

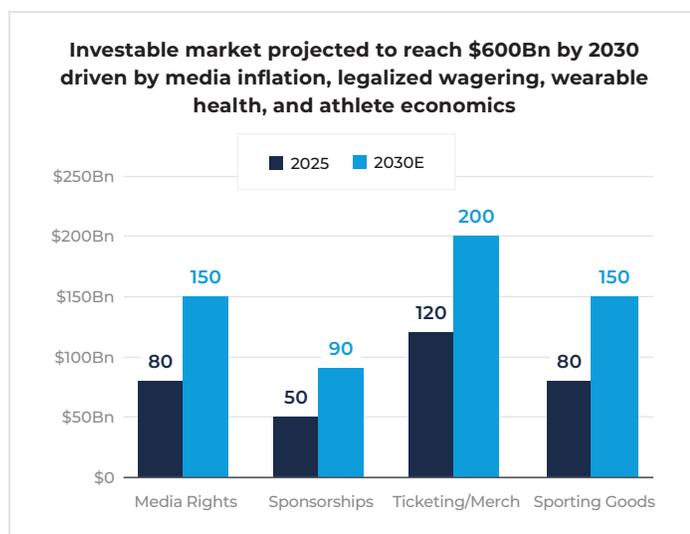
The Sports Attention Economy: Fans, Athletes, AI, and Prediction Markets. Investing in Where The Puck is Going

March, 2026

- The sport-related VC ecosystem is thriving, with \$12.5Bn+ poured into fan-centric tech (65% of deals), athlete brand infrastructure, and "picks and shovels" like data platforms and stablecoin rails in 2025.
- The global sports ecosystem is experiencing a profound realignment as traditional silos between media, technology, and finance break down.
- High-fidelity data technologies and AI are professionalizing athletics at all levels. Athletes are emerging as sovereign media entities, cultivating huge personal digital brands, direct-to-fan content, and revenue streams that often outpace their teams.
- 10SQ team is actively tracking the sports attention economy and targeting portfolio investments in high-conviction infrastructure plays like fan data platforms, athlete brand tools, and AI-driven engagement tech.

Sports x Attention Economy

- Sports is one of the largest segments of the attention economy; it commands unparalleled attention, with billions tuning into events and leagues generating sticky fan engagement that outperforms traditional media.
- **Sports TAM exceeds \$300Bn globally** (including media, sponsorships, ticketing, and merchandising), with North American leagues driving much of the growth amid mega-events like the 2026 World Cup.
- In 2026, **the intersection of sports and the attention economy** appears to be **at an inflection point**. Major shifts like athletes emerging as sovereign media entities and creators, new fan experiences, explosion of prediction markets and betting integration, streaming dominance, AI-driven personalization, and integration of blockchain-based payments are driving sports to compete fiercely for fragmented fan attention.
- The **sport-related VC ecosystem** (encompassing sports tech, sports media, fan engagement, performance tech, and broader sports-adjacent investments) has shown strong momentum heading into 2026. Overall, 2025 ranked as one of the **strongest years for sports tech deal flow** (potentially the second-biggest ever, with \$12.5Bn+ disclosed through late 2025 (Global Sports-Tech VC Report)).



Sources: Variety, NYPost, SportsPro, Kearney, Ampere Analysis, Research and Markets, Global Sports Insights

