

NEWS AND ANALYSIS

NBC's Olympic Tightrope

With significant business interests in China, NBC is facing tough choices about how to cover the Olympic host country.

BY KATRINA NORTHROP — JANUARY 23, 2022



Credit: Paul Drinkwater/NBC

The 2008 Beijing Olympics were packed with made-for-TV moments. Jamaican sprinter Usain Bolt set three world records, often smiling as he crossed the finish line. Michael Phelps, the American swimming superstar, won an improbable eight gold medals. And the opening ceremony, held in the Bird's Nest Stadium, dazzled an international audience with thousands of drummers and fireworks lighting up the night sky.

Such images helped forge a narrative of the Beijing games as a successful “coming out” party for first-time host China. For U.S. broadcaster NBCUniversal [NBC], meanwhile, it added up to a ratings bonanza. Over sixteen days, 211 million viewers [tuned](#) into its coverage, making it the most watched television event ever in the United States.

In less than two weeks, the Olympics will return to Beijing for the 2022 Winter games. But with China facing a new Covid [surge](#) caused by the Omicron variant and ten countries — including the U.S. — staging a [diplomatic boycott](#) of the games on account of China's human rights abuses, the odds of another ratings smash hit seem low.

Instead, with significant business interests in China, NBC is facing tough choices about how to cover the Olympic host country — making it the latest major American company struggling to thread the needle on how to engage with China.

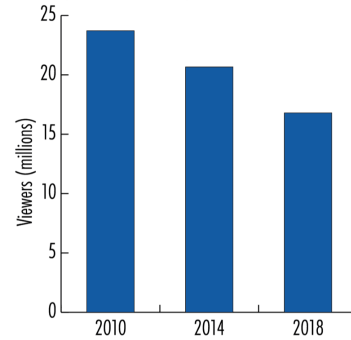
“It is going to be difficult for them [NBC],” says [Andrew Zimbalist](#), an expert on the economics of the Olympics and a professor at Smith College. “They have a tightrope to walk. They can't afford to piss off the Chinese. On the other hand, they want to portray to the U.S. audiences that they are reliable.”

The financial stakes for NBC and its owner Comcast are considerable. In 2014, NBC [paid](#) \$7.7 billion for the exclusive U.S. rights to air all Olympic Games between 2022 and 2032, a year before Beijing won its second hosting bid.

Yet even before factoring in the unfriendly geopolitical backdrop, NBC faces a considerable challenge in finding a large audience for the upcoming games, partly because of the ongoing pandemic. Ratings for the Tokyo Olympics last summer were down [42 percent](#) from the 2016 Games and many analysts are worried that viewers won't tune in to another event being held with [nearly zero](#) spectators in the stands and strict Covid protocols for the media and athletes alike. On Wednesday, NBC Sports [said](#) that the network would not send any of announcing teams to Beijing, citing Covid concerns, according to National Public Radio.

Winter Olympic Ratings Have Been Declining


Average prime time viewership for the last three Games



Data: Nielsen NNTV Program Report

"Their [NBC's] objective is to drive eyeballs and make sure their advertisers are happy," says [Rick Burton](#), a professor of sport management at Syracuse University who was the chief marketing officer for the U.S. Olympic Committee at the 2008 Games.

But with relations between the U.S. and China at their lowest ebb for decades, there is already political pressure on NBC to cover some of the issues that have proved contentious between the two sides.

In December, two U.S. lawmakers, Senator Jeffrey Merkley, an Oregon Democrat, and Representative James McGovern, a Massachusetts Democrat, sent a [letter](#)  to NBC urging the company to commit to cover issues like Uyghur repression in Xinjiang and the crackdown in Hong Kong. "We urge your organization," the letter read, "to not legitimize the Chinese government's attempts to use the Olympics, once again, to sportswash the poor treatment of ethnic minorities, civil society activists, and political dissidents in Xinjiang, Hong Kong, Tibet and abroad." In the run up to the Games, the Chinese authorities have tightened control by detaining two prominent human rights activists, according to a [report in The Wall Street Journal](#).

NBC will also face scrutiny from those who say it has a journalistic duty to cover more than just the sports, at a time when many foreign journalists have been [kicked out](#) of China.

"They should do what journalists are supposed to do," says [Yaqiu Wang](#), a senior China researcher at Human Rights Watch. "Not only cover what is happening in the stadium, they should talk to normal people to provide a more whole picture."

