and Social Media Sports Podcast, Neil chatted with John Kosner, who ran digital media at ESPN from 2003 to 2017 and co-authored We're Live! Inside the BIG Business of Sports Media.

What follows is a collection of snippets from the podcast. To hear the full interview, check out the podcast on all platforms and at www.dsmsports.net.

From NBC Intern to Running ESPN Digital

“ I live in New York City. This is where I grew up. During the 1970s, as a teenager, I daydreamed about the kind of product that we eventually built at ESPN.com. That was a combination of live sports and really terrific editorial coverage, real-time data, interactivity, scores, highlights, et cetera. So I loved sports, and specifically sports on TV, from a very young age.

“I went to college for two years at Haverford College, a small Quaker school outside Philadelphia, and then I transferred to Stanford University, which is where I graduated. During college, I got an internship at NBC Sports, and I was essentially a glorified gofer. Made coffee, did errands, etc. But I was able to make contacts and volunteer on any number of things.

“At the end of the first summer, which was right before I started college, the person I was working for told me that I’d done a great job, and it was really a shame that they could only pay interns for one summer. So I volunteered to work for free, which I did every summer during college and every vacation. So by the time I got out of school, I had a lot of professional experience.

“My first job out of school was at CBS Sports. I was actually hired by somebody who I had interned for in my time at NBC. I’ve always been a huge NBA fan, and in 1987, I moved over to become the director of broadcasting at the NBA. I was there during the Dream Team era, which is a really important part of my career, and that was really fun to be part of.

“I went to work for a couple of years at Sports Illustrated, which started a television unit that was not successful, and I got fired from there. But luckily, David Stern, the late NBA commissioner, recommended me to Steve Bornstein, who was running ESPN. Steve hired me starting in early 1997 to work at ESPN. Two years later, I joined the internet group at ESPN, and from 2003 to 2017, I ran all digital media for ESPN, which was a super exciting job. We’ll talk more about that.

“I left ESPN in the summer of 2017, and I reunited with David Stern, the NBA commissioner, who had become a VC after he retired after 30 years of running the NBA, and we invested in a series of sports tech startups. One of which is WHOOP, the wearable. Another is WSC Sports, Overtime, LiveLike, ShotTracker, a bunch of different promising companies.

“And over the last several years, I have stayed doing that, as well as doing some consulting and doing some expert witness work on legal cases. And with my friend Ed Desser, who ran NBA media for 23 years, we write columns for the Sports Business Journal twice a quarter, and we’ve just published this book, We’re Live! Inside the BIG Business of Sports Media, which came out October 1st and is the only book out there that is really in detail about how this industry operates.”

Pyramid Theory and the Rise of Data

“So I grew up in a journalist household. My dad was the editor-in-chief at Newsweek magazine during Watergate, and later was the editor and publisher of New York magazine and the editor-in-chief of the New York Daily News during 9/11. So I grew up in a household with a journalist, and we used to talk about pyramid theory. The idea was that you wanted to focus on what was the most important thing going on.

“I felt since the early days that in sports, it’s about live. It’s about real-time information. It’s about trying to focus on what really matters now. So it’s not a bad organizing principle. When you think to yourself, okay, if I go on a sports website, if I open a newspaper or magazine, if I listen to a podcast, are they getting to the point? Are they talking about what it is that you care about?

“There was very limited data and information, certainly on a real-time basis, when I started my career. But as I got into it, especially being at ESPN.com, there was more and more information available. Those systems got better and better.

“So one anecdote. I think this is approximately 2012. It’s the opening Saturday of the NBA playoffs, and LeBron James is in Miami with that super team, and they’re playing the Knicks in Miami. The Knicks have Carmelo Anthony. The game is on ABC, 3:30 Eastern time. And if you went to the home page, we had a big photograph of LeBron and Carmelo with a big play button in the middle. I thought it was a terrific home page treatment. We had that game.

