

HBO Max will be more expensive than Netflix, Disney or Apple. Does that mean it'll be a tough sell?

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Welcome to the hard sell.

HBO Max won't debut until May, but AT&T's Warner Media wanted to get a quick attention grab on consumers during a week that will see Apple enter the streaming wars and Disney join two weeks later.

HBO staged a giant presentation on a historic soundstage at the Warner Bros. studio in Burbank to announce its slate of programming and to try to convince people that paying for the most expensive streaming service is worth it.

Apple's TV+ is \$4.99 monthly, or free to folks who buy certain new Apple products, while Disney + is \$6.99. Both services offer original programming for the streaming crowd, while Disney will also offer library content like classic animated films, all the "Star Wars" films and many Marvel super hero flicks, as well.

Now try \$14.99 monthly for HBO Max. That's not a misprint.

The most popular tier on Netflix, which has been streaming since 2013 and is the undisputed leader in the field, is \$12.99.

For your \$15, Warner is giving you a lot: Some 10,000 hours of content, new and old fare from the libraries of Warner Bros., HBO, CNN, TNT, TBS, the Cartoon Network, Adult Swim, Turner Classic Movies and DC Comics.

Warner announced a giant slate of projects, including a prequel to HBO's Game of Thrones, new movies with Reese Witherspoon and Meryl Streep, revivals of the classic Looney Tunes (Bugs Bunny, Porky Pig) cartoons and a new series featuring the Hanna Barbera characters (The Flintstones, Jetsons, Yogi Bear, Mr. Jinx) called "Jellystone."

The complete seasons of "South Park," "Friends" and "The Big Bang Theory" are coming to HBO Max, along with dozens of movies from the

Warner Bros. library, everything from the "Joker" and "Batman" movies to "Casablanca" and both the Judy Garland and Lady Gaga versions of "A Star Is Born."

There was so much content announced, I had to wonder how [cable operators](#) were going to feel, because it really felt like Warner was diving feet first into streaming, and leaving cable way behind. (Remember that when AT&T acquired the former Time Warner in 2018, it also picked up substantial cable holdings, like HBO, TNT, CNN and other channels.)

"Warner feels it has no choice," but to focus on streaming at the expense of cable, says Peter Csathy, the president of industry consultancy CREATV. "It's kill or be killed in these great streaming wars."

In a sense, he adds, "It would rather cannibalize itself instead of being cannibalized by others."

Clearly, Warner execs like a world in which they can sell their wares directly to the consumer without having to pay the middleman's cut—i.e., the cable operator.

The company predicted it would have 50 million subscribers by 2025. That's a pretty bold statement for a company that hasn't been doing well in digital. Just Monday, Warner announced it had lost nearly 200,000 subscribers of the AT&T Now (formerly DirecTV Now) cable TV alternative service, and said it was open to possibly shedding DirecTV from its portfolio.

But, for now, the company has bet the farm on Max, which won't see the light of day until seven months after the launch of Disney+ and Apple. And it's offering Max for free to current subscribers of HBO, a hat trick that helps them grow to that 50 million number rather quickly.

Consumers can only afford so many subscription services. And with many homes already paying for Hulu, Netflix and Amazon Prime Video, are they going to be open to spending an additional \$15 for HBO Max?

My hunch is no, but let's see if the AT&T marketing machine can't change some minds.

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