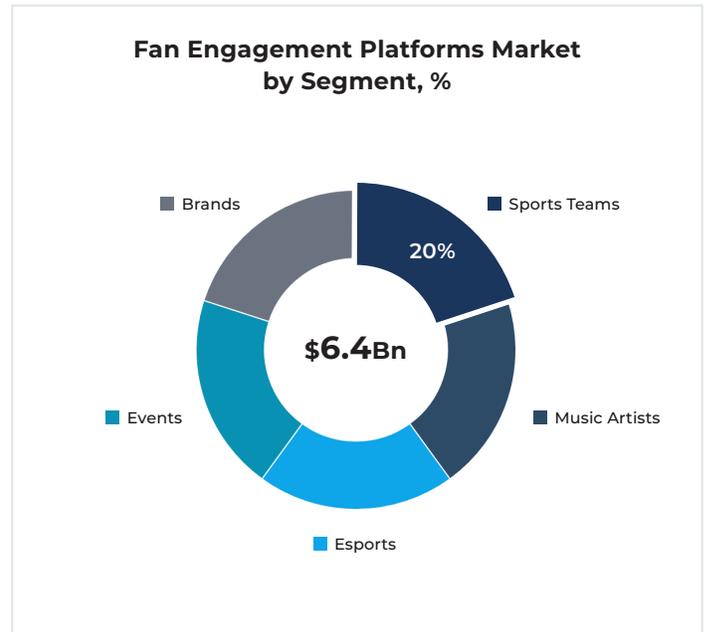
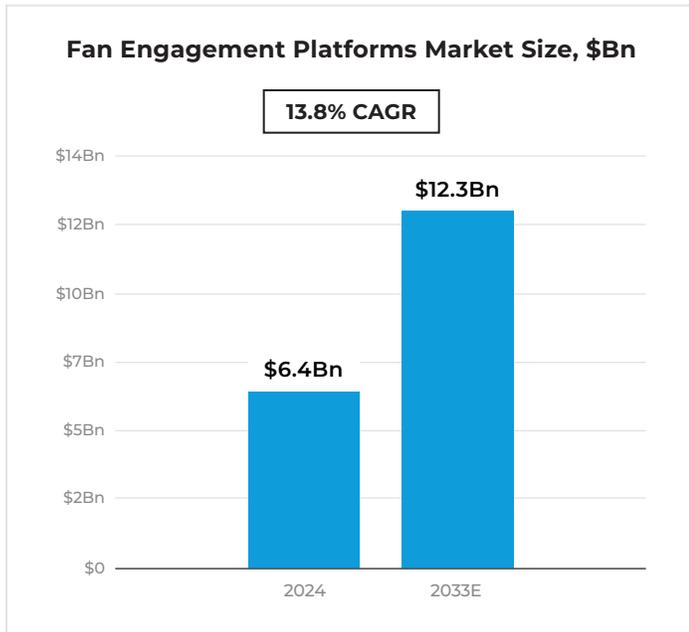
US sports media rights deals:

<p>~\$10Bn+/year through 2033 (opt-out possible post-2029) (Fox, Paramount, NBCU, Amazon, Disney/ESPN).</p>	<p>~\$2.7Bn/year (Disney, NBCU, Amazon starting 2025-26).</p>
<p>\$1.6Bn/year (ESPN, Fox, Turner).</p>	<p>\$650M/year (Turner, ESPN).</p>

Fan-Centric Tech Surge Redefines Sports Engagement

STRONGEST MOMENTUM TOWARDS FANS

- VC sports funding has tilted strongly toward technologies that enhance fan experiences, monetization, and direct-to-consumer (D2C) models. In 2025, fan-related solutions captured around 65%+ of total funding (up from prior years), driven by massive deals in areas like immersive platforms (e.g., Napster Corp/Infinite Reality at \$3Bn) and streaming/broadcasting (e.g., DAZN at \$2.4Bn). This reflects investors chasing higher fan willingness to pay for premium, personalized content as sports increasingly blends with media and entertainment.
 - Team Apps:** The NBA's league-wide "NBA App" plus each team's app feed news and AR experiences to fans. MLS clubs use apps to send exclusive content and ticket promotions. The NFL launched the NFL+ streaming service (contributing team revenue sharing and collecting user data). Internationally, soccer clubs use club apps for memberships (e.g., Man City Cityzens program) tied to exclusive content.
 - Loyalty Programs:** Teams run loyalty programs (points for buying merch/tickets) that offer perks (discounts, meet-and-greets). Airlines and airlines-style MVP clubs are adapting similar models for sports fans.
 - Direct-to-Consumer (D2C):** More teams sell merchandise, NFTs, and content directly via their sites/apps, tracking each fan's profile. This builds valuable data assets (email lists, shopping habits) which are leveraged for targeted marketing.