“At halftime, I get a call from a fellow named Anthony Mormile, who was in charge of ESPN Mobile and was the person really overseeing our home page. And he asked me what I thought of our home page, and I said it was great. And he said, well, I just want to share something with you. He said, if you look at the data, there’s three times the audience coming in and clicking on day three of the NFL Draft, which is buried on the home page, versus the lead story, which is this game one of the NBA playoffs.

“And we then theorized, okay, what could we do to address that? And so we wound up creating what we called a twin top headline scenario, where on the top of the home page, it said continuing coverage of day three of the NFL Draft. And the reason I bring up the example is once data was available, and you had smart people like Anthony poring over it all day long, you could make better decisions. And it certainly informed which way we went.

“Today, most sports talk shows on channels like ESPN and Fox are programmed by Twitter, which is informed by the day-to-day and minute-by-minute comments of fans. So there’s much more data that enables you to make some more accurate assessments. But I still think you need to start with a point of view about what matters to the audience, what you’re uniquely suited to do, and go from there.”

Metrics Versus Mission

“I think you have to decide what it is that you’re about and what you’re trying to accomplish. One of my favorite media properties is The Economist, which is a really serious news magazine, similar to Newsweek, where my dad worked, which I grew up with. And they take pride in really exacting journalism, very well edited and thought through and opinionated.

“To me, even though ESPN was running a lot of pieces on Tim Tebow at the time, I thought that was a mistake. As you said, he was a middling NFL quarterback. Just because there’s a lot of interest in something doesn’t necessarily make it the most compelling media property, because everybody can kind of get behind it. We saw the same thing with the Ball brothers and their dad, you know, that came in. So it’s really different based upon what your goals are.

“But one thing that’s been true in sports TV for as long as I’ve been in it, and a key influence for me was Roone Arledge, who was a legendary executive producer at ABC Sports and then head of ABC News, is it really is about star performers. So when I was at the NBA and you saw the ascension of Michael Jordan, it wasn’t a surprise that he was on NBC as frequently as we would program him on NBC. It wasn’t a surprise when there was all this attention around Tiger Woods, who just became a dynamic presence within golf. So it’s always been about star performers, and there’s a lot of interest in that.

“But each individual editor, he or she, can really make their determination, and the goals vary based upon property. I felt very strongly that ESPN could win by being synonymous with sports. Not necessarily synonymous with the sports that ESPN was covering.

“So when I was at the network, I ran digital media, but you had other leadership for television. And if you went to ESPN’s website, and it was a day like today where the World Series is starting, we would tell you that the World Series was on Fox. But if you watched SportsCenter, they would tell you that the game was available on ESPN Radio. That was their prerogative. I thought it was better to tell fans what it is I thought they were coming and looking for, which is, where can I find the game?

“So it is kind of an individual thing. There’s not a one-size-fits-all. But having an approach, a philosophy, you know, a story about who you are, makes it easier for fans to understand what they’re getting and, if they like it, to stay behind you.”

Don’t People Have a Back Button?

“One of the early moments at ESPN.com: John Skipper, who was my boss for a long time, was running the website after I joined. And I remember we made a deal, a content deal, with a small company called AND1, which was doing basketball videos. And the deal involved us sending our ample traffic over to AND1 so that people could watch their videos. And there was a big protest among some old-timers on the site: we don’t send people to other sites. And I remember John Skipper said, well, don’t people have a back button? The idea being that if they liked what we were doing and we sent them to AND1, they could click back. And I thought that was wise.”

One Voice, Different Content Across Platforms

“I felt very strongly, and there was a real difference of opinion about this at ESPN, I felt very strongly that your voice should be similar wherever people encounter you. The nature of the programming can be different on TikTok and Instagram and Snapchat. You really have to embrace vertical video. You have to embrace shorter formats.

“But we would have debates for a long time about what the ESPN voice should be on social media, and how it should be different from the voice that was on the website, and I disagreed with it. I didn’t mean that it literally had to be identical, but frequently we would go through periods of time where marketing executives would want a voice that sounded like a teenage kid on social media channels, because that’s who the audience was. But to me, it made ESPN seem silly and less authoritative.

“Again, these are subjective things. So my point of view is similar voice, different types of content. And then you have to see what’s resonating with people.”

