IPR.VC

The New Content Economy

Structural Shifts in Media & Entertainment and the Economics of Intellectual Property

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A Structural Shift in Media

Over the past decade, media and entertainment has quietly undergone a structural transformation. This shift has not been driven by a single platform, one technology or temporary change in taste.

What has been unfolding is a deeper rewiring of how intellectual property and content of any shapes is created, distributed and monetised. These changes have been driven by three key forces:

Shifting Consumer Behaviour

Social Media Platform, Fandom & in-real-live experiences.

New Distribution Platforms

Digital Distribution, Social Media Platforms & D2C Models

Technological Development

Artificial Intelligence, Automation and Data

Content and stories have always been loved and enjoyed by people, and their importance has not wained. It is the architecture surrounding it that has.

For much of the twentieth century, value in media was captured by those who controlled access to capital, production infrastructure and distribution. It was once a high-capex, B2B2C industry where studios, broadcasters and intermediaries functioned as gatekeepers across the value chain, as visualised below.

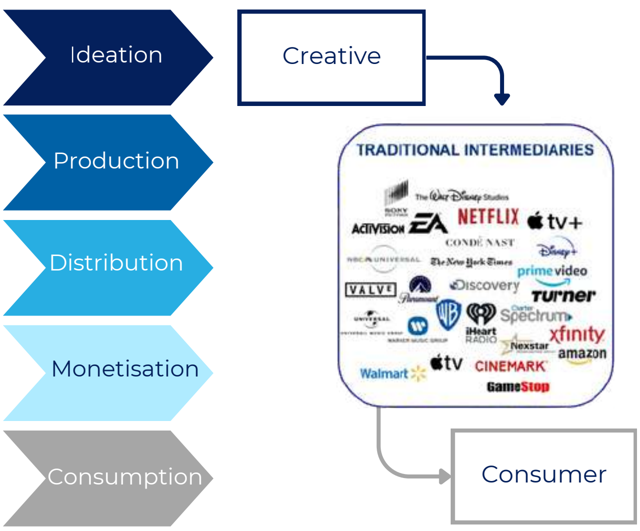
Today, those constraints have loosened. Distribution is increasingly open, production tools are more accessible and audiences can be reached directly and globally.

Creators and IP owners reach consumers through enabling tools and digital platforms without traditional intermediaries.

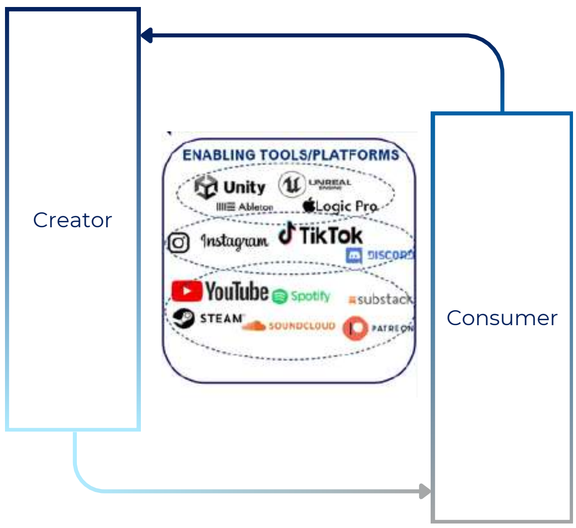
As a result, the economic logic of the sector is evolving. The industry is increasingly becoming a capital-lighter, direct-to-consumer ecosystem, where value is being captured by those who own IP, have diversified revenue streams and the ability to capture the audiences' attention.

This paper examines the forces driving that shift and the implications for how value is created and captured in what we define as the New Content Economy

Traditional Media Value Chain



New Media Value Chain



Source: Doug Shapiro, 2024

Three Converging Forces

The transformation of the media business model has been driven by the convergence of three structural forces: shifting consumer behaviour, new distribution and technological possibilities.