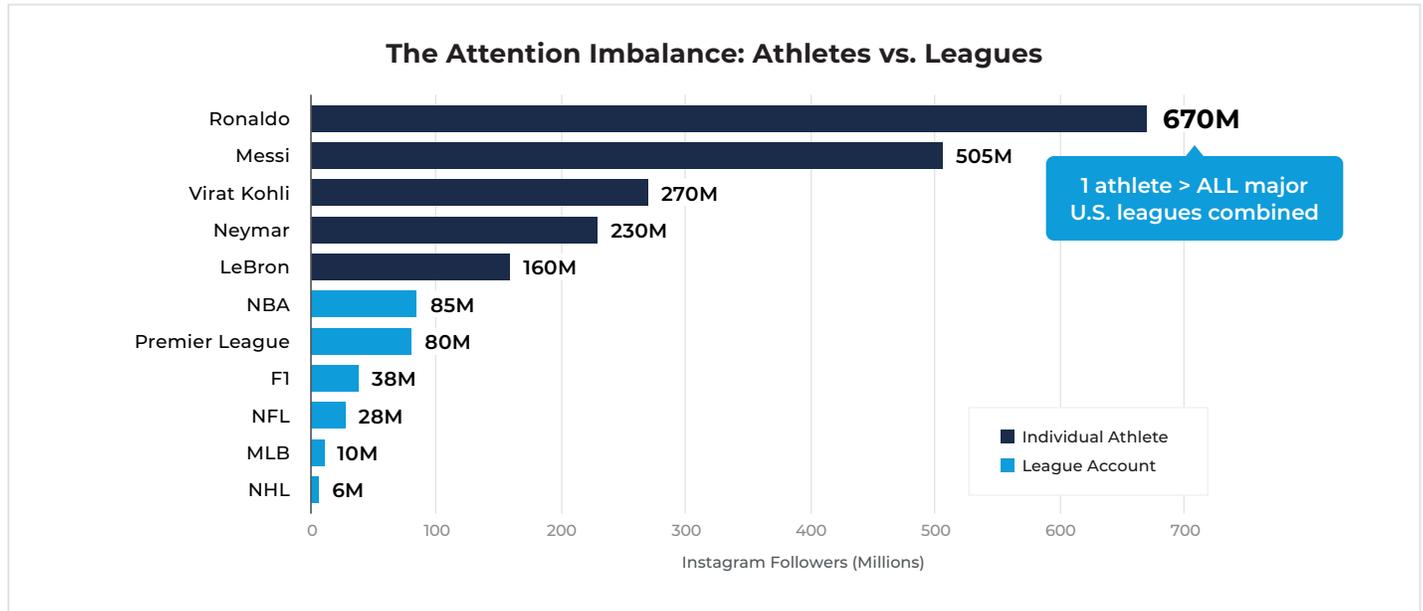
Sources: HTF Market Intelligence

- Peripheral Labs** (leveraging AI-powered volumetric video for immersive 360° replays), **15 Seconds of Fame** (facial recognition for in-venue clip sharing), **Rival** (Gen Z gaming competitions), and **Fanstake** (fan-driven NIL (Name, Image, and Likeness) crowdfunding) are leading startups revolutionizing sports fan engagement with cutting-edge technology.

- The sports business is undergoing the same profound transformation that finance experienced a decade ago - when traditional banking platforms evolved into comprehensive full-stack fintech ecosystems. That shift is now accelerating rapidly in sports.
- Teams and leagues are moving far beyond conventional tickets and sponsorships, actively recruiting top technologists, modernizing core infrastructure, and pioneering new revenue streams in prediction markets, next-gen ticketing, fan-centric data ownership, payments/tokenization, and digital identity solutions. This creates prime opportunities for startups building the enabling infrastructure.