From Scarcity to Abundance: Serving Every Kind of Fan

“Well, one of the themes of our book is how we went from an era of media scarcity when I was growing up: three broadcast networks, then Fox came along, then you had cable TV with channels like ESPN and FS1. And then, of course, we get to the internet, mobile, social media, and today’s world, where you have this world of abundance, this proliferation of choices.

“So to me, it has evolved. If you’re a league, and you’re essentially a media company, you are wise to try to serve all these different audiences, and they’re different, as you said. One of the reasons that fans might prefer to follow the NBA on Instagram or TikTok or YouTube is because that’s now possible. You’re still most valuable to a league if you’re watching full-length games, if you’re attending games, if you’re buying merchandise. So one way to think about it is trying to take fans who start at one level and get them interested progressively in more. You can do that through storytelling and promotion.

“Here in New York City, we had this amazing summer where the Knicks won their first championship in 53 years. There was an unbelievable civic interest in it, and virtually everybody was watching full-length games, including at viewing parties. Then we had the World Cup final here, and then we had the US Open tennis championship. So sports, I think, is actually growing in significance and popularity, and the top properties, I believe, have a sense of trying to flow interest and audience to become more engaged and more involved. Some people you’re just not going to reach, but it’s still better to have them checking out the highlights and the soap opera, etc. If you’re interested in Angel Reese, then the WNBA has to convince you that you want to watch game four of the WNBA Finals. That’s their challenge.”

Where the Business Model Goes Next

“Well, it’s not monolithic, right? Sports has never been more popular. Meanwhile, artificial intelligence is increasingly commoditizing entertainment content. When I worked at the NBA, we couldn’t schedule games on Thursday nights because of Must See TV. But that doesn’t exist anymore. We couldn’t schedule games at 7:00 on Sunday night because of 60 Minutes. It doesn’t have the same significance anymore. So these things are going to continue to evolve and change.

“And there are lots of digital products that I pay for now that seem like I would never pay for them. I pay for cloud storage, I pay for any number of different types of subscriptions. And so it’s possible that an NBA highlight product on Instagram at some point might come with a price, or maybe we get tiered. FIFA during the World Cup had a whole creator program with Instagram and TikTok and YouTube, you know, with unique access. So you’re going to see some tiering of these offerings, and you’re going to have to come up with more creative solutions.

“Meanwhile, people are very unhappy about the cost to attend top games, but those also reflect the level of interest that’s there now.”

Reach Versus Revenue for Emerging Leagues

“I think reach, however you do it, is really critical. You’ve got to get people aware of and interested in what you’re doing. You have to get into storytelling so people have a reason to watch. Understand who your star performers are. And where you start off is not necessarily where you end.

“So it could be that for the NLL, it was great to be streaming on ESPN, but it’s a better financial deal on Flo, and then they’re going to have to market to their audience about where they are. You’re going to have increasing challenges, but through search and AI, etc., almost anything is findable now. It’s going to get less and less expensive to actually produce and distribute sports content.

“So there’s not one right answer. I do believe, though, that you have to market your product. You have to expose it, so that argues for reach, and it argues for storytelling.”

Athletes, Leagues and Going Direct

“Well, some of this is the quality with which you sort of build your own media channel and present yourself. Some athletes are better at it than others, and they have a real following and a real engagement level. Leagues and athletes need each other, both in order to stage the games and in order to promote them. So I suspect that some of these things are going to become part of future collective bargaining discussions, and discussions that star players have with commissioners and with their agents.

“The best and smartest leagues and athletes, though, understand the importance of trying to build something in a competitive environment where, I would argue, the other team or the league isn’t your enemy. It’s everything else that everybody can do. And so you have to focus on trying to maintain the health of the enterprise. It may or may not be something that athlete is particularly interested in, promoting the telecast where he or she is going to play. But guess what? It’s in the general interest and health of the entire enterprise to get more people watching that, or caring about the particular athlete, than any number of other things that people can do.