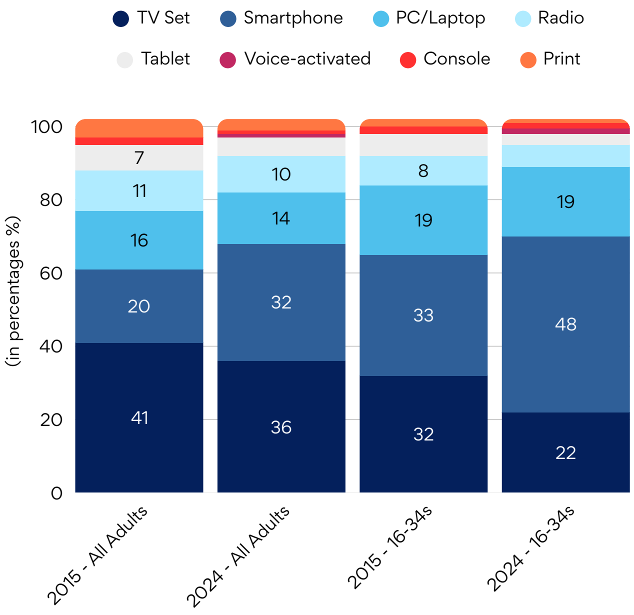
Shifting Consumer Behaviour

Over the past decade, audience behaviour has fundamentally shifted toward digital consumption.

Time spent on smartphones, laptops and connected devices has grown materially, while traditional channels have declined in relative share. Increasingly, consumers are gravitating toward open digital platforms, such as YouTube, Instagram and TikTok, alongside or, in some cases, ahead of subscription streaming services.

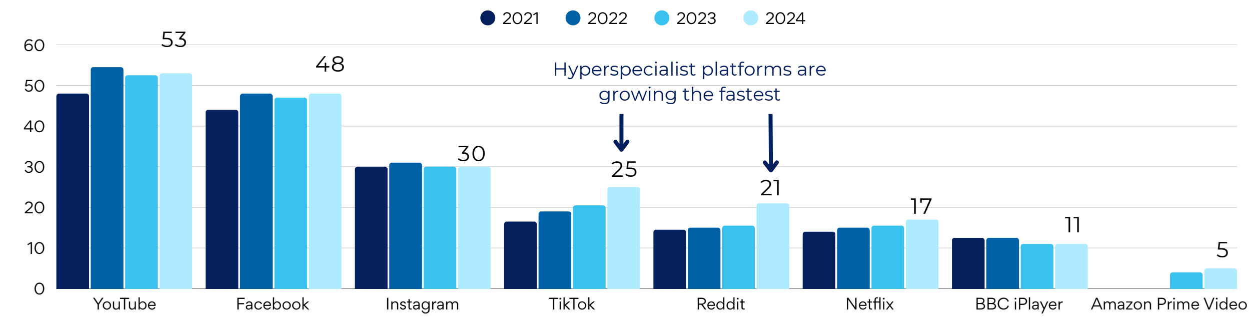
The platform matters - "The Medium is the Message". It shapes not only how content is consumed, but what type of content is created. Always-on, format-flexible, personality-led content thrives in these environments.

Media Consumption time by device (%)



Source: IPA Touchpoints, Enders Analysis

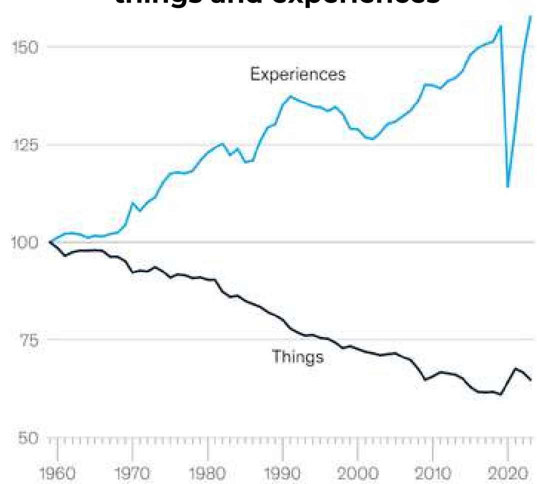
Social and entertainment platform monthly UK users (bn)



Note: Facebook includes Messenger
Source: Enders Analysis, Comscore

At the same time, an equally important countertrend has emerged. As daily life becomes more digital, physical experiences have increased in perceived value. Consumers are allocating a growing share of discretionary spend toward live entertainment, immersive events and community-driven gatherings. In the UK, one in four consumers plans to increase spending on memorable experiences. Younger demographics are particularly compelled by unique, shareable, real-world events , including cinemas, concerts and experiential formats.

