

Apple's original TV shows reportedly won't be free – plus \$9.99 for HBO, Starz, Showtime

Tomorrow, Apple will unveil its strategy for services in an event that is expected to reveal its Apple News subscription and its television streaming platform. According to a lengthy report from *The Wall Street Journal*, it sounds like the company has been negotiating with premium channels HBO, Showtime, and Starz to offer a standardized \$9.99 monthly subscription each, will reportedly charge \$9.99 for its news service, and will likely charge for access to its original content, which had been widely reported that it would make free to Apple users.

Apple is widely expected to unveil its original content efforts tomorrow, and the *WSJ* says that it will show off footage from some of its forthcoming TV programs at its event, and that sources tell it that Apple will charge a fee for that programming. Those shows will live on a new TV app that is described as a “Netflix killer,” and will offer up an easy way for users to sign up for subscriptions to premium channels such as HBO, Showtime, and Starz.

The company has worked to entice said networks to its service, through which Apple will sell subscriptions at a standardized \$9.99 monthly rate for each one. If accurate, that'll be a discount for channels like HBO and Showtime, which respectively charge \$15 and \$10.99 a month. Starz charges \$8.99 a month. Netflix will not be part of the platform. The

report notes that Apple had attempted to partner with Disney to launch a streaming service, and when that didn't pan out, thought about acquiring either Disney or Netflix.

Apple has reportedly been negotiating with manufacturers to bring the service to Roku and smart TVs, which could allow the company to bring its programming to a wider range of customers. In a surprise move earlier this year, Apple announced that it was bringing iTunes to a number of smart TVs, which should allow Apple to bring its programming to new customers. Apple has already used this strategy for Apple Music, allowing users to stream music on Amazon Echo speakers and Fire TVs.

In addition to its streaming TV efforts, Apple will reportedly charge \$9.99 for its new Apple News service, described as a "Netflix for news." That app will allow users to access a range of publications for a single monthly fee, although some major publishers, like *The New York Times* and *The Washington Post* don't plan to take part. Last year, Apple purchased digital magazine service Texture, which offered up readers access to 200 magazines for the same price. The company will also reportedly announce a gaming subscription service that will bundle iOS games for users during Monday's event.

The *WSJ* also details Apple's push into services, which comes after the company reported its first drop in revenue in January in a decade. It describes Apple CEO Tim Cook beginning to push "the services strategy hard in late 2017," in an effort to shift the company in that direction, comparing it to Steve Jobs' effort to shift the company into manufacturing mobile devices like the iPod, iPhone, and iPad. The company faces stiff competition from rival device manufacturers around the world, while the market for content and services has continued to grow in recent years.

Last week, the Motion Picture Association of America reported that streaming television subscriptions surpassed cable

subscriptions, and that the market for home entertainment has grown by 24 percent and 34 percent in the US and global markets, respectively. But, as Apple jumps into the original content market, it likewise faces numerous competitors, such as Amazon, Disney, NBCUniversal, and Netflix, all of which are producing their own exclusive content, or are in the process of launching platforms of their own.

<https://www.theverge.com/2019/3/24/18279646/apple-reportedly-charge-customers-9-99-a-month-for-hbo-showtime-starz-original-content-news>