“So it’s certainly a big change. It used to be that athletes needed the media, needed TV, needed newspapers or magazines in order to get the word out. They don’t anymore. They can go direct, and they can go direct in a variety of different formats. That’s brand new. But the execution of the different athletes varies, and careers are short. So I would argue the smartest people on both sides here are going to try to find ways to work together and to build a bigger enterprise, as opposed to, I’m going to take my ball with me and I’m just going to focus on what I want to focus on.”

Owned and Operated Versus Social

“It’s really hard. And again, there’s not a one-size-fits-all. When I was with ESPN, we had a powerful enterprise with real budget behind us. So we could create terrific owned and operated channels while, simultaneously, as social media got going, I was intent that we were not going to be outflanked by anybody. So we invested resources to have a real presence on Facebook and then Instagram, TikTok, Snapchat, YouTube, etc.

“But those are platforms you don’t own. Those are platforms that can change the rules at any time. Those are platforms that control the commercial experience. So they’re critical in terms of visibility and promotion, but they’re not nearly the same in terms of the business opportunity. In certain cases, there is no business opportunity. You know, the difference for creators between, say, being on YouTube and being on Instagram and TikTok is kind of stark.

“If you’re a smaller enterprise, though, you may have no choice but to try to break out on different third-party social channels. That’s what Overtime did. Overtime has their own O&Os, but they don’t get nearly the scale of what they achieve elsewhere. So you have to sort of decide what is right for you.

“It’s always great to have an owned asset because, as David Stern would say, those are one-dollar dollars, not 50-cent dollars. But increasingly, it’s hard to reach everybody in one location anyway. So you have a different audience on Twitch, you have a different audience on TikTok, you have a different audience coming to you directly, you have a different audience on YouTube. You have to sort of try to understand where your key audience is, try to harness that asset, and try to utilize your resources and budget as best you can. It is much more complicated and much more difficult than what I faced when it all got going 10 to 15 years ago.”

The Alt Cast Opportunity

“I’m a big fan of alt casts. I think we’re just getting started with that. To me, it makes no sense to pay increasingly high sums of money to only have one approach for that broadcast. The bigger the game, the more strongly I feel about it. So we’re in the early innings here.

“I’ll give you an example. To me, it’s crazy that when you watch NFL games every Sunday, and let’s say your team is a losing team, you’re getting the fourth or fifth announcer group from Fox or CBS on your Sunday afternoon game. Those announcers, by definition, know much less about the home team than the home team radio announcers do. And to not have that home option in 2026 seems crazy. I do think that we will get there.

“The beauty of the alt cast opportunity is you can do different talent. You can do different approaches. There are so many things that are possible. And if it’s a popular event, even if the alt cast reaches a small audience, it tends to be incremental, and when you add those little increments up, they’re more valuable than doing something else with the time. Especially in the case of streaming, where you don’t have limited bandwidth. You can do as much of this as you want.

“One thing that I think is not particularly well understood is the psychology for the team that’s doing the main broadcast. Let’s say it’s Joe Buck and Troy Aikman and their team at ESPN. No matter what anybody says, they’re not truly incentivized to be aggressively promoting all of these other choices, because it’s human nature that you want as many people watching your game as possible. So I don’t know that the networks have solved that issue of motivations.”

“I don’t think they’ve solved those incentives yet, but I think voice, choice, announcers, different ways of watching a game, that is only going to increase, and it’s going to be reflected in the increasing rights that people are paying for the top events.”

What Separates a Must-Have Startup

“In terms of startups, sports is a cottage industry, and it’s all about people and relationships. Technology startups and sports, just as one example, it’s not that different. It really is very much based upon who the founder or co-founders are. Virtually every successful company I have seen winds up doing something different than what they originally set out to do, and the only way you can achieve that is to have really good leadership, where you can make a change midstream, and where you have the leadership to be able to take your little team and shepherd them into the new direction.

“The best startups that I’ve seen are very thoughtful about the amount of money they raise, i.e., not much, and having specific goals for the money they raise, and then going out and raising more at a higher valuation, but again, not more than what they need to raise.