Change in US consumer spending on things and experiences



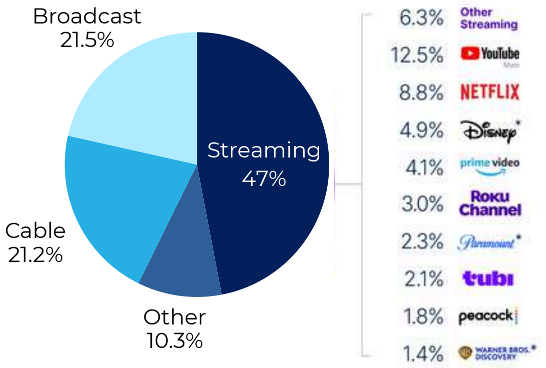
Source: McKinsey & Company, 2026

New Distribution Infrastructure

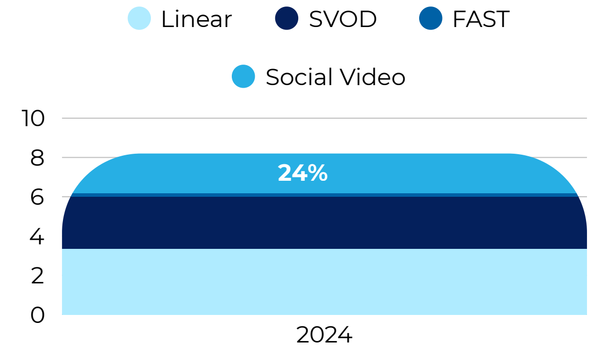
The second force is the proliferation of global distribution platforms. A decade ago, distribution was concentrated among broadcasters, studios and cable networks. Today, digital platforms such as YouTube, Instagram, TikTok, Spotify and Discord command a growing share of global viewing time, not only on mobile devices, but increasingly on televisions.

The largest platforms now reach between one and three billion monthly users globally. Social video alone accounts for roughly a quarter of total viewing time in the United States.

Content can now reach global audiences instantly, without traditional gatekeepers. Discovery is algorithmically driven rather than scheduled. Distribution is open, scalable and continuous. As production becomes more abundant, attention becomes the scarce resource. In practical terms, control is shifting away from those who own channels toward those who own audience relationships.



Source: Nielsen, The Gauge, 2026



Source: Doug Shapiro, 2026, Data from: Maverix Insights, MIDG data, Nielsen

Technological Development

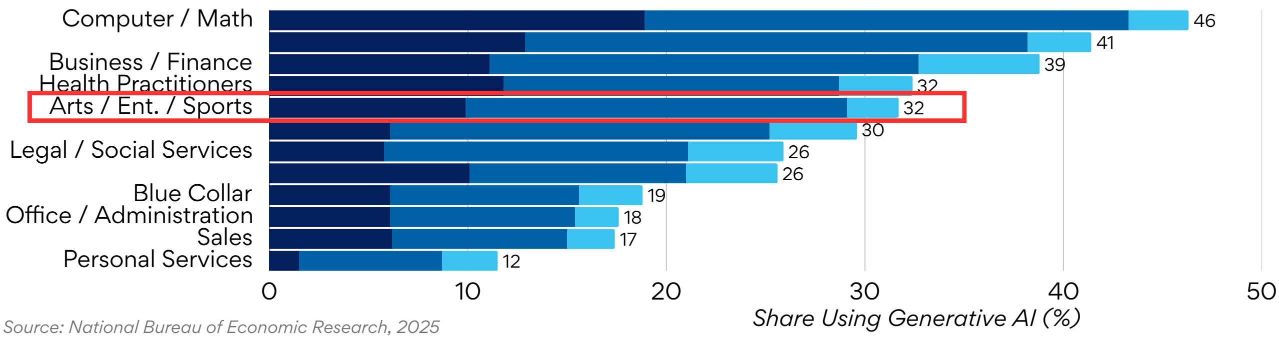
The third force is technological acceleration. Media has always evolved with technology, from VHS to streaming. Today, artificial intelligence, automation and advanced data capabilities are reshaping cost structures and operating models once again.

Adoption is already significant. Media, entertainment and sports rank fifth among all industries in AI usage, reflecting how quickly generative tools and data-driven systems are being integrated into workflows. Whilst the full impact is still unfolding, it becomes evident that AI can reduce production timelines, improving editing and post-production efficiency, and enabling more precise audience targeting and performance optimisation.

While AI lowers barriers to creation and increases operational speed, audience attention remains scarce. As production becomes more abundant, differentiation shifts toward brand, trust and audience ownership. Technology lowers friction. Scarcity shifts elsewhere.

AI Use at Work, by Occupation Group, USA

November 2024, in percentages



Source: National Bureau of Economic Research, 2025

From Assets to Ecosystems

Historically, media businesses were structured around discrete assets: a film, a television series, an album. Value capture was often dependent on a single release cycle.

Emerging media businesses operate differently. Instead of producing a single asset (e.g. a film, a book, one game) emerging media businesses build continuous audience engagement across multiple platforms. They build ecosystems from inception.

