

All Eyes On The Attention Economy Going Into 2026

Annual Letter

January 7, 2026

- **10SQ to launch its first dedicated Attention Economy Fund, a first of its kind investment vehicle focused on the intersection of blockchain and media & entertainment.**
- **The opportunity to invest in the attention economy is unusually aligned: technology (generative AI, new distribution platforms), finance (stablecoins), culture (creators with thousands of true fans), and regulation are all converging.**
- **We spent 2025 engaging with leading attention economy platforms and met an expanding group of exceptional founders building in this space. These startups emphasize durable business models and clear monetization.**
- **As the year comes to a close, the team is energized by the momentum behind the fund (current and new portfolio companies) and remains optimistic about the outlook for a Web3-powered attention ecosystem.**
- **We believe over the next 3-5 years we will see many new venture-scale (10X+) outcomes in this space.**

The Attention Economy Is Everywhere

- **2025 was a defining year for the attention economy** - a space that not only held strong but thrived amid constant economic shifts and technological disruption. The race for user attention hit new heights as social platforms, short-form video, creators, and AI all vied to shape how billions of people consume and connect online.
- **Creators firmly took center stage.** For the first time, platforms like YouTube, TikTok, and Instagram are on track to overtake traditional giants like TV networks, news outlets, and radio in global ad revenue. Together, these creator-led platforms are expected to bring in about **\$190B in 2025**, up 20% from last year, according to WPP Media. By 2030, that figure could soar to nearly **\$377B**. Meanwhile, the broader **creator economy, already valued at \$200B-\$250B**, is scaling fast, with forecasts pointing to **\$0.5-1T** by the end of the decade, growing roughly 20-25% annually.
- **This shift marks a real inflection point** for the attention economy. As audiences spend ever more time in digital spaces, brands are following suit, directing budgets toward creators that build authentic relationships and cultural influence. While accessibility fuels engagement, it's the creators' voices that make the difference. More than ever, people trust creators not just as entertainers but as credible, relatable sources.

KEY NUMBERS

- **Global creator economy - \$200-\$250B** in 2025, with projections of **\$0.5-1T** by **2027-2030**, growing at ~20-25% CAGR
- **Global advertising revenue (excluding U.S. political advertising) - \$1.14T** with 8.8% growth in 2025
- **Global entertainment and media revenues - \$2.9T** in 2024, projected to surpass **\$3T** in 2025, and **\$3.5T** in 2029.

Sources: WPP Media, PwC, Goldman Sachs, Grand View Research, Market.US

18+ VIDEOS

Watched daily on YouTube among 18-44-year-old YouTube users



Source: Shopify

3 HOURS 45 MINS

Listening to music, podcasts & radio daily



Source: adtonos

1 HOUR 12 MINS

Playing video games daily among gamers



Source: Statista

2 HOURS 21 MINS

On social media daily



Source: Demandsage

3 HOURS 7 MINS

16 years old+ spend watching TV + video streaming daily



Source: CWI

59 MINS

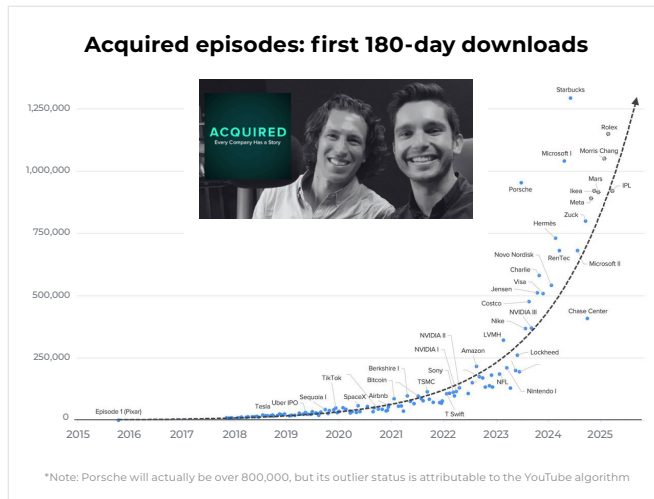
Managing a fantasy sports team daily among fantasy football players



