

HBO Max is \$3 cheaper thanks to limited-time pre-order offer

Switching from HBO Now to HBO Max is a decision that incoming AT&T CEO John Stankey once said will be an “IQ test.” Now, AT&T and WarnerMedia are trying to make that upgrade even more appealing by offering a year of HBO Max, which launches on May 27th, to subscribers for \$11.99 a month. That’s \$3 cheaper than current HBO Now subscriptions.

There are a couple of caveats. The new price tag is only available to “new subscribers and returning HBO Now subscribers, who sign up through HBOMax.com,” a WarnerMedia spokesperson confirmed to *The Verge*. A message that appears on the sign up page also seems to imply that customers who purchased HBO Now subscriptions through third party platforms, including Apple TV and Google Play, aren’t eligible for the offer.

A message that appears on the signup sheet

HBO Max

WarnerMedia recently announced that HBO Now subscribers who use Apple TV and Google Play for their HBO payments would receive free upgrades to HBO Max, but it seems like that means the current \$15-a-month plan, not the new \$12-a-month offer. WarnerMedia didn’t respond to *The Verge*’s request for clarification.

It’s an interesting situation. WarnerMedia and AT&T want to work with partners like Apple and Google to ensure that as many people as possible have the avenue of their choice to sign up. (This includes Amazon as well, where HBO Now is

offered via Amazon Channels, but no announcement about Amazon carrying HBO Max has been made yet.) Offering a much cheaper version of a product that encompasses all of HBO plus new originals and library catalogues from WarnerMedia's library (Warner Bros., HBO, and Turner) seems to undercut those very deals. Rich Greenfield, an analyst at LightShed Partners, tweeted that he canceled his HBO subscription through Apple in order to sign up via HBO Max's website directly and redeem the offer. It's unclear if WarnerMedia will work out a deal for customers who use Apple and Google for HBO payments, but *The Verge* has asked for more information.

The price cut is a move that may upset partners like Apple and Google, but is a bold and necessary move for AT&T. The company is gearing up to launch HBO Max in the middle of a global pandemic. It will benefit from people being stuck at home and willing to try new streaming services as they seek out things to watch, but as more jobs are lost across the country and people start cutting out non-essential services, subscribing to a \$15-a-month streaming service is a luxury.

HBO Max's new price tag, however, is the cheapest offer for anyone looking to have an HBO subscription (and access to Warner Bros. movies and Warner Bros. TV's catalogue). It's also \$1 cheaper than Netflix's most popular plan. Charging \$12-a-month for an ad-free streaming service that includes all of HBO's offerings is a far more enticing offer than hoping people who didn't have HBO Now or HBO before would suddenly be interested. Prior to the offer, HBO Max was the most expensive entrant in the streaming space; Apple TV Plus is \$4.99 a month, Disney Plus is \$6.99 a month, Prime Video is \$8.99 a month, Peacock (without ads) is \$9.99 a month, CBS All Access (no ads) is \$9.99 a month, and Hulu (without ads) is \$11.99 a month.

Offering a \$3 cheaper plan is just the latest move that AT&T and WarnerMedia have made to try and ensure they can sign up as many customers as possible when the service launches. The

company has also made deals with Charter to give a number of its customers free upgrades to HBO Max. YouTube TV will also carry the channel as an add-on. WarnerMedia expects to have 50 million subscribers in the United States by 2024. Spring boarding with as many subscribers as possible in those early days is important for growth.

Aside from core HBO, HBO Max will launch with a few new original series, Warner Bros. movies, and *Friends* to name a few highlights.

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