

Project ID 1000129

After consulting with the project team and also studying the findings of research, here are the results for Milestone 1.

### **Target Audiences for this campaign**

Web2 Audience	Creating awareness around Cardano with first touchpoints
New Web3 Users	Onboarding and educating new Web3 users
Mainstream Crypto Users	Show clear benefits of Cardano
Media/Journalists	Leveraging media to create awareness around Cardano
Students (Universities)	Getting the youth interested in blockchain and Cardano

Research finding:

According to Finder.com, only 5% of Baby Boomers and 17% of Gen X say cryptocurrency is a good investment, while 42% of Gen Y and 48% of Gen Z answer positively. This suggests that the population most involved with cryptocurrency is overwhelmingly composed of younger users.

### **Strongest benefits and advantages of Cardano**

#### **Brand intimacy and Community strength**

A report by MBLM states “Of the consumers who write about Cardano / ADA, 41.1% are in some form of intimacy with the brand.” This metric is higher than Bitcoin’s 28.4%, Polkadot’s 35.4%, and Ethereum’s 24.9%. This is one of the most notable areas in which Cardano stands out from the rest of the industry, therefore it is understood to be the most valuable asset to the future success of Cardano.

Sustainability (Proof of Stake) and strong technology are further strengths of Cardano.

#### **Pains Cardano is solving**

Scalability, interoperability, and sustainability  
Low transaction fees

## More Research findings

For adoption to happen, education is needed.

According to the 2022 Global state of crypto report by Gemini, the two biggest barriers to crypto adoption are concerns around regulation and a lack of education. We will focus our efforts on the educational part.

## Full research findings

By Joshua Noriega

Cardano Marketing Research

12/11/2023

Cardano Marketing: Problems facing the Cardano ecosystem

The purpose of this document is to identify the key data points and provide commentary on proposal intentions and philosophy, for the approved Project Catalyst proposal *NEWM Community - Cardano Is Not a Ghost Chain - Worldwide Marketing Push for Cardano*. This proposal is intended to be a community-driven effort that is not designed to directly benefit Project NEWM or any individual contributors. The mission of this proposal is to provide a service to the community by offering collaborative marketing services that is driven by the following research that displays the current state of Cardano in the industry.

## Funding

While some may argue that venture capitalist involvement is damaging to blockchain ecosystems, most recently demonstrated in the fall of FTX, the natural consequence to an absence of VCs is a struggle to secure funding for long-term development. **Most of the most notable venture capitalist firms have zero exposure to the Cardano ecosystem** including Coinbase Ventures, Pantera Capital, Digital Currency Group (DCG), Paradigm, and a vast majority of the top 30 VCs in the industry. This leaves the ecosystem with

very few options in terms of funding, effectively rendering many projects without the capability to raise capital outside of project catalyst, self-funded, or crowdfunding methods.

In alignment with the views of Cardano's founding entities, it is important to acknowledge that investor participation is only a means to reach positive global change through the building of a decentralized network. This document recognizes investor participation as an essential partnership that can enable forward development but rejects the presupposition that Cardano is an investment vehicle for the sake of profit generation.

### **Active Addresses**

The Cardano ecosystem is maintaining an all-time-high of 4.44m wallets that are funded with any balance of crypto assets, so there is far more potential for increased onchain activity than previous years. However, the metric of total funded wallets is an extremely limited metric that requires more context. According to metrics from intotheblock.com, Cardano is currently holding near a 3-year low for 30k-40k unique active addresses, which is at the all-time low of 0.7% of active addresses vs total addresses with a balance. These metrics are somewhat comparable to how much of the rest of the industry is trending, with 0.4% AAR (Active Addresses Ratio) on Ethereum and 1% on Avalanche.



(Photo Credit:

<https://app.intotheblock.com/coin/ADA/deep-dive?group=network&chart=addressStats>)

The data suggests that, similar to much of the rest of the industry, a large number of wallets have maintained long-term belief in the Cardano blockchain. The number of total funded wallets has consistently grown from 3.05m to 4.43m, since the all-time high of 345k active addresses in November 2021. Given the growing trend of total funded wallets, rather than a sharp dropoff from defunded wallets at the start of the bear market, it is assumed that there are a substantial amount of wallets holding for long-term development of the Cardano blockchain.