These ecosystems bring an IP to life across various different content types, from a film, a book to a YouTube series, all built around the same IP, often at the same time.

Content becomes an always-on engine rather than a one-off product. Monetisation becomes layered rather than singular. Output is no longer defined by format alone, but by audience.

Digital channels are used to build scale and continuous audience engagement. Physical experiences are integrated as part of the economic model rather than treated as ancillary revenue.

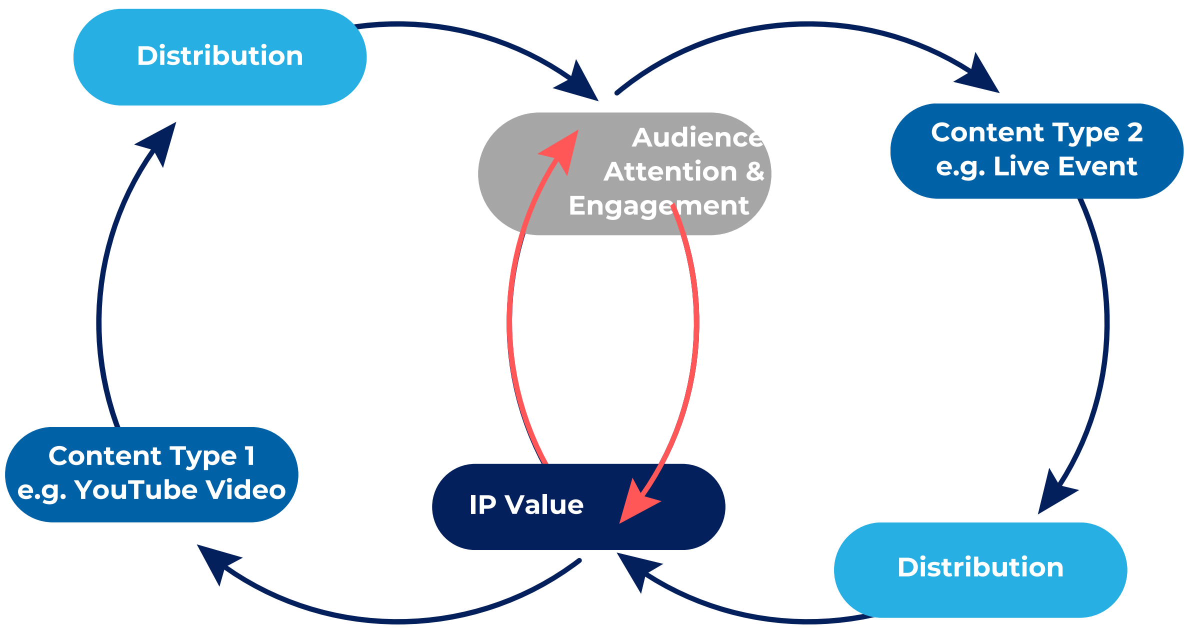
Ultimately, businesses distribute across platforms simultaneously and combine multiple revenue streams: advertising, subscriptions, licensing, commerce and live experiences.

The result is a structurally different type of media business: more capital-efficient, audience-led, diversified in how it generates revenue and less dependant on a single outcome.

As visualised below, IP value is built at the same time as audience attention and engagement is built. In turn this grows the more content types the IP is shown in and the more more distribution avenues or platforms are used.

Growth is no longer evenly distributed across the sector. It is concentrating in models that integrate audience development, monetisation and technological leverage into a coherent operating framework.