“What’s made it intriguing for me, just in my career, is having worked in a place like ESPN and having seen what technology can help achieve. I had a really good sense, when I would see startups, of those that had something really valuable that somebody might want versus something that was nice to have.

“One example is there’s a terrific Israeli video highlights company called WSC Sports. David Stern found them originally. The NBA was their first big client. WSC has revolutionized the creation and distribution of sports video highlights. Having worked at ESPN, where sports highlights are so central to the success of the enterprise, SportsCenter, ESPN.com, etc., I knew that once they saw what WSC could do, that would be a terrific relationship. And now ESPN is WSC’s biggest client. So smart investors and advisors can connect the right company with the right client.

“The one other thing I’d add is, David Stern, who operated at a very high level, used to complain to me that we would set up these terrific meetings for these startups and nothing would happen. And he was very frustrated by that, because we had what appeared to be the right people in the room to make something happen. But again, it comes down to incentives and motivation. If you’re a startup, you have to find the person in the bigger organization, the buyer, who’s really excited and wants to use your product. It’s very easy to say, this is great, terrific meeting, can’t wait for the next meeting. And then nothing happens. The way to break through is to try to find what I would call the coalition of the willing: the people who really are enthusiastic about the technology at the client and can help make a deal happen and then shepherd it once it’s happened.”

Most Memorable Project From the NBA

“The most memorable project was taking the NBA from CBS Sports to NBC Sports. The deal happened in November 1989 and changed everything for the NBA. This brought in prime-time coverage, NBA Inside Stuff, Marv Albert and Bob Costas, Roundball Rock.

“And it coincided with the ascension of Michael Jordan. So that was as memorable a project as I ever was involved with, and I believe it played a direct role in the NBA that you see today…”

What Sticks With Him From David Stern

“David Stern was uniquely intellectually curious. He was interested in everything. He was tireless. He could be tyrannical, and it could be very difficult and challenging. But he was somebody who was really a student of the game and was thinking about any number of things well in advance of others. And as influential as he was in the development of sports media, this is a guy who did the NBA drug policy, the collective bargaining agreement, developed a licensed merchandise business, special events, became an expert in arenas, changed international distribution. So with everything else, the thing that struck me about David was just how intellectually curious and interested he was. He was a spectacular leader.”

Most Memorable ESPN Talent

“In my career there, it was Bill Simmons, who really revolutionized sports writing and podcasting and started Grantland. And really, when people think about this era and the sports internet and influential voices, I think Bill is unique.”

The Original Thesis Behind Grantland

“John Walsh, who was the editorial leader for a long time at ESPN and a guy who really revolutionized SportsCenter, was probably the executive who I think was closely identified with identifying Bill, who at the time originally was the Boston Sports Guy. And John brought Bill in to write on ESPN.com in a section called Page 2. Page 2 included Ralph Wiley and Hunter Thompson and David Halberstam, and it was really a unique place for terrific sports writing as we got the site going.

“But as time passed, and as I became in charge of ESPN.com, to me it was clear that it was really Bill Simmons, not Page 2. And as Bill’s career progressed, he wanted to do more. He had a broader vision. So there was a whole discussion about having Bill do his own site, and that became Grantland. It became a site within a site. There was some unhappiness with me because I essentially denuded the resources and attention of Page 2 to help make Grantland happen.

“But I think Grantland was a tremendous aesthetic success for a sports website. And Bill brought in other terrific writers, including Bill Barnwell and Zach Lowe. He pioneered coverage of sports as part of pop culture, any number of terrific things.

“Ultimately, there were disagreements about the direction of what was going to happen with Bill at ESPN: misfires on television, dissatisfaction with our ability to sell advertising against Grantland and podcasts. And ultimately, and sadly, Bill left ESPN. I told people at the time it was subtraction by subtraction. We weren’t going to be better losing Bill. Bill has gone on, he created The Ringer. He had a big deal with Spotify, so he’s done fine. It’s sad to me that Grantland only existed for a period of time and had its run. But it was terrific when it was going.”

