<u>Catalyst Fund 8</u>

https://cardano.ideascale.com/c/idea/62467

'DAO Displays for Public Spaces'



https://cooperativalocal.org/

Video: https://youtu.be/2G0wjGv8pJs
Challenge: Nation Building Dapps

Funding: \$28.750

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Project Team

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<u>Context and Introduction</u>

Cooperativa Local was brought together in the first quarter of 2021 as an organization aiming to investigate and develop technological solutions able to support local cultural workers and their activities. Cooperativa Local started studying and evaluating the potential that Web3 tools had for the Latin American cultural ecosystems, such as NFTs, Social Tokens and DAOs.

As NFT communities of users were (and continue to be nowadays) fragmented in multiple Blockchain ecosystems, they usually find themselves pushed to use certain massive centralized social networks to share their works (Twitter, Instagram); platforms that usually dilute their exposure within an over-saturated array of global-scale contents. This dilemma usually propels them to prefer Ethereum Blockchain Marketplaces over others, because by using the most massive ecosystems they find more elements in common to being able to relate with certain communities and their support.

We were referred to Project Catalyst to participate in the F6 'NFT Business Models' challenge, which got us a foundational funding of \$14.000, with which we researched, designed and deployed a first prototype of a multi-chain social network that integrates Cardano and other web3 ecosystems of Latin America.

The corresponding progress led us to receive F8 funding for the actual development of the <u>platform</u> MVP, which launched its alpha in May 2022 and Beta in December of that year. As presented in this F8 challenge, the platform aimed to research ways it could provide value to physical spaces, such as public spaces and cultural events; offering decentralized content-promotion services for cultural stakeholders: B2C, B2B and B2G.

The research, findings, developments and challenges experienced by our team's 2-year journey would support the final version of our vision, designed to attain sufficient market-fit at LatAm for operating in a self-sustained manner, what could progressively deliver its decentralization in Cardano Blockchain, considering the community feedback as keys for its governance, challenge identification and technological development, as well as a route for further scaling to other emerging markets of interest.

List of challenge KPIs and how the project addressed them

In our challenge proposal, we clearly indicated which KPIs we would consider, which on this closing-report you will find out (numbered) and in bold style.

- (1) <u>Testing prototypes to launch our platform MVP</u>: We developed two versions of the platform. The first one was launched privately, inviting 60 cultural agents and creators. With the feedback and refining of the platform, we developed our current version which we launched in December 2022.
- (2) <u>Deploying Integrations with Cardano:</u> After our MVP was priorly launched privately for testing, and then publicly together with our media campaigns, users come in and traction has happened. Accordingly, we have pushed new developments related with Cardano specifically:

- Our back-end is permanently prepared to integrate DeSo-Cardano updates from the core team, such as the mentioned above.
- Users are able to tag and filter posts, projects and NFTs that are related with 'Cardano'.
- Largest LatAm's Cardano Community (Latam Town Hall, F7) has its own tag to display their activity.
- Users are able to tag and filter posts, projects and NFTs that are related with other 15 Blockchains (the ones with largest adoption at LatAm).
- (3) <u>Mainnet and testnet transaction volume growth</u>: 85.000 interactions with our Web3 Web-app at DeSo Blockchain from 1.300 total visitors. (4) <u>User Retention Rate</u> of 289 recurrent visitors from a total of 1.330 visitors (5) <u>Growth of Conversion Rate</u> from 10.5% in January, to 17% in April.
- (6) <u>Use of web 3.0 Tools</u>: NFTs, DAO Coins, DeSo and Metamask ID Wallets, on-chain posts, micro-tipping (Diamonds). Comparing public launch vs. private testing.
 - Wallets (users): 75 vs. 20 during testing
 - Posting on-chain: 190 vs. 30 during testing
 - NFTs: 140 vs. 5 during testing
 - Micro-tipping > 0.01 \$DeSo: 4.000 vs. 250 during testing.
- (7) Open physical exhibitions for our community members: We did 9 total exhibitions, one internationally at Underground Violet Rave within the NFT.NYC week at NYC. The 8 others were executed at Chile, the last one in collaboration with Pizza DAO and Metacorral (which was both IRL and VR). Another one with Metacorral was together with NounsDAO; other 2 were executed at AWKA Komunidad on La Reina, Chile and the other 3 at one of the most important cultural centers of LatAm: Centro GAM, both during the premiere and closing of the international cinema festival DART, and also the international women's day last March 8th, at the center of the largest citizen mobilization for that day at Chile. We counted over 1.200 attendants, 150 participants and recognized latin american NFT artists such as Cryptomoves, Hypereikon, VJ Deliria, Arregium, Layla Pizarro, Yeikob 2019, Chini PNG, Alejandra Valdivia, Sutil Metal, Pablo Espinoza, Sebastián Rojas, AsterAI, Dorihanne Herrera and Belu Muda.
- (8) <u>B2G</u> and <u>B2B</u> <u>leads</u> towards <u>physical</u> <u>broadcasting</u> <u>of our platform</u> <u>and</u> <u>it's</u> <u>onboarding</u>: we have collaborated with the National Tourism Agency of Chile (SERNATUR) to present our B2G service to 25 city governments (to physically onboard their local communities to the Web3 while broadcasting their artworks, contents, initiatives and challenges to local public spaces. With which we had 7 leads which pointed out to firstly develop our platform. We are currently negotiating with two cultural centers (Espacio del Angel and Centro Nave) in order to pilot B2B services that offer potential adopters (creators, artists, projects and cultural communities) physical promotion, while also broadcasting contents published by our platform's community and thus, founding the basis of the DAO-utility that our participants will have: physical promotion at cultural spaces. Moreover, we pitched to Santiago's subway innovation executive at Metro Demo-Day, in order to recreate this initiative in the network of the subway's stations.

- (9) <u>Our participation in diverse physical and virtual events, workshops and contests</u>: We have officially collaborated physically with important Web3 communities such as PizzaDAO, NounsDAO, MetaCorral, NFTianguis, participated on VJ Deliria & Friends (at NFT.NYC 2023) and we've executed collaborative digital efforts with PaisanoDAO, ACME, Futurx, Mujeres en Crypto. Also, we have presented at Metacorral podcast. We attended Ethereum Chile (ETH SCL), Curo NFT Gallery launch and a local Digital Art Circuit CIMUAD. Our participation at NFT.NYC was promoted by Cardano and Snapbrillia; that week we met with the managers of over 50 potential clients or partners such as galleries, communities, brands and start-ups.
- (10) <u>Catalyst Community Use-Case engagement:</u> We have a tag and filter for Cardano Catalyst Community, so they can share their projects and F10 proposals. We have also participation at Latam Townhall.
- (11) <u>Our social volume</u> has been organically growing, we have posted over 200 posts and stories on our Platform, Website, Instagram, Twitter and Telegram. At Twitter, we summed 12.150 impressions, from which 7.700 were after launching publicly. Reaching 10.330 users, 8.000 after launching. At Instagram, we summed 42.000 impressions, 31.000 of which were after launching. Reaching 17.277 users, 14.179 after launching publicly. At Telegram, we have reunited 70 members. Our Website has received 800 visitors and our Platform 4.800 visits from 1.330 users.
- (12) <u>Team and delivery Time</u>: Our team consists of 4 non-developer members, 1 DeSo developer and 1 DeSo Technological Advisor (PhD. Andrzej Tucholka). Our non-developer team has dedicated (since May 24th 2022) between 32 to 40 hours monthly to approach our three F8 Challenges (Cross-Chain Collaboration: \$19.850, Nation Building Dapps: \$28.650 and Dapps and Integrations: \$9.250).

According to that distribution, approximately 50% of our work time has been allocated to this challenge throughout the last 11 months. Consisting on 3.527 work hours. (13) In terms of our developers and technological implementation, Rafael Stockler has dedicated 50% of his 180 developing hours to this F8 Challenge in particular: 90 hours, and our technological advisor approximately 9 hours.