IP Value Generation and Capture in the New Content Economy



Source: IPR LAB Concept

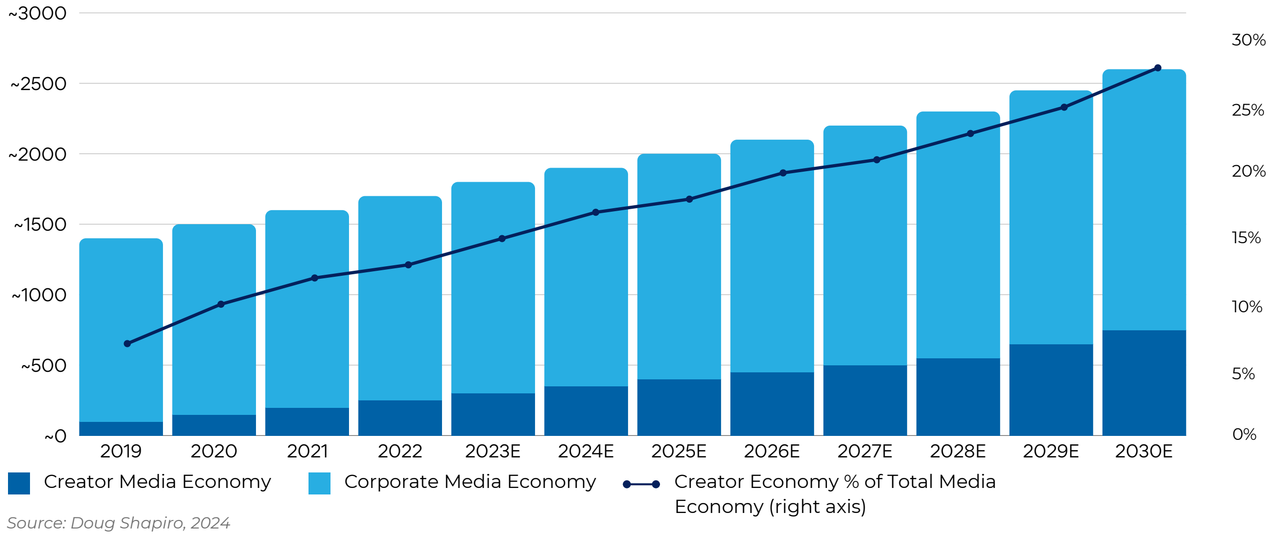
The Emergence of the New Content Economy

While the broader media and entertainment market continues to expand steadily, growth is not evenly distributed across the industry. Research indicates that two segments are driving a disproportionate share of incremental value creation. Together, they form what we define as the New Content Economy.

The New Content Economy represents the interplay between two structurally high-growth segments: the Creator Economy and the Experience Economy. The New Content Economy accounts for approximately 14 percent of the global media and entertainment market to date but is responsible for roughly 25 percent of overall industry growth. Even under more conservative assumptions of 15 percent compound annual growth, it is projected to represent around a quarter of the global market by 2030.

Global Corporate Media vs. Creator Media Revenue (mid-case)

Estimated CAGR of 15%



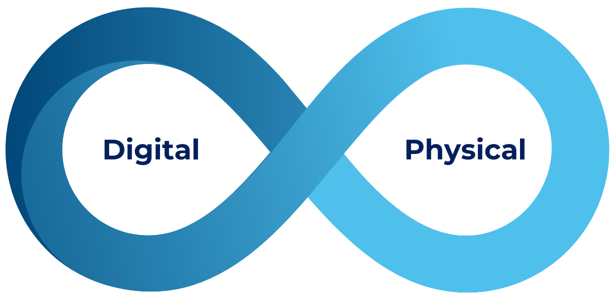
Source: Doug Shapiro, 2024

The Creator Economy forms the digital foundation of this shift. It encompasses independent creators, talent and digitally native brands producing and distributing content across global platforms such as YouTube, TikTok and Roblox. With projected growth rates exceeding 20 percent annually, it is expanding materially faster than the wider media sector. These businesses are built on continuous audience engagement and diversified monetization, rather than specific release cycles.

Complementing this digital foundation is the Experience Economy. As consumption becomes increasingly digital, physical formats represent a premium monetisation tier. Live events, immersive environments and real-world extensions increase average revenue per user and strengthen brand equity.

However, the most durable value creation does not sit in either sphere independently. It emerges from the structural integration of both the creator and the experience economy, from both the physical and the digital.

Modern Media Company Strategies



Ultimately, the opportunity is not defined by a single format or platform. It is defined by companies with operating models designed for convergence.

This integration alters competitive positioning. Companies that operate across both spheres are less dependent on single platforms, single formats or single revenue streams. These businesses are able to sequence growth, test demand digitally and expand into higher value formats and scale with greater capital efficiency.

Low-monetisation, high-consumption formats like digital drive discovery and fandom. High-monetisation formats, live events, retail and merchandise capture value. But beyond the convergence of digital and physical, two additional factors and sectors play a key role: AI, technology and data and branded content & advertising.

As illustrated in the framework below, in the new content economy artificial intelligence and data capabilities act as key infrastructure.