Key Lesson on Investing and Startups

“It’s really about people and vision. You’re unlikely to have a really successful startup if the leader, he or she, isn’t really terrific and isn’t really a leader, because you’re going to have to wind up changing what you do. There are a lot of startups where you’re trying to determine, is it a service or a feature? Is it something that’s going to be standalone or roll up? But, and this is kind of a consistent point, a thing I think about for my career, it is about people, and it’s about the quality of people.

The Sports Business Story Not Told Enough

“Sports is undervalued. As crazy as it seems, in terms of how big it’s gotten, I believe sports continues to be undervalued, and there’s going to be more and more info. It’s going to become more and more important, because sports is the only thing that unites people. It’s the only activity where it doesn’t matter who you vote for, what your sexual orientation is, where you come from. We can all be fans together, and it’s uniquely unifying and powerful.”

Most Memorable Sporting Event

“Most memorable game for me was game five of the first-round series in the 2001 MLB playoffs between the Yankees and the Oakland Athletics. Baseball is not necessarily my favorite or most popular sport, but this was right after 9/11. This famous Yankee team, with Derek Jeter. Roger Clemens pitched game five.

“And I’ll never forget that the Yankees lost the first two games of that series at home. They then went to Oakland and won the next two, including that crazy play that Derek Jeter made where he basically just knocked a throw with his glove to Jorge Posada to get an out at the plate.

“Game five was on a Monday night. It was a raw night in New York City. I took my dad to the game, and the feeling in the crowd, I’ll never forget it. Again, this was only a few weeks after 9/11. I’ve never felt like a crowd was more united in sort of getting the Yankees past. I didn’t think there was any way Oakland was going to win that game. And I’ll just never forget the feeling of being there.”

Best Meal in New York

“This is not necessarily an original answer, but my favorite place is Peter Luger’s, which is a great steak restaurant in Williamsburg, Brooklyn. It’s just the best experience. It’s a fantastic time.”



The Sports Stock to Buy Today

“I think there’s continuing upside with the WNBA. You know, Adam Silver said it’s like a 29-year business plan. But I mentioned Michael Jordan before, I mentioned Tiger Woods. When I was growing up, Muhammad Ali was the dominant athlete. And Caitlin Clark, for me, has ascended. Caitlin Clark is one of those very few athletes who get people who don’t follow a sport to watch. And everything with the WNBA has looked up since Caitlin came in. Quality of play is better, interest is better. So I think they have considerable upside there.”

Favorite Sports Movie, Show or Book

“I love Hoosiers. Hoosiers, an older movie with Gene Hackman about a coach who takes a small Indiana high school team to the state championship. We used it as management training at ESPN, I’ll never forget that. Because at the start of the movie, Gene Hackman is imploring his players about the game coming up. By the time they get to the state championship game, which has been quite a process to get there, he doesn’t have to say anything in the locker room. Everybody knows what they have to do. So we used to talk about the idea that you can’t manage everybody the exact same way or in the same circumstance. So I think Hoosiers is a fantastic movie. It was one of those that really struck me on any number of levels.”

All Star Follow

“I’m going to mention two. One is called the Acquired podcast, which is a terrific business-related podcast. Not all the topics are sports, but those guys do a great job. A little bit off the radar is a blog called Sporting Crypto, done by my friend Pet Berisha, who lives in London. Pet also has a newsletter called Predicted, all about prediction markets. He’s a super bright guy who is really a go-to in terms of sports and emerging technology and betting. So check out Sporting Crypto.”

Where to Find John and the Book

“So please take a look at our book, We’re Live! Inside the BIG Business of Sports Media. It’s available on Amazon. We also have a site called werelivebook.com, where there’s more information about the book.

“We’re marketing it to schools and universities and sports business programs. So if you’re interested in the subject matter, the book is filled with anecdotes and stories about how things actually happened, which to me has always been one of the most interesting things about business. It isn’t necessarily the textbook angle of it, but actually the people and the stories and how stuff actually happens.”

THANKS

Thanks again to John for being so generous with his time to share his knowledge, experience, and expertise!

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