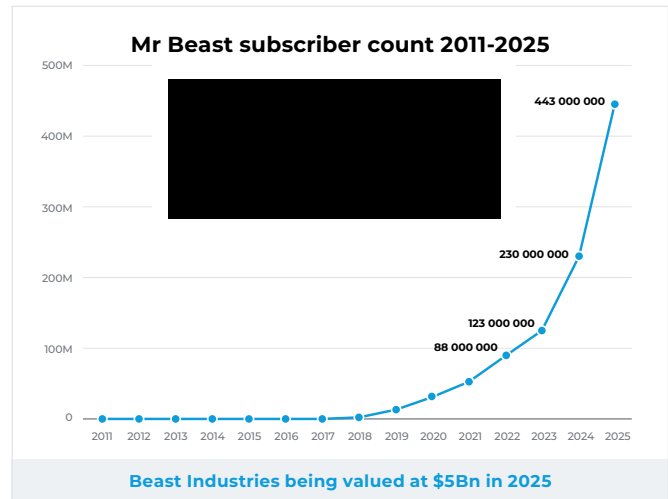
Source: Straits Research

The Attention Economy Is Everywhere: Creators, Not Channels, Win The New Prime Time

- This year, we observed several key trends in how attention is monetized:
 - **Musicians and athletes increasingly expanded beyond traditional income streams**, launching their own products and merchandise, signing brand sponsorships, and producing original valuable content.
 - Shifts in US name, image, and likeness (NIL) rules for college athletes further accelerated this by allowing student-athletes to actively commercialize their personal brands connecting with younger audiences.
 - Major platforms, including Meta, TikTok, YouTube, LinkedIn, and Snapchat, also made concerted efforts to support **creator-brand collaborations**, rolling out initiatives and tools to streamline partnerships.
 - At the same time, **brands have doubled down on social-first marketing strategies**. Unilever CEO Fernando Fernandez, for instance, has outlined plans to boost the company's social media advertising share from roughly 30% to 50% ⁽¹⁾ of total ad spend.



Source: <https://x.com/gilbert/status/1714663079299211644>

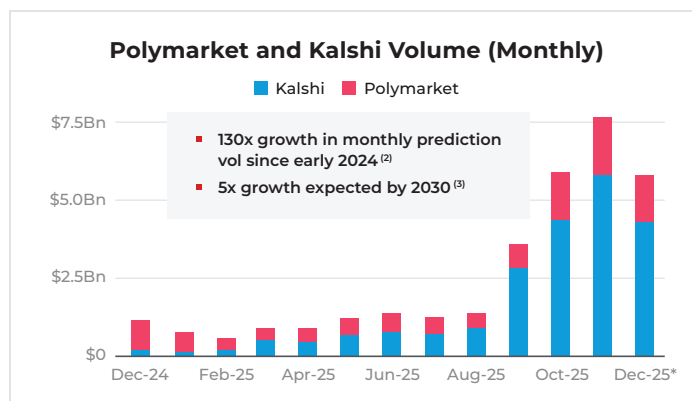


Source: https://www.reddit.com/r/charts/comments/1nzlt64/mr_beasts_subscriber_count_from_20112025/



The reach of top content creators is now comparable to that of traditional media, and their financial impact reflects this shift

- **The fusion of social media, creators, and television also intensified.** YouTube has firmly solidified its position as the “new TV”, with top creators matching or surpassing traditional studios in both content output and audience reach, while shows like Amazon's Beast Games with MrBeast demonstrate creator-led IP is moving into premium, TV-style formats.
- Attention media platforms **continued to leverage blockchain, AI, and decentralized incentives** to reward genuine participation, addressing Web2's issues like centralized control and unfair monetization.
- **Stablecoins emerged as the core "rails,"** processing trillions in volume with near-instant, low-cost settlements, challenging traditional systems like SWIFT and cards, and being widely used in creator economy.
- **Token incentives** on platforms like Pump.fun continued to play an important role.
- **Social media and finance are increasingly merging into a single SocialFi layer**, where community interaction, content, trading, betting, and investing all live within a single experience.



Source: The Block

Vlad Tenev
@vladtenev

Convergence: traditional assets × crypto rails × prediction markets.

