Tokenized Assets Rewrite Business Models

Idea In Short

Tokenized real-world assets have grown from a crypto side experiment into a market worth more than $25 billion, and forecasts from Citi, Ark Invest and Boston Consulting Group put the figure anywhere from $5 trillion to $16 trillion by 2030. The technology converts bonds, property, credit and other assets into digital tokens that settle in minutes rather than days. For executives, the more interesting story sits underneath the price charts. Tokenization is changing how companies raise capital, price their services and manage costs. Funding shifts from bank loans toward direct token sales. Revenue shifts from one-off fees toward recurring management and transaction fees. Costs shrink as smart contracts replace manual settlement. Ondo Finance, a leading tokenized treasury platform, shows what this business model looks like in practice

From Digital Cash to Programmable Value

Bitcoin launched in 2009 as digital money that needed no bank. Early use came from technology enthusiasts, then merchants such as Microsoft and Overstock began accepting it, followed by payment processors that opened the door to millions of users. Real estate brokers in Miami and Dubai closed property sales in bitcoin and stablecoins, proving that digital settlement could handle high-value transactions, not just small purchases. Ethereum arrived in 2015 with programmable smart contracts, letting a token represent a house, a loan or a share in a company rather than just currency.1 Bitcoin proved digital ownership could work outside a bank ledger. Ethereum gave that ownership a programmable structure, and together the two networks built the technical base the tokenization market runs on today.

Institutions Move Onchain

By 2025, tokenized real-world assets had moved past experimentation and into treasury departments and asset managers. Tokenized US Treasuries and private credit make up most of the market's value, since both assets pay predictable yield and settle cleanly on a blockchain ledger. Large institutions use tokenization to cut paperwork and reach investors who could not previously access these instruments directly. Regulators have started building rules to match this activity, and the European Union's Markets in Crypto-Assets Regulation gives issuers a legal framework for offering tokens across 27 member states, while Singapore has passed comparable legislation.2

Tokenized Treasuries and private credit now account for most of the market's value

Funding Without the Bank Line

Before tokenization, a company needing capital negotiated with a bank or waited for a handful of large investors to commit. Now it can split an asset into thousands of digital shares and sell them directly to buyers anywhere with an internet connection. A resident of London, Tokyo or Sao Paulo can hold a $100 stake in a rental building or a corporate bond, a transaction size traditional finance rarely supported. Forecasts on how far this goes vary widely, with Citi projecting the tokenized asset market at $5.5 trillion by 2030 and other estimates running as high as $8 trillion.3 Whichever estimate proves closer, the funding process itself no longer depends on a handful of gatekeepers.

Revenue Becomes a Subscription

Tokenization also changes how a platform earns money. Rather than charging one large commission per transaction, token issuers collect smaller recurring fees for management, custody and trading, a pattern closer to a subscription business than a one-time sale. Ondo Finance, a tokenized Treasury platform, reported roughly $13 million in quarterly revenue in early 2026 as its total value locked climbed past $3.5 billion.4 That revenue comes from spreading small fees across a growing base of holders rather than extracting a large cut from occasional deals, which rewards platforms for retaining assets rather than just closing transactions.

Smart Contracts Compress the Clock

Settlement used to take days because it ran through custodians, clearinghouses and manual reconciliation. Smart contracts automate dividend payments, interest distribution and settlement instructions, so the same process now finishes in minutes. BlackRock and Franklin Templeton have both pushed further into tokenized money-market and government funds, betting that faster settlement and lower administrative cost will draw in institutional buyers who previously stayed on the sidelines.5 Lower settlement cost does not just save money. It frees staff from reconciliation work and lets a company redesign the product itself.

Real Companies, Real Portfolios

The numbers behind this shift are no longer speculative. Tokenized private credit reached about $17 billion in value this year, and tokenized US Treasuries added another $7.3 billion, with BlackRock's BUIDL fund alone approaching $2.4 billion in assets under management.6 Retail-facing platforms such as RealT let smaller investors buy fractional shares of rental property and collect rent through blockchain payments, while other projects tokenize carbon credits so companies can trade proof of their environmental contributions on open markets. These are functioning businesses with paying customers, not white papers waiting for a launch date.

What Comes Next

The next phase pairs tokenization with automation and artificial intelligence. Smart contracts could adjust interest rates or asset valuations as market conditions shift, without a manual repricing process. Businesses are starting to build in layers, one holding the underlying asset, another issuing the token, a third connecting global investors, so each function can be upgraded independently. A renewable energy developer, for instance, could finance a solar project by issuing tokens backed by future carbon credit sales instead of taking on bank debt. By 2026, tokenized products are expected to reach pension funds and corporate financing more broadly, and the companies that treat transparency as the product, not an afterthought, will set the pace.