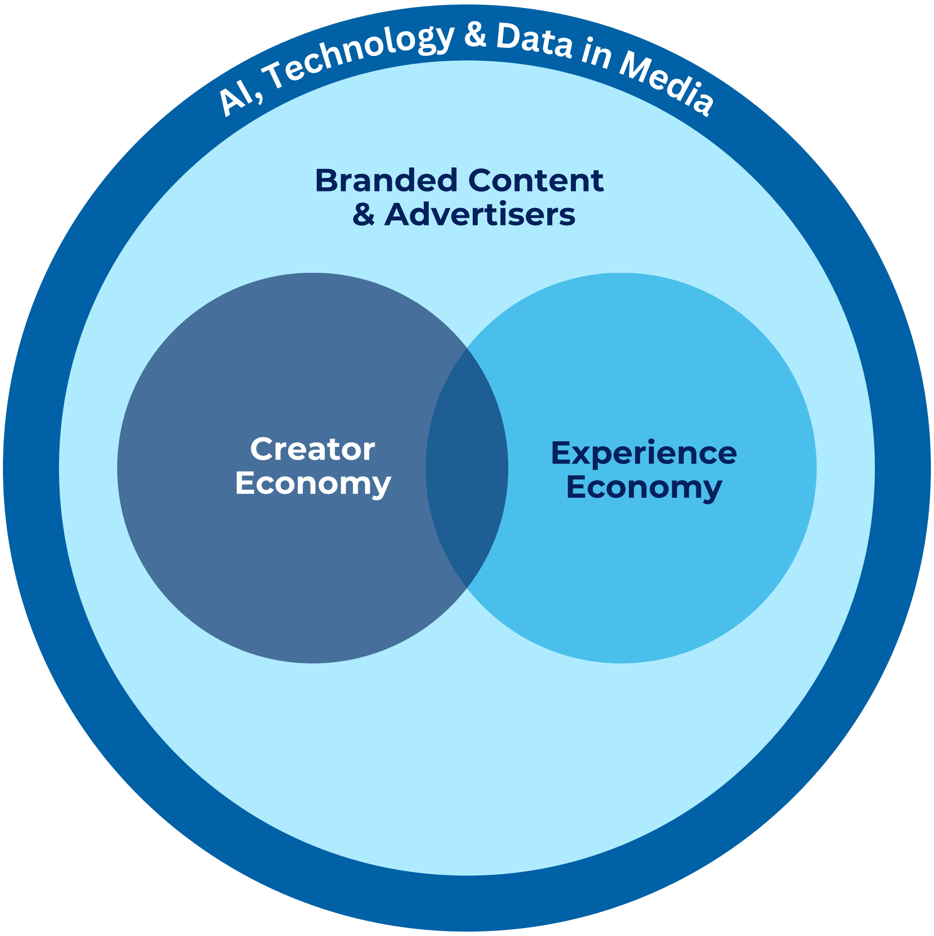
Businesses that integrate analytics, automation and AI enabled production into their workflows can operate at speeds and cost levels that materially narrow the gap with established incumbents.

Branded content and advertising similarly operate across the system as monetisation mechanisms. Brand capital flows into digital series, live formats and hybrid activations, reinforcing audience ecosystems rather than funding isolated projects.

The opportunity in this sector, therefore, is not defined by a single platform or format. It is defined by businesses structured to integrate audience development, monetisation and technological leverage into a coherent and adaptive model designed for convergence.

And there is real economic rationale for that convergence.

New Content Economy: By Sectors



The Economics of Convergence

There is real economic advantage and rationale for companies to look at medium convergence and to move beyond single formats. This is where the biggest value for company builder and investors lies.

Consumer media monetisation varies considerably across mediums. We see businesses relying on low-monetisation but high-consumption tiers (e.g. Social Video), monetising across mediums. Not because they want to be present on all these platforms and build a franchise, but often because they have to.

This Media Monetisation Pyramid shows the average monetary value per hour of consumption, per consumer in the US. Total media industry average is $0.36 per hr of consumption.