Own anything, price anything, trade anytime—one interface: a financial superapp. 🧙‍♂️

11:12 AM · Sep 24, 2025 · **158.3K** Views

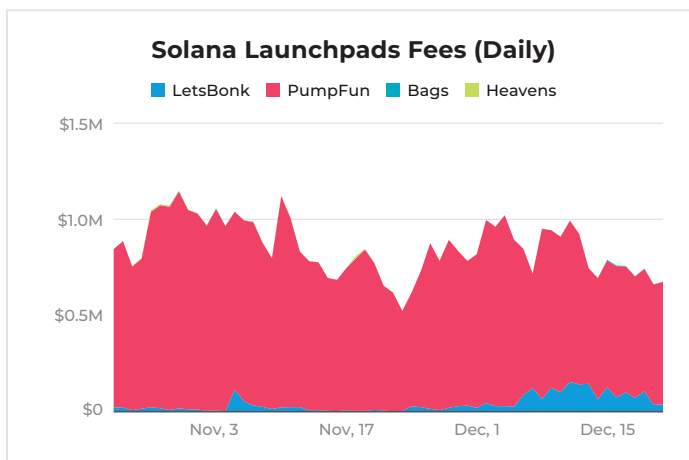
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¹⁾ <https://lindseygamble.beehiiv.com/p/unilever-ceo-20x-more-influencers> ²⁾ Financial Times, The Block ³⁾ Citizens Financial Group

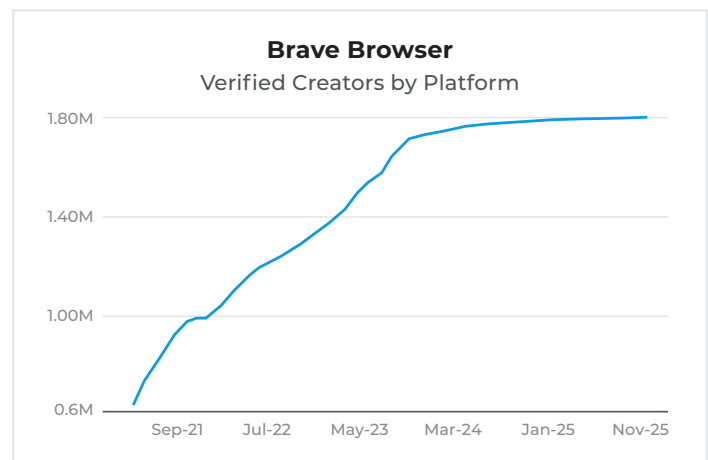
The Attention Economy Is Everywhere:

When Digital Attention Becomes The Main Asset Class

- **Speculation as entertainment:** It is especially visible in prediction markets like Polymarket and Kalshi, as well as apps such as Robinhood, which now layer in social feeds, shared trades, and prediction-style products through partnerships. Previously expressed in altcoins, NFTs, memecoins, it has shifted to other markets with ease of use.
- **Everyone is into it:** from established financial exchanges to sports betting operators and cryptocurrency platforms: Fanatics, Smarkets, International Exchange (ICE), Coinbase, Crypto.com, and Gemini.
- In 2025, **attention and creator influence increasingly became tokenized**, turning attention itself into a tradable asset class.
 - On Solana, Pump.fun helped pioneer “creator capital markets,” shifting from simple memecoin launches toward models where reach, influence, and virality are explicitly tokenized. According to a Dune dashboard ⁽¹⁾, the platform has accumulated \$920MM worth of fees.
 - Basic Attention Token (BAT) in the Brave browser also experienced a renewed interest (46.5M DAU and 1.8M creators), underscoring a privacy-centric ad framework where users are rewarded for choosing to view ads.
 - Meanwhile, projects such as Courtyard.io, Klout.gg, Wallchain, and KapKap experimented with letting users own or trade digital objects like hashtags, trends, collectible cards, extending the idea of financialized attention.