(Photo Credit:

<https://app.intotheblock.com/coin/ADA/deep-dive?group=network&chart=addressStats>)

## Brand Intimacy

One of the few objective research-based measures of community strength is the Brand Intimacy Report by MBLM. According to this report MBLM states “Of the consumers who write about Cardano / ADA, 41.1% are in some form of intimacy with the brand.” This metric is higher than Bitcoin’s 28.4%, Polkadot’s 35.4%, and Ethereum’s 24.9%. This is one of the most notable

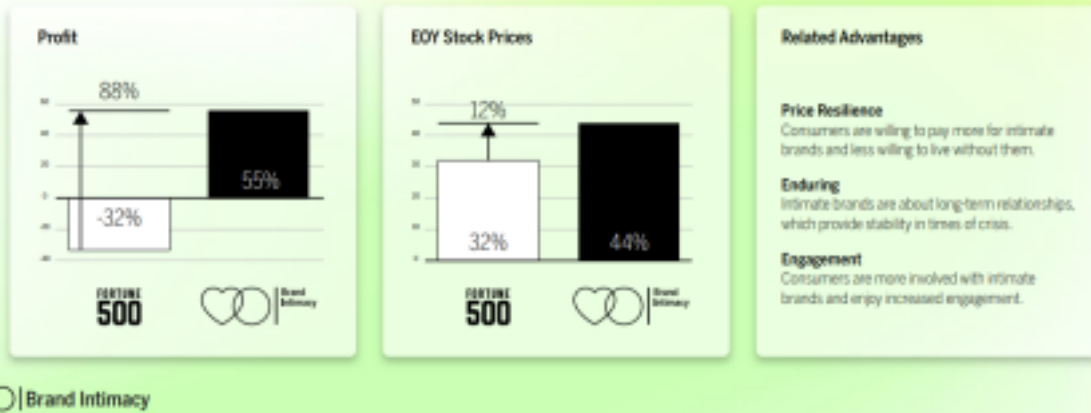


areas in which Cardano stands out from the rest of the industry, therefore it is understood to be the most valuable asset to the future success of Cardano.

MBLM reports that higher scoring brands see better results in profit, EOY stock prices, price resilience in products & assets, endurance through economically difficult times, and increased engagement from consumers. While there isn't enough historical data to reliably determine the translation of this pattern from traditional markets to cryptocurrency (at this stage in the industry), Cardano has seen plenty of signs of deviating from industry patterns in both market sentiment patterns and technological pursuits.

# Financial Advantages of Brand Intimacy

Intimate brands continue to outperform Fortune 500 and the stock market. Most recently we have compared our Top 20 intimate brands with Fortune 500 top brands across profit growth and stock performance during 2021 versus 2020. Intimate brands delivered superior results across profit and stock. The percentage differences highlighted are significant and indicate the degree to which intimate brands generate millions more dollars in revenue and profit annually and over the long term.

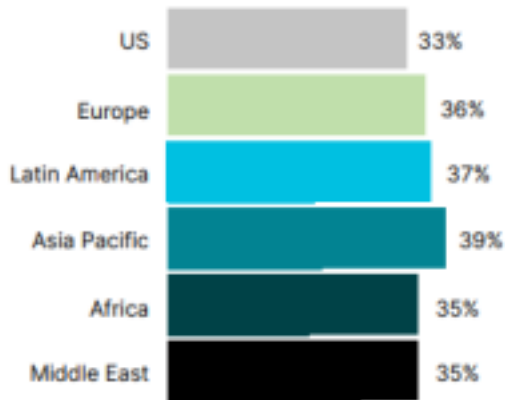


## Adoption Barriers

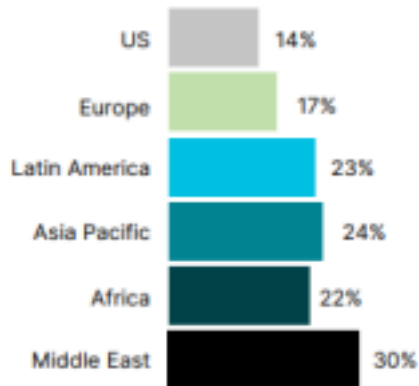
There isn't any specific research on the adoption barriers for the Cardano ecosystem in particular but the most substantial factor is assumed to be a lacking awareness of the ecosystem, by virtue of blockchain being in its earliest stage as an industry. Rather attempting to diagnose such a niche-specific area of the industry, it is likely more beneficial to understand adoption barriers of the broader market so that a Cardano-based marketing strategy can be adapted to that

information. According to the 2022 Global state of crypto report by Gemini, the two biggest barriers to crypto adoption are concerns around regulation and a lack of education.

There is legal uncertainty around using  
cryptocurrency (non owners)