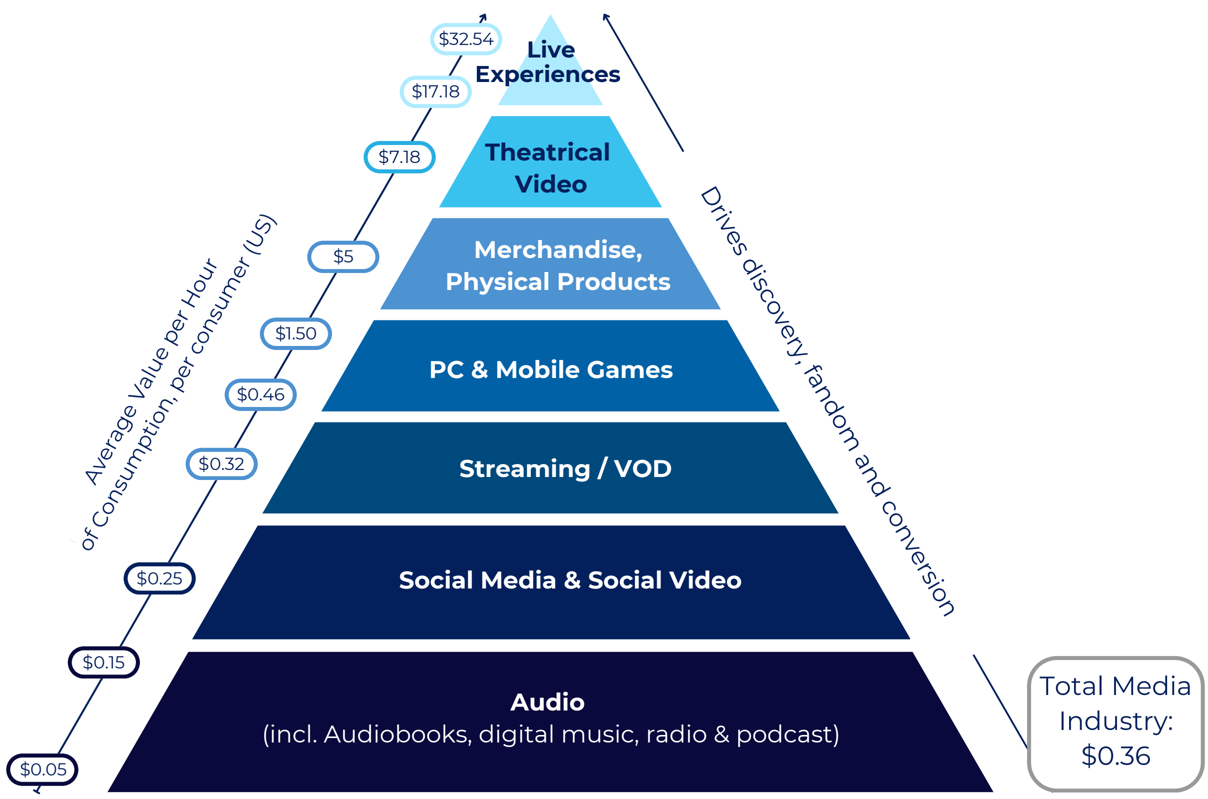
Live Experiences, including sporting events, amusements parks, live music drive the highest amount of revenue per user per hour of consumption, whilst theatrical video is still very high at $7.18.

We estimated merchandising, physical products to land around $5[1], although an hour of consumption is difficult to define for commerce products. Social media and video drives low monetisation, whilst audio, music and podcast have the lowest. Unless there is large scale in lower RPU formats, it is difficult to monetise them.

Even though audio and social media / video in particular, have lower monetisation per user, they hold power in driving discovery, fandom and conversion for higher monetisation tiers.

The most successful companies combine low RPU mediums and the attention they get from their audiences and consumers with high RPU formats. This allows businesses to take advantage of the qualities both offer and mitigate the risks and challenges they individually provide.

Media Monetisation Pyramid



Source: McKinsey & Company, 2025: IPR.VC Analysis & Visualisation

A Sector in Transition: Now What?

The developments outlined in this paper are not simply industry trends. They point to a shift in how value is created and captured. At its core, the media and entertainment sector has always revolved around three forces.

Intellectual Property	Distribution	Attention
IP: the underlying creative asset incl. films, books, games, YouTube series etc.	**Distribution:** how that IP reaches audiences and therefore monetises	**Attention:** the audience's time, trust and engagement that drive monetisation

Those three elements are the constant, regardless of new shifts. The ownership, control and activation of intangible rights remain central. What has changed is the structure within those rights and three forces operate.

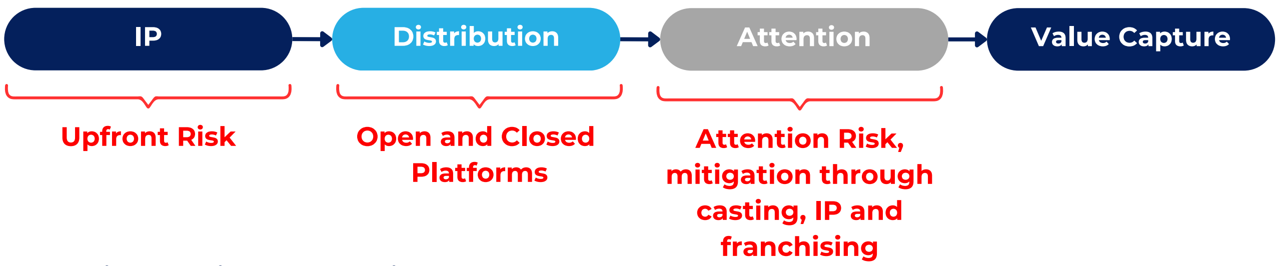
Distribution is no longer scarce in the way it once was. Production is more accessible. Audience relationships can be direct and continuous. Monetisation pathways are layered and continuous rather than on-off or singular.