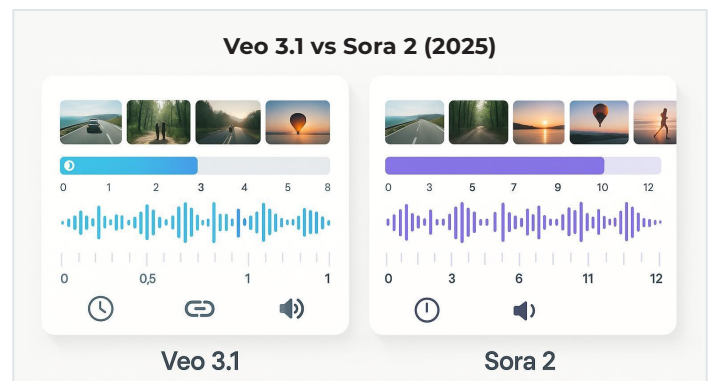


Source: The Block



Source: Brave browser / transparency

- 2025 was the year when **the era of AI-generated content has begun**, led by major launches from Meta, OpenAI, and Google. Meta rolled out Vibes, Google has tested its own approach with Doppl, while OpenAI introduced Sora and later Sora 2, paired with a TikTok-style social platform centered entirely on AI-generated clips.
- Sora 2's rapid user growth, dramatic reductions in generation costs, and high output volume highlight both the potential for a new wave of consumer AI experiences and the rising concerns around copyright and deepfakes.
- As the cost of deploying AI agents continues to drop, **AI-generated content starts to dominate social platforms**. Bots now outnumber humans online - human traffic dropped from 62.8% in 2019 to below 50% in 2024 ⁽²⁾.
- **Crypto-native approaches to proving that real people are using applications** without exposing sensitive personal data emerge as a **new foundational primitive for the next generation of internet and consumer apps**.



Sam Altman

@sama

i never took the dead internet theory that seriously but it seems like there are really a lot of LLM-run twitter accounts now

3:21 PM · Sep 3, 2025 · 5.7M Views

3.4K 3.2K 34K 2.6K











1) @adam_tehc

2) <https://wholewhale.com>

Deals and Dollars: Attention Economy Accelerates

- Global attention economy industry had a **landmark year for M&A** (est. \$200B-300B in deal vol.), it was a period of intense consolidation across streaming, content production, gaming, advertising, and distribution. Buyers raced to own the customer, the IP, and the tech, or risk irrelevance in a tech-converged landscape in the AI era.









Major 2025 M&A deals in the attention economy

Acquirer	Target	Deal Value	Rationale	Status
 NETFLIX	 WARNER BROS. DISCOVERY (studio & streaming assets)	\$82.7B	Scale-building in streaming and content	Pending
 SILVER LAKE AFFINITY PARTNERS	 Electronic Arts	\$55B	PE investment in high-growth entertainment areas	Pending
 Charter COMMUNICATIONS	 COX	\$34.5B	Infrastructure and distribution consolidation	Pending
OMNICOM	 IPG	\$13.5B	Consolidation in advertising to compete with Big Tech and AI	Completed
SKYDANCE	 Paramount	\$8B	Infuse tech/streaming expertise into legacy studio; access iconic franchises	Completed
 TPG	 DIRECTV (70%)	\$7.6B	PE investment in next-gen streaming	Completed

Source: Pitchbook, our interns (ChatGPT, xAI, Perplexity)

- IPO activity was dominated by ticketing/live events (StubHub) with several anticipated listings (e.g., Shein, Klarna, Discord) delayed or shifted to 2026 amid volatility. Animoca Brands, a major Web3 entertainment powerhouse, announced potential Nasdaq listing plans via reverse merger.
- AI and Web3-driven companies** in the attention economy (e.g., generative content, search, voice, creative tools that capture user time) **attracted a major slice of the VC investments in 2025**. These deals reflect trends toward AI tools that monetize user attention (e.g., generative content, personalized search, predictive engagement) and web3 consumer onboarding.

Top VC investments in the attention economy in 2025

Company	Amount	Round	Top Investors	Description/Rationale
 Kalshi	\$1.5B	Multiple	Paradigm, CapitalG, Sequoia, AI6z, others	Prediction market platform; capital for mass adoption in event-based attention/engagement
 Polymarket	\$1.3B	Multiple	Founders Fund, others	Web3 prediction market; high volume from election/events attention
 OpenAI	\$1B	Equity + Licensing	Disney (corporate venture and strategic investment)	Disney licenses 200+ characters for Sora/ChatGPT video gen. Enables fan content; 3-year deal with exclusivity
 Luma AI	\$900M	Series C	Saudi PIF, others	AI video/imagery gen; funds "supercluster" in Saudi for world models
 perplexity	\$800M	Multiple	Accel, others	AI search engine competing for user query attention
 fal	\$315M	Multiple	Sequoia, others	AI infrastructure for real-time generative media (image/video/audio)
 runway	\$308M	Series D	General Atlantic, others	AI video/content generation for media/entertainment creators
SUNO	\$250M	Series C	Menlo Ventures, others	AI song/music creation
 Phantom	\$150M	Series C	Paradigm, Sequoia Capital	Web3/crypto wallet for consumer access to NFTs/gaming/media
STORY	\$80M	Series B	a16z Crypto, Polychain	Programmable IP blockchain for creators/media tokenization