Key Partners

Ondo Finance built its Treasury products on top of established asset managers rather than competing with them. BlackRock, Franklin Templeton, Fidelity and State Street supply the underlying government fund exposure that OUSG and USDY tokens represent. PayPal and Mastercard integrate Ondo's yield products into stablecoin and payment rails, while

Broadridge enables proxy voting across more than 250 tokenized stocks and ETFs. These partnerships give Ondo regulatory cover and distribution it could not build alone.

Key Activities

Ondo's core activity is issuing and managing tokens that track regulated Treasury and credit funds, then keeping those tokens compliant across jurisdictions. The team runs know-your-customer and accreditation checks for every holder of its qualified-access products. It also maintains infrastructure across Ethereum, the XRP Ledger, Solana and other chains so tokens can move between networks. Ongoing work includes negotiating new institutional partnerships and expanding the range of tokenized funds on offer.

Key Resources

The platform depends on its relationships with regulated fund administrators, since those licenses let Ondo offer Treasury exposure without becoming a bank itself. Smart contract code governs issuance, redemption and yield distribution, and needs continuous auditing. The ONDO token and its DAO treasury fund protocol development and cover operating costs. Multichain deployment capability is itself a resource, since it lets Ondo meet institutional clients wherever they already operate.

Value Propositions

Ondo lets holders earn Treasury bill yield without opening a brokerage account or waiting for settlement. Tokens trade continuously on decentralized and centralized exchanges instead of only during market hours. Redemption and interest payments move through smart contracts rather than paper instructions, cutting processing time from days to minutes. For crypto-native funds, the tokens also work as onchain collateral, something a traditional brokerage account cannot offer.

Customer Relationships

Retail-adjacent users interact with Ondo mostly through self-service wallets and its own application, with minimal need for human support. Larger institutional clients get dedicated account teams to handle onboarding, compliance documentation and custody questions. ONDO token holders participate in DAO governance, giving them a say in treasury allocation and protocol changes. That combination lets Ondo run a low-touch product for smaller holders alongside a high-touch relationship for its largest partners.

Channels

Ondo distributes its tokens through its own application and documentation site, where qualified purchasers complete onboarding. Decentralized exchanges and centralized exchange listings extend reach to crypto-native traders. Institutional partners such as Mastercard and PayPal act as channels in their own right, embedding Ondo's yield products into products their own customers already use.

Customer Segments

Accredited and institutional qualified purchasers form Ondo's core segment for OUSG, subject to a six-figure minimum subscription. Crypto-native funds and market makers use the tokens for treasury management and as collateral in onchain trading. Fintechs and neobanks integrate Ondo's products to offer yield to their own users. Decentralized autonomous organizations and other onchain protocols hold the tokens as a low-risk reserve asset.

Cost Structure

Ondo's largest recurring costs are fund administration, custody and audit fees paid to its institutional partners for managing the underlying Treasury and credit assets. Compliance staffing, smart contract development and security audits add further ongoing expense. Multichain deployment means paying gas and bridging costs across several networks rather than one.

Revenue Streams

Management fees on assets under management make up the bulk of Ondo's revenue, charged as a small annual percentage rather than a one-time commission. Protocol and transaction fees, which the platform has begun rolling out more broadly, add a second recurring stream. Revenue funds the DAO treasury and operations rather than paying dividends directly to token holders.

- 1History of Ethereum
- 2Markets in Crypto-Assets Regulation
- 3Tokenized assets could hit $8.2 trillion by 2030
- 4Ondo Finance TVL, fees, revenue and volume
- 5BlackRock, Franklin Templeton deepen push into tokenization
- 6Tokenized assets could surpass $11 trillion by 2030

Summary

Tokenization does not eliminate financial risk, and regulatory frameworks such as MiCA in Europe are still catching up with the pace of product launches. What has changed is the plumbing underneath. Ondo Finance's growth, from roughly $200 million in assets in early 2025 to well over $600 million a year later, shows that institutional money will move onchain once compliance and custody match traditional standards. Companies that treat tokenization as a narrow treasury-management trick will miss the larger shift, since capital formation, pricing and settlement are being redesigned together. Boards that start experimenting now, through partnerships, pilot funds or token-based financing, will understand the mechanics before they become mandatory. The businesses that wait risk relearning these lessons under competitive pressure