As illustrated below, the new value chains alter both risk and return dynamics. Revenue becomes less dependent on a single event and more dependent on the ability to activate IP across formats over time.

Risk lies not upfront. Traditionally risk lies upfront with the creation of IP, which might or might not get distribution. Only once it is distributed does it generate attention and ultimately value capture.

In the new content economy, attention and engagement with an audience often comes first, followed by distribution. But truly, competitive advantage increasingly sits with those who combine audience ownership, operational execution and monetisation depth within an integrated framework. And those who are able to do all of this continuously and repeatedly.

Traditional Media Value Chain



Emerging Media Value Chain

What this Means for Capital

It is clear that the mechanics of media and entertainment are changing. Now, the question is not only how businesses evolve, but also how capital engages with them.

The developments outlined in this paper point toward a structural shift in how intellectual property is created, distributed and monetised. Businesses emerging within the New Content Economy operate differently from the traditional models that shaped media investing for decades. They are continuous and audience-led rather than intermediary-led and designed to activate IP across multiple formats simultaneously where franchise value can compound over time.

These businesses and IP ecosystems described in this paper operate across longer horizons and more interconnected value chains. They require capital that understands the sector, and willingness to rethink how it participates in the industry in the first place.

For investors and operators, this creates a landscape that is more complex, but also more structured than traditional perceptions of the sector suggest.

What this Means for Creatives

For creatives, this shift creates a new reality. On one hand, it requires rethinking business models and adapting operational structures. On the other, it opens up meaningful new opportunities.

Thinking about audience development, marketing and brand building can sometimes feel distant from what many creatives are best at: creating worlds, characters and ideas that resonate with audiences around the world. Operating in a more direct relationship with audiences can also require capabilities that creative teams may not previously have needed.

At the same time, this moment offers new possibilities.

When new technologies emerge, they are often first used to make existing processes more efficient. Over time, however, they begin to unlock entirely new ways of working. As new tools, platforms and formats evolve, they create fertile ground for new narrative forms, new collaborations and new business models that are still being explored.

Smaller teams can now access capabilities that were previously reserved for large studios. Collaboration across creative industries, from gaming and film to social media, music and live experiences, is increasing. Together, these dynamics allow new creative ecosystems to emerge.

The New Content Economy is being built in real time. The rules are evolving, which makes this the perfect moment for experimentation and for new forms of partnership. It also invites creatives to apply the same imagination to the structures surrounding their work as they do to the work itself. Thinking creatively not only about the stories that are told, but also about how they are financed, distributed and monetised.

This is the role of the IPR LAB

As the research and development arm of IPR.VC, the LAB exists to analyse where value in media and entertainment is moving, and how emerging business models may require new approaches to investment. By combining industry insight with structured research, the LAB seeks to identify the opportunities created by these structural shifts before they become widely recognised.

For IPR.VC, this work informs how we think about the future of investing in the sector. It allows us to explore how capital structures, investment timelines and ownership models can evolve alongside the changing economics of intellectual property.

The New Content Economy is already unfolding. The question is no longer whether media is changing, but how business models, working methods and capital structures adapt to this new architecture of value creation.

About IPR.VC: Specialist Media & Entertainment Investor

IPR.VC is a leading European investment manager specialising in media and entertainment. Founded by industry professionals, the firm connects institutional capital with the global content economy.

Over the past decade, IPR.VC has raised more than €200 million across three funds and financed over 60 film and television productions, working with leading industry players such as A24, MK2, XYZ, and Red Bull Studios.

Alongside investments in film and TV, the firm has invested in companies across gaming, events, social commerce and animation.

IPR.VC is a partner-owned firm with offices in London and Helsinki and operates as a regulated alternative investment fund manager (AIFM). Its investor base includes family offices, institutional investors including the European Investment Fund.

IPR LAB: Identifying Emerging Opportunities in M&E

The IPR LAB is the research and development arm of IPR.VC. Its mandate is to analyse structural developments in media and entertainment and to identify emerging investment opportunities across the evolving content economy.

By combining research, industry insight and strategic analysis, the LAB informs future investment strategies and helps position IPR.VC at the forefront of developments in the sector.

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