Source: Pitchbook, our interns (ChatGPT, xAI, Perplexity)

 - Web3 related businesses

- The attention economy is evolving at high speed as AI, Web3 and new technologies reshape how people create and consume content. Private capital is pouring into the space, confirming market's outsized impact, massive scale, powerful innovation and growth potential. These capital flows are also seeding the next generation of strategic buyers for 10SQ Attention Economy fund portfolio companies. **We see a tremendous venture opportunity over the next 5 years.**

Web2 Giants Test Web3 Attention Rails

- This year, traditional Web2 brands in entertainment, media, gaming, and consumer sectors have adopted a cautious yet strategic approach to Web3. While the 2021–2022 NFT hype has subsided, activity persists primarily in blockchain gaming and ecosystem building.
- Many brands scaled back speculative NFT drops, focusing instead on utility-driven integrations like digital ownership, fan engagement, and payments. While gaming led the charge, with Asian companies (e.g., Sony) more active than Western ones.
- **In 2025, the 10SQ team logged weeks of talks with top US and Asian attention-economy giants. The mandate is unmistakable: build ecosystems, weave in stablecoins and tokenized assets, and push crypto-AI experiments. Mass blockchain adoption relies on distribution from corporates with millions of users already in place.**

Brand	Sector	Key Web3 Initiatives (2025 Status)	Details
SONY	Gaming/ Entertainment	<ul style="list-style-type: none"> ■ Launched Soneium (Ethereum L2 blockchain) in Jan 2025 ■ Planning USD-pegged stablecoin launch in 2026 for PlayStation, Crunchyroll, anime payments ■ Web3 subsidiary BlockBloom (est. June 2025) for NFTs, wallets ■ Investments in Web3 gaming (e.g., Double Jump.Tokyo, Elixir Games) 	<ul style="list-style-type: none"> ■ Most active; integrating blockchain into PSN (123M users), potential crypto payments to reduce fees. ■ Focus on entertainment ecosystem.
	Entertainment/ Media	<ul style="list-style-type: none"> ■ Disney Pinnacle NFT platform (with Dapper Labs) offering monthly free NFTs for Disney+ subscribers ■ Partnerships for digital collectibles (Marvel, Pixar, Star Wars) ■ Ongoing metaverse experiments via Epic Games investment 	<ul style="list-style-type: none"> ■ Persistent but scaled-back; emphasis on loyalty/collectibles over speculation. ■ Earlier Accelerator program (2022) included Web3 startups.
	Gaming	<ul style="list-style-type: none"> ■ Launched Might & Magic: Fates (NFT card battler on Immutable zkEVM, April 2025) ■ Champions Tactics avatars in The Sandbox ■ Ongoing blockchain games (e.g., prior Oasys partnerships) 	<ul style="list-style-type: none"> ■ Committed despite backlash; optional Web3 layers for ownership/trading.
	Gaming	<ul style="list-style-type: none"> ■ Supports blockchain games on store ■ Fortnite ecosystem open to Web3 integrations ■ \$1.5B Disney investment (2024) for persistent universe (metaverse with Web3 overlap) 	<ul style="list-style-type: none"> ■ Enables third-party Web3; no direct NFTs but blockchain-friendly.
 TON (10SQ portfolio company)	Social media/ Gaming	<ul style="list-style-type: none"> ■ The non-custodial TON Space wallet embedded in Telegram reached 100M registrations by early 2025 ■ Telegram Mini Apps surge - monthly active users exceeded 500M by mid-2025 ■ Tap-to-earn gaming boom: Hamster Kombat and Rocky Rabbit ■ xStocks integrated tokenized U.S. equities and ETFs into Telegram's TON Wallet ■ TON's TVL past \$700M, fueling revenue over \$1B from crypto features 	<ul style="list-style-type: none"> ■ Accelerated Web3 adoption through deeper TON blockchain integration, mini-apps, gaming, and tokenized assets