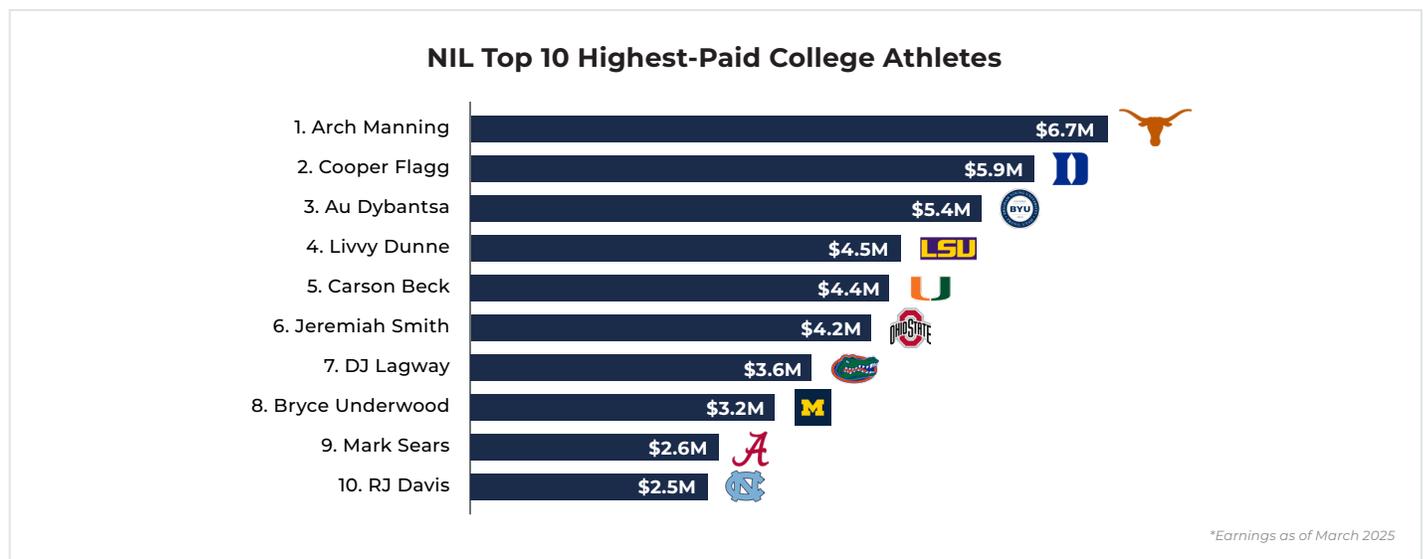
ATHLETES AS PLATFORMS

- Today, top athletes often surpass leagues in social reach, reshaping marketing and sponsorship strategies. Leagues tap stars' clout for promotion, while sponsors and broadcasters focus campaigns on individuals.
- Influencer Evolution:** Athletes emerge as content creators and influencers producing podcasts, TikToks, and stories, which require active personal brand and fan management.
- Brand Boom:** The personal brand surge enables niche athletes to monetize Instagram/TikTok narratives for sponsorships beyond sports. Pros like Travis and Jason Kelce exemplify this as their own broadcasters: New Heights podcast secured a three-year, \$100M+ Amazon Wonderly deal - \$33.3M annually, topping their NFL salaries.



Sources: InsTrack, HypeAuditor, SocialBlade

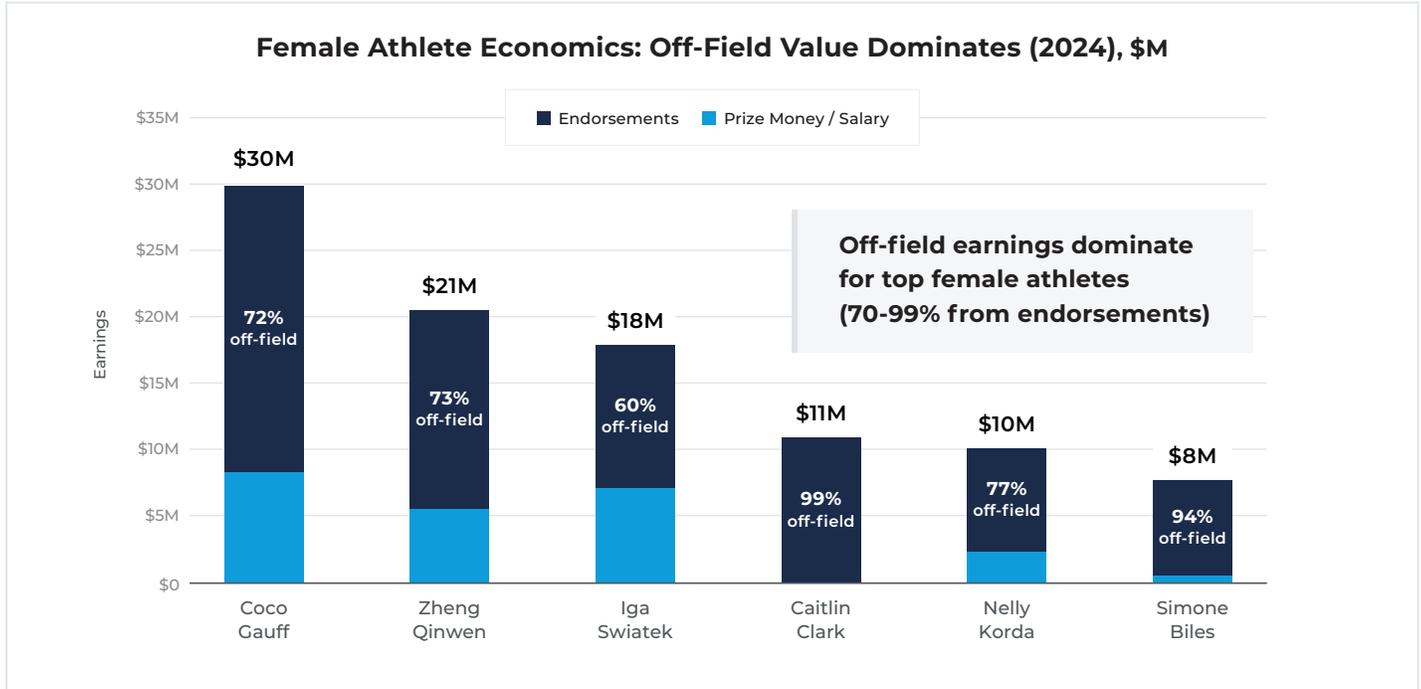
- The rapid **professionalization of collegiate NIL** (Name, Image, and Likeness) and the **"hypergrowth" of women's sports** are significant forces driving the athletes' ability to monetize their personal brands beyond traditional salaries. The NIL market alone has generated more than \$1Bn in economic activity, with **women accounting for 52% of the top 100 deals**, according to SponsorUnited.