- (14) <u>Delivery Time</u>: The first version took us 3 months to implement and test. While our current version took us 5 months to develop, and since December it has received 4.800 visitors from 1.330 users, 75 of which created an account.
- (15) <u>Engagement with Dev. Communities</u>: We have also engaged directly with the largest dev. community of DeSo Blockchain (DeSo Labs) where we are official members and subscribers to their support. While at Cardano, we have directly participated at the Latam Townhall. We are alumni of Start-up Chile tech-accelerators, members of Poolside DAO and we are starting collaborations with FUTURX.

Key achievements

 During our platform development, phygital model research and business operation we collaborated with over 200 cultural agents and held 9 cultural events, including a showcase in NFT.NYC and eight in Chile. These events were produced in collaboration with renowned cultural and Web3 organizations such as GAM, Pizza DAO, Metacorral, NFTianguis, TRAMUS and

- NounsDAO, and these introductory Web3 events drew in over 1,200+ attendees and 150 latin american artists, both web3 adopters and non.
- 2. We designed and offered the piloting of our phygital display services to 25 local governments in collaboration with SERNATUR (B2G), and over 15 cultural spaces and producers (B2B). Moreover, we pitched to Santiago's subway innovation executive at Metro Demo-Day, in order to recreate this initiative in the network of the subway's stations.
- 3. Through Snapbrillia, we were Cardano's community representatives at NFT.NYC 2023, where we had leads with over 50 industry agents and brands.
- 4. We became the first decentralized social network designed and developed for the LatAm market: in spanish, easy to use, multi-chain and with geographical focus.
- 5. Our platform experienced quantified use: 85,000 interactions were generated by 1,300 visitors, 289 of which were recurring visitors. We also noted that many non-web3 adopters got to use Web 3.0 features on our platform for the first time, such as: crypto wallets (100 users), NFTs (25), on-chain posts (50) and crypto-tipping (70).
- 6. Within our users, we find out a mix of prior Web3 adopters based on different Blockchains, which validates 'Social Web3' as a natural multi-chain environment. A considerable fraction of our users wasn't a prior Web3 adopter, so our value proposal and platform has successfully onboard them.
- 7. Cardano integrations have been deployed successfully, and they are tested by Cardano NFT artists, and pointed to be tested deeply together with Cardano Latam Community (Latam Townhall, F7 funded) during the upcoming F10 cycle.
- 8. We have displayed the support Cardano has granted us on most of our presentations and also on our social networks and website.
- 9. We have publicly collaborated with at least 10 Web3 communities and over 30 NFT artists from different Blockchains. Our collaboration with these renowned cultural and Web3 brands such as Nouns, Pizza DAO, NFTianguis, GAM and TRAMUS has enhanced our own recognition and social awareness.
- 10.Our brand was designed by a professional designer Ignacio Sekul, and it has received very positive comments on how it suits our vision and mobilizes collaboration.
- 11. Our social media has seen organic growth with 200+ posts; garnering 7,700 impressions on Twitter and 31,000 on Instagram. We reached over 22,000 users on these platforms and added 70 Telegram members. Our website and platform have collectively drawn 5,600 visits from 1,330 users.
- 12. We pitched at Start-up Chile Demo-Day and gained extended support from the Chilean government, together with \$6.000 extra funding.
- 13. We have become the first Web3 collaboration of 6 organizations, with whom we are studying business models around Web3 so our platform can also have B2B, B2G incomes: GAM, Start-up Chile, DART, TRAMUS, AWKA, ESPACIO DEL ANGEL.

Key learnings

1. Physical operations and events of cultural businesses, institutions and artists are a main component of their commercialization strategies,