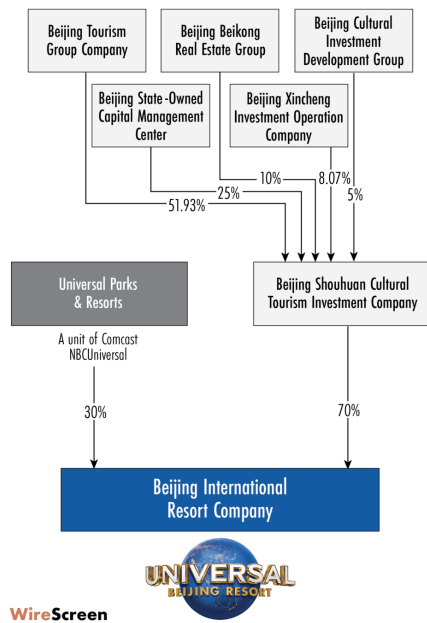
NBC has said that covering the sports aspect of the Olympics will be its priority, although it's clearly aware of the broader issues surrounding these particular Games. The broadcaster has drafted [Andrew Browne](#), the editorial director of Bloomberg New Economy Forum and former *Wall Street Journal* China editor, and [Jing Tsu](#), a professor of East Asian languages and literature at Yale University, to provide the coverage with broader insight.

"We are going to be focusing on telling the stories of Team USA and covering the competition," Molly Solomon, the president of NBC Olympics Production, said in a media presentation this week. "But the world, as we all know, is a really complicated place right now and we understand that there are some difficult issues regarding the host nation. So our coverage will provide perspective on China's place in the world and the geopolitical context in which these games are being held."

Universal Studios Beijing's Owners

70 percent of Beijing International Resort Company, the owner of Universal Beijing Resort, is held by state-owned entities.

What that means in practice will also be watched closely by the authorities in China. NBC's



considerable business interests there include the [Universal Beijing Resort](#), which is 70 percent owned by Beijing Shouhuan Cultural Tourism Investment Co., a state-owned firm: The park opened last September. NBC also has a content streaming [deal](#) that it brokered in 2017 with Youku, a Chinese streaming service owned by Alibaba.

In a Comcast [earnings call](#) that year, Stephen B. Burke, the then CEO of NBC said, “China, we think, is a very, very big opportunity for our company. We made virtually no money in China five years ago,” he said. “When that park [Universal Beijing] opens, I think, as a company, it’s not unrealistic to assume we’re going to make well over \$1 billion in revenue.”

A test of NBC’s priorities could come if an athlete decides to make a controversial political statement or gesture in Beijing. The Chinese

government, always sensitive to criticism, has recently faced such controversy internally, after local tennis star [Peng Shuai](#) accused a former senior leader of sexual assault in a social media post. Within minutes, her comments had been censored and she temporarily disappeared from public view.

This week, a Chinese Olympic official, according to [Reuters](#), warned that “any behavior or speech that is against the Olympic spirit, especially against the Chinese laws and regulations, are also subject to certain punishment.” According to IOC [rules](#), athletes are not allowed to protest or make political statements during competition, in the Olympic village, or during the opening and closing ceremonies, but they can freely make statements to the media during interviews or prior to the competition.

“We plan to have reporters at all Olympic venues, so if something happens, we will have our own cameras on site,” NBC’s Solomon said during the press conference.

[Jules Boykoff](#), who studies the politics of the Olympics at Pacific University in Oregon, says that while broadcasters often steer clear of controversy at the Games, it may prove more difficult this time. “If past coverage of the Olympics is any indication, political intrigue will be left on the cutting room floor,” Boykoff says. “They try to remain as apolitical as possible to not offend any customers. But the politics in Beijing are left right and center.”

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— *Jules Boykoff, Professor of Politics & Government Department Chair at Pacific University in Oregon.*

NBC is not the only company which may be holding its breath in the coming weeks. Olympic advertisers and [sponsors](#), which include Coca-Cola, Airbnb and Visa, are already facing an unusually tricky Games due to the diplomatic boycott from countries like the U.S., U.K., and Canada. “No one wants to be the poster child for unpatriotic or undiplomatic actions,” says [Mark DiMassimo](#), the founder of ad firm DiMassimo Goldstein, adding that

many have opted for more evergreen content instead of Olympic specific advertisements. “They would like to hide, but they have to advertise. That is their conundrum.”

Ultimately, NBC is likely to take the path of least resistance, says [Terrence Burns](#), an Olympic brand consultant who was the lead marketing strategist for Beijing’s 2008 bid. “NBC has a \$7 billion investment in the Olympic games and it wouldn’t be in their best interest to inflame anyone. At the end of the day, it is a business.”



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COVER STORY



Pole Position

BY EYCK FREYMANN

In public, Chinese diplomats and climate negotiators deny that they see any link between climate change and geopolitics. But there is a deeply cynical consensus within China’s academic and policy communities that climate change creates geopolitical opportunities that China can exploit — and must exploit before its rivals do. Greenland was the proof of concept for this strategy. And it caught the U.S. flat-footed.

THE BIG PICTURE



Transsion's Triumph

BY GARRETT O'BRIEN

A look at Transsion’s monumental growth, unique marketing strategies and future growth potential.

Q & A



Jörg Wuttke on China's Self-Destruction

BY ANDREW PEAPLE

The EU Chamber of Commerce in China president talks about China’s self-inflicted problems; how he gets away with being so outspoken; and why he believes in China’s comeback gene.



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