Source: Voltedu

Women's Sports Commercial Explosion

- Women's Sports Acceleration:** WNBA expansion, Unrivaled's Season 2, Netflix's 2027 Women's World Cup, and exploding college women's basketball viewership are cementing women's sports as a scalable, premium media and sponsorship powerhouse. The **revenue from women's sports NIL deals grew 4.5 times faster** than men's sports from 2022 to 2024, driven by heightened visibility and fan investment, according to Opendorse. The top 15 highest-paid female athletes average just 25 years old, signaling a **generational brand shift**.



Sources: Forbes

Athlete & WAG Podcasts as Media Empires

Podcast / Creator	Deal Value (USD)	Annualized Revenue	Context
New Heights (Kelce)	\$100M+	\$33.3M	Surpasses NFL salary
Morgan Riddle	\$1M - \$3M	\$1M - \$3M	High engagement with female fans
SmartLess	\$100M+	\$33.3M	Signed with Wondery in 2024
Joe Rogan	\$250M	N/A	Spotify renewal benchmark

Sources: Variety, ESPN, Front Office Sports, Forbes, and NY Post

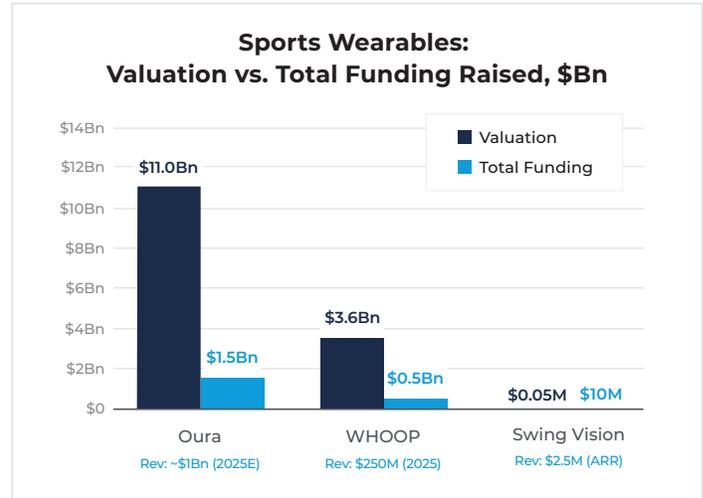
- These trends signal a booming opportunity for startups in the sports attention economy, where athletes' personal brands drive fan monetization and demand scalable infrastructure. This infrastructure is our highest-conviction "picks and shovels" category. Rising athlete influence creates need for tools in fan management (loyalty/rewards platforms), ad networks matching brands to stars, integrated ticketing/merch storefronts, and payout (stablecoin) rails.

CONSUMER WEARABLES: DEMOCRATIZATION OF PERFORMANCE DATA

- The wearable tech category is seeing a major TAM expansion as fitness tracking moves from elite athletes to the mass market. Backed by large growth rounds for platforms like Whoop and Oura, everyday users now access pro-grade recovery and strain metrics such as heart rate variability at home.