- 2. Artists and cultural projects would pay from \$20 to \$50 dollars for showcasing themselves on physical digital displays located at cultural events, depending on the affluence that these events get. However, space administrators and cultural producers are akin to adding the service to their operations, even if they receive a 20% portion of the income, because they consider that Web3, new softwares and hardware installations are challenging and not tangible enough for taking the risk.
- 3. We presented the project to over 25 municipalities, they are interested, there is a problem of promoting local culture. However, budgets are small, there is little or no willingness to pay. On the other hand, there is a technological gap that makes it difficult to install any software or hardware in certain locations.
- 4. Due to all our collaborations and leads with private and public physical agents, we intimately involved ourselves in all aspects of an average cultural event design and integration processes, where we identified at least 13 stages that could be potentially enhanced by decentralization using Cardano: (1) Foundational team and Budgeting; (2) Financing, Sponsorships and Auspices; (3) Event Producers; (4) Physical Spaces; (5) Artist Booking; (6) Marketing; (7) Ticket Sales; (8) Event and Consumption; (9) Income Distribution; (10) Contracts Validation; (11) Income Distribution; (12) Reputation; (13) Final Metrics.
- 5. At the same time, we tested how our multi-chain social platform built on DeSo Protocol could serve several of these stages, but also noticed that online activity and promotion on Web3 isn't enough for cultural agents, even though it's mandatory in terms of Web2 promotional efforts.
- 6. Cardano's potential for decentralizing emerging countries cultural social activity struggles with its founding gas fees and limited storage for smart contracts, among other features, making our multi-chain pick (DeSo Blockchain) a better alternative, as its core team has already introduced tools for Ethereum, Solana, and USDC. Meanwhile, a Cardano integration milestone has been set since June 2022; since then, we have waited for the DeSo core team to introduce an actual integration we can build on top of.
- 7. However, Cardano potential for most of the other stages of cultural producing is big enough for us to aim to develop new products on top of our platform, specifically considering those stages related with contracts, financing and profits: (1) Foundational team and budgeting; (2) Financing, Sponsorships and Auspices, (7) Ticket Sales and (9) Income Distribution.
- 8. We managed to position our brand in the market. We strengthened our cultural and web3 networks throughout LatAm.
- 9. Over the last 11 months, Cardano ecosystem has only pushed one project that aims to build a social ecosystem on its Blockchain: Emurgo's Cardano Spot. This ecosystem isn't decentralized or governable, so it's more a communitary media channel than a decentralized social network. The latter superficial communitary media and not-decentralized social media approach of Cardano's Emurgo makes sense because:
- 10. Building decentralized social platforms on-chain require certain capabilities that usually are implemented on their foundation, such as almost-zero gas fees, powerful storage-heavy not just for smart contracts (NFTs and DAO tokens), Twitter sync, but also messaging, posts and micro-tipping. Thus, Cardano's technological ecosystem isn't practical for Social Web3, and DeSo is a good option to approach that weakness. They have proved to be capable of supporting 50K DAUs.

- 11. As Social Web3 aims to be multi-chain, the potential market size can become one of the largest in the Web3 ecosystem because the boundaries within Blockchain fade out into products like ours.
- 12. Latinamerican Web3 adoption consists of approximately 50 platforms, organizations and communities. 30% of these are progressing to be DAOs and use NFTs/POAPS. The rest usually depends on traditional Discord/Forum dynamics for their governance. Most of these organizations aren't based on Web3 itself, but approach meaningful goals surrounding education, inclusivity, gender equality and NFT art.

Next steps for the product or service developed

The research, findings, developments and challenges experienced by our team's 2-year journey will support the final version of our vision, designed to attain sufficient market-fit at LatAm for operating self-sustained, and progressively delivering its decentralization in Cardano Blockchain, considering its governance, challenges and technological development. We were also able to complement our findings with the development and testing of our multi-chain social platform built on DeSo Protocol, which serves several of these stages in the promotional and content stages.

Due to all our collaborations and leads with artists, and private-public cultural agents, we intimately involved ourselves in all aspects of an average cultural event design and production processes, where we identified at least 13 stages that could be potentially enhanced by decentralization using Cardano, from which we were able to defined 2 stages that present more potential for us to aim to develop new products on top of our platform, specifically considering those stages related with contracts, financing and profits: (1) Foundational team and budgeting; (2) Financing, Sponsorships and Auspices, (7) Ticket Sales and (9) Income Distribution.

Technologically, we are excited for the DeSo core team's upcoming integration of Cardano wallets as a verification/logging-in alternative, and also the direct swapping of DeSo and Cardano pairs through Megaswap.

All above said, we expect to propose to F10 challenges Products and Integrations, for the development of these tools, together with the F10 challenge 'DAOs <3 Cardano' for the continuity of our ecosystem research, feedback cycles, progressive governance, challenge identification and technological development, as well as a route for further scaling to other emerging markets of interest.

We are co-creating Nation Building Dapps.