Source: Pitchbook, our interns (ChatGPT, xAI, Perplexity)

Media & Entertainment

New Web3-enabled “super app” or SocialFi hub	<ul style="list-style-type: none"> More experimentation around decentralized super app. Sought after features: <ul style="list-style-type: none"> Enhanced privacy, self-custody, censorship resistant. Web2-grade UX Provides interactive, shoppable, token-aware content. Combines social, trading, payments, and creator tools. Plugs into YouTube/TikTok/IG scale, not based only on isolated “Web3-only” social networks.
Web2 + crypto	<ul style="list-style-type: none"> Web3 rails embed into incumbents (YouTube, TikTok, Instagram) and games via integrations/partnerships.
Smooth user experience	<ul style="list-style-type: none"> Email/social login, custodial wallets, and abstracted chain choice; “just works” UX. Web3 infrastructure becoming invisible rather than a consumer buzzword.

CreatorFi

SocialFi	<ul style="list-style-type: none"> Prediction markets will become more closely linked with mainstream finance, data, and governance. They will function like a financial API for the attention economy, turning news, social sentiment, and on-chain activity into tradable probabilities. 2026 is likely to be another breakout year for prediction markets, especially with the World Cup taking place in the US.
Monetization	<ul style="list-style-type: none"> Hybrid: traditional ads, affiliate, and brand deals plus tokenized bonuses, loyalty, and rev-share. Platforms, brands, and creators caring more about how much money a creator earns per follower/view than about raw likes, views, or followers.
Tokenization	<ul style="list-style-type: none"> IP (content libraries, royalty streams, patents, trademarks) are increasingly treated as another category of RWA that benefits from fractional ownership, global distribution, and programmable cashflows.

AI-enabled attention economy

AI-agent centric?	<ul style="list-style-type: none"> AI agents become a primary way people and businesses interact online. The attention economy shifts from just capturing human eyeballs to also optimizing for the recommendation engines and autonomous agents that make decisions on people's behalf.
Hybrid architectures	<ul style="list-style-type: none"> Heavy AI runs on cloud, while blockchains handle identity, verification, reward logic, and settlement for creators, data providers, and infrastructure nodes.
Authenticity and verification	<ul style="list-style-type: none"> Web2 leans more into authenticity markers and provenance on-chain to differentiate real human output from synthetic content.

Consumer monetization, financialization, gamification

zkTLS technology	<ul style="list-style-type: none"> Zero-knowledge transport layer security (zkTLS) is starting to show up in more real-world consumer apps. It bundles the data trail a person leaves on a site or app, keeps that information protected, and lets users choose what to share and with whom. It also enables new AI use cases by letting models work with private user data in a safer way.
Crypto rewards go mainstream	<ul style="list-style-type: none"> Crypto and stablecoin rewards are increasingly used as a flexible alternative to traditional points, with users able to move, trade, or cash out their rewards across platforms. Onchain loyalty and automated reward distribution become the new backend and standard tools in crypto growth stacks.

Web3 Attention Economy Ecosystem Is Growing

- This year, the team has met a growing number of founders building directly in the attention economy. Compared with prior cycles, more of these startups are pursuing sustainable business models, layering in utility-driven integrations, and prioritizing clear product monetization from the outset.
- 10SQ is particularly excited about new sustainable business models in creator economies, social media, gaming, prediction markets, data monetization & AI, and new forms of creator finance, loyalty, and rewards. The ecosystem is increasingly diverse and rapidly growing. Emerging winners demonstrate what becomes possible when better UX, richer incentive design, and app-first founders meet a much larger, more mainstream market.
- If you are building in the attention economy x Web3 x AI, please reach out to us.

Web3 Attention Economy Ecosystem



Source: 10SQ as of December 2025

This market map is illustrative, not exhaustive, and is intended to highlight the diversity and rapid growth of startups in this space.



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TenSquared Capital (10SQ) is a venture capital firm investing in the Attention Economy, where Media, IP, and Technology intersect

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