Market Segment	Market Size 2024 (\$Bn)	Market Size 2035 (\$Bn)	CAGR (2025-2035)
Global Wearable Devices in Sport	\$42Bn	\$105Bn	8.8%
Smart Sports Wearables	\$2Bn	\$9Bn	8.9%
Sports Tech Total Market	\$33Bn	\$167Bn	21.9%

Sources: MRFR, Future Market Insights, MarketsandMarkets



Sources: Contrary Research, Sacra, Growjo, CB Insights

- Next-gen sports tech startups layer AI coaching on wearables (e.g., **CUDIS 002's** Agent Coach for personalized fitness/recovery), expand sport-specific analytics (e.g., **SwingVision** to pickleball/padel), add payment-integrated rewards, and scale enterprise wellness like **WHOOP Unite**, blending consumer/B2B growth. **Epicore Biosystems** pioneers sweat-sensing wearable biosensors for hydration, stress, and performance metrics.

TEAM - FAN DATA AND DIGITAL ECOSYSTEMS

- Teams and leagues increasingly own digital platforms to gather fan data and gain direct relationships with fans (bypassing ticket sellers, broadcasters). Leagues are building “digital ecosystems” that merge streaming, e-commerce and fan rewards under one roof.

Case Study: The Detroit Lions and Fan Satisfaction

The Detroit Lions reinvented their analytics capabilities by creating an "Analytics War Room" in collaboration with Snowflake and Trace3. By integrating data from Ticketmaster, Salesforce, and stadium sensors, the Lions monitor fan behavior in real-time. This led to optimizations in stadium signage and ticketing that ranked the Lions #1 in the NFL for game-day fan satisfaction in 2024.

- Jump**, a “shopify for sports” (ticketing, marketing, e-comm, data), **Cogny** (a Salesforce CRM ecosystem for fan insights, loyalty, sales automation), and **Thumbo** (real-time data via interactive contests) are the frontrunners among first-party fan data platforms.

AI AS A FOUNDATIONAL DRIVER

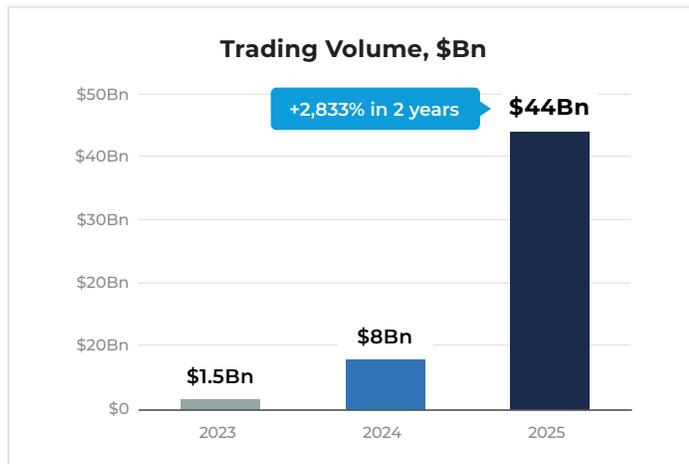
- Reports indicate that 82% of sports organizations already deploy AI (per SportsPro/Sportradar Global SportsTech Report 2026), with 98% planning increases. In 2025, around 45% of newly funded sports companies incorporated AI/ML (per Growth List data), a trend that's intensified.

Key Trends

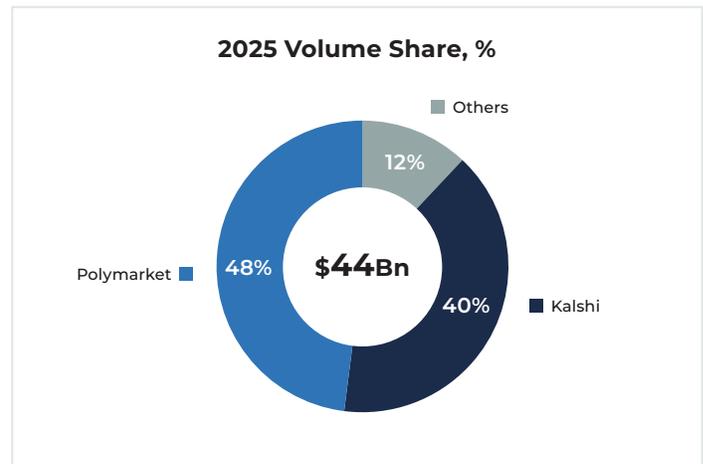
- Performance Analytics & Athlete-Focused AI:** AI video tools automate player tracking, tactical breakdowns, and reporting, providing competitive edges. Advanced wearables feed ML models for injury prediction, recovery optimization, and personalized training.
- Fan Engagement & Personalization:** AI drives real-time highlights, personalized recommendations, prompt-based interactions, immersive experiences, and predictive modeling for everything from crowd patterns to personalized fan offers.
- Generative AI as Operational Backbone:** It's embedded in injury prevention, real-time coaching, content creation, and more.

