

EBOOK

# Securing Web3 sports monetization



Building trust for a connected world.

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# Introduction

The sports industry, traditionally centralized, is undergoing a profound transformation. With Web3's decentralized approach, powered by blockchain technology, athletes, content creators, and fans can engage in new distribution models that drive more revenue.

As digital and physical assets converge, new opportunities for interaction and ownership are emerging. Intertrust MarketMaker is leading this evolution, unlocking unprecedented value for sports-related rights holders.





# Challenges in monetizing the evolving sports ecosystem

## Monetization limitations

Sports companies and athletes face significant restrictions on their earning potential due to limitations of traditional sports content distribution. Despite the sports market reaching \$614 billion by 2025<sup>1</sup>, market players only capture a fraction of the value with traditional content formats.

1

## Lack of asset protection and provenance

The sports market faces significant counterfeiting issues, costing an estimated \$100 million annually<sup>2</sup>. Without secure systems to verify authenticity, trust in digital and physical assets erodes, reducing their value.

2

## Fan engagement and ownership

Traditional models limit fan engagement, resulting in lower loyalty and missed revenue opportunities. Studies show that highly engaged fans are 40% more likely to purchase merchandise<sup>3</sup>, highlighting the untapped potential for deeper fan involvement.

3



## Access and control of content

High barriers for broadcasting and licensing deals result in valuable content remaining underutilized. Centralized systems limit content access, leaving much of its potential unrealized.

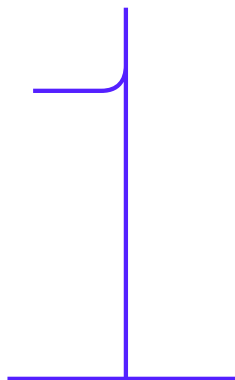


# Web3's transformative impact on sports media monetization



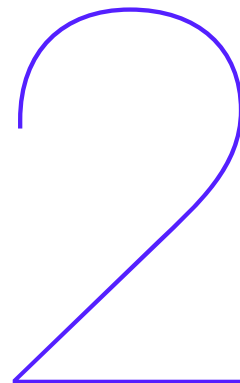
## Tokenization and digital collectibles

Web3 enables the creation of unique digital assets like highlight reels and virtual memorabilia. The sports digital collectibles (NFTs) market is booming, expected to reach \$2 billion by 2025, presenting significant revenue potential for athletes and content creators.



## Direct fan engagement

Intertrust MarketMaker empowers fans to own and trade moments through blockchain-based tickets and memorabilia. A \$1 million sports collectible NFT sale in 2021<sup>15</sup> exemplifies the high value of these assets, fostering deeper fan engagement.

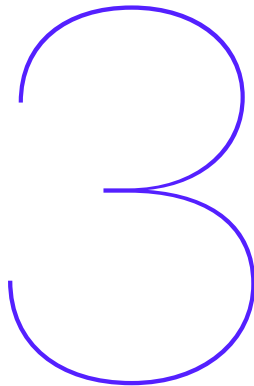




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## Enhanced asset protection

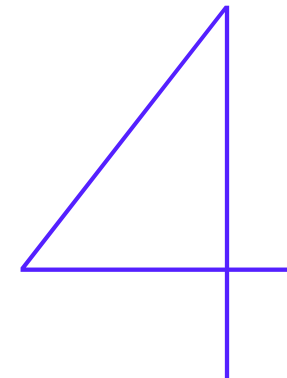
MarketMaker integrates multi-DRM into smart contracts to safeguard assets, preventing counterfeiting and ensuring authenticity. With NFC tags verifying physical memorabilia, the risk of fraud, which costs the market \$100 million annually, is significantly reduced.



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## New revenue streams

Web3 introduces innovative monetization models like fractional ownership and superdistribution. In 2021 alone, fan token sales generated \$150 million for sports teams, showing the growing demand for Web3 experiences <sup>6</sup>.





## Market insights

**\$2 billion**

Projected global sports  
NFT market by 2025

**\$1 million**

Value of a single digital  
sports collectible sold

**\$100 million**

Annual losses from counterfeit  
sports memorabilia

**\$150 million**

Fan token revenue for  
sports teams in 2021



# Transforming sports with Web3 innovation



## Tokenization of phygital assets

MarketMaker enables the creation of tokens for both digital and physical assets, such as highlight reels and physical memorabilia. This enhances value by ensuring authenticity and creating scarcity through comprehensive rights management.



## Profitable secondary markets

MarketMaker supports the buying, selling, and trading of exclusive sports content and experiences, opening up profitable secondary markets for digital collectibles creating new revenue streams.



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## Seamless cross-platform integration

Supporting multiple blockchains and DRM systems, MarketMaker delivers asset security and enables cross-platform trading. Expanded interoperability extends the reach of sports assets, with greater protection across digital ecosystems.



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## Empowering stakeholders

MarketMaker gives rights holders greater control over their assets, allowing them to manage more direct distribution and monetization channels. This fosters deeper fan engagement and increases revenue opportunities.



# Conclusion

**Intertrust MarketMaker helps the sports industry take full advantage of Web3 technologies amid a projected 400% growth in sports NFTs.**

Athletes and rights holders alike can directly monetize digital assets, and position themselves at the forefront of sports' Web3 transformation. MarketMaker helps them deliver secure and scalable solutions that drive greater revenue and fan engagement.

See MarketMaker in action. Discover how MarketMaker powers the backend of secure digital assets, while ensuring your interface is fully customizable and branded to your needs.

[Request a demo here](#)

## Citations

- 1 Research and Markets: <https://www.researchandmarkets.com/reports/5939106/sports-global-market-report-2024>
- 2 FBI on Sports Memorabilia Fraud: <https://www.fbi.gov/news/stories/counterfeit-sports-memorabilia>
- 3 ZipDo Education Reports: <https://zipdo.co/professional-sports-industry-statistics/>
- 4 Deloitte Sports Industry Outlook 2022: <https://www2.deloitte.com/us/en/insights/industry/media-and-entertainment/immersive-sports-fandom.html>
- 5 CNBC Article on Top Shot, 2021: <https://www.cnbc.com/2021/02/28/230-million-dollars-spent-on-nba-top-shot.html>
- 6 Socios.com Report on Fan Tokens, 2021: <https://www.socios.com/deloitte-fan-report-reveals-growing-interest-in-fan-tokens-among-younger-generations/>



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**Contact us:** [media@intertrust.com](mailto:media@intertrust.com)

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