- SportAI** (AI-powered video analysis for performance insights), **ScorePlay** (AI media management and distribution for teams), **OTTO SPORT AI** (youth sports AI platform), **Jabbr** and **PlayMaker** (AI analytics for sports performance) and **Peripheral Labs** (leveraging AI-powered volumetric video for immersive 360° replays) represent early leaders in the burgeoning sports AI sector.

PREDICTION MARKETS: \$44Bn TRADING VOLUME



Sources: The Block, National Law Review, Gambling Insider



Sources: The Block, National Law Review, Gambling Insider

- The rise of prediction markets represents one of the most disruptive financial trends in sports. Polymarket and Kalshi have created a de facto duopoly processing over \$44Bn in trading volume in 2025.
- Scale:** Kalshi's transaction volume was ~1,680% higher in 2025 than in 2024. In December 2025, Kalshi recorded \$2.3Bn in weekly volume with 90% from football-related contracts. Sports is its primary growth driver. (Sources: The Block, National Law Review, Gambling Insider).

- We see the opportunity in adjacent infrastructure for prediction markets: execution layer (**ParlayX**), data feeds (**SportsDataIO**), compliance tools (**Tecpinion**, regulated market builders with KYC/AML), liquidity provision (**Limitless Exchange**), and risk analytics for prediction market makers (Pariflow, AI-powered position management for parlays), fan engagement (**Football Fun**).

- Fintech solutions are reshaping sports through strategic league partnerships with giants like Visa and Stripe. These alliances accelerate adoption of blockchain for transparent payouts and digital wallets achieving significant in-stadium penetration.

Key Trends

- **In-Venue Transactions:** Contactless payments via stadium digital wallets (e.g., NFC-enabled seats, AR concessions) cut queues by 50%+, boosting spend per fan by 20-30% amid \$150-200Bn ticketing/merch TAM. Innovations like geo-fenced offers integrate with loyalty programs, driving impulse buys during live events.
- **OTT Streaming Finance:** Embedded finance in platforms like **DAZN** or **ESPN+** enables micro-transactions for highlights, bets, or NFTs. Real-time payouts for creators/athletes via stablecoins reduce delays from weeks to seconds.
- **Athlete Wealth Management:** Platforms like **SEMA** offer tailored fintech for pros: high-yield cards, tax-optimized escrow for endorsements, and concierge investing in fractional franchise shares.
- Blockchain meets sports:
 - **Fan Engagement/Tokenization:** Teams experiment with NFT collectibles (trading cards, exclusive content) and blockchain fan tokens for loyalty. For instance, **NBA Top Shot** popularized NFTs by selling highlight-video “moments” packs. Soccer clubs partnered with **Chiliz/Socios** to issue fan tokens (e.g. \$PSG, \$BAR) that allow fans voting rights and rewards via a crypto platform.
 - **Ticketing:** Ticketmaster now allows event organizers to issue tickets as NFTs. Startups like **TixBase**, **GUTS** and **YellowHeart** also offer 100% blockchain ticketing solutions.
 - **Payment Rails:** Stablecoins are powering fan tools and merch in the attention economy. **Tether** took a >10% stake in Juventus FC by mid-2025, in part focusing on blockchain for tokenized tickets and USDT fan engagement.
 - **Betting & Prediction Markets:** **Polymarket** and **Kalshi** (Web3-based) use smart “contracts for events” that can be traded peer-to-peer. Other crypto betting platforms exist outside U.S. as well, like fully decentralized predictions exchange **Limitless Exchange**.

10SQ team is actively tracking the sports attention economy and targeting portfolio investments in high-conviction infrastructure plays like fan data platforms, athlete brand tools, and AI-driven engagement tech. If you are building at the intersection of sports and the attention economy, please reach out to us.



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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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