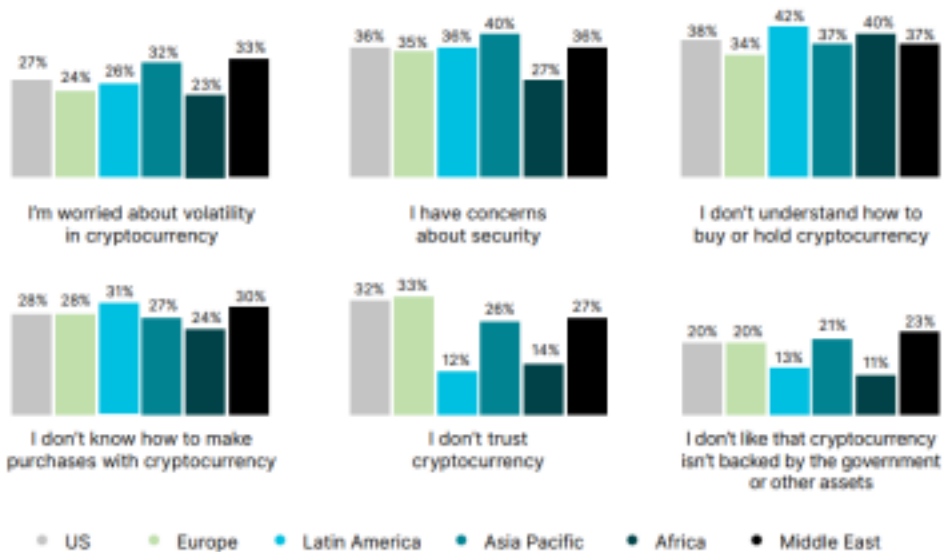


The tax complexities of owning  
cryptocurrency have kept me from investing



Since there is little that this project can do to solve for regulatory uncertainty, it is a more efficient use of time to focus on the need for education. A majority of global respondents (40%) reported that more educational resources on cryptocurrency would make them feel more comfortable purchasing cryptocurrency. The overwhelming weight of expression for the need of education in this survey leads us to believe that non-crypto users on a global scale feel substantially uninformed about cryptocurrency.

### Why haven't you ever bought cryptocurrency?



## Target Audiences

### Mainstream Crypto Users (US)

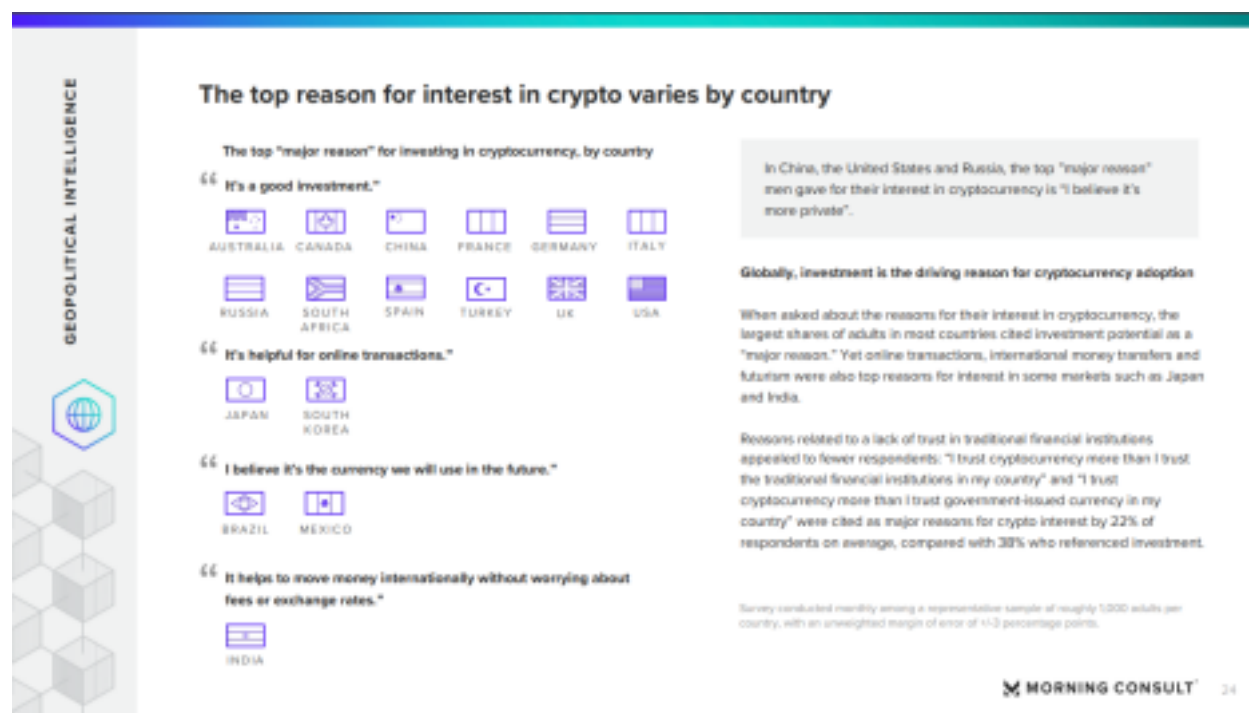
The target audience with the most immediate appeal is existing crypto users from mainstream crypto, most likely those that are of a more neutral anti-maximalist mindset. According to Finder.com, only 5% of Baby Boomers and 17% of Gen X say cryptocurrency is a good investment, while 42% of Gen Y and 48% of Gen Z answer positively. This suggests that the population most involved with cryptocurrency is overwhelmingly composed of younger users. Further context shows that 45% of respondents have been invested for 1 to 2 years and 30% invested for 3 to 4 years. Furthermore, 68% of respondents report holding their crypto in a self-custody wallet. This data reveals that crypto users are more likely to be younger tech-savvy users that are informed well enough to navigate blockchain based tools.

### Mainstream Crypto Users (International)

Demographics of crypto users seem to have vastly different sets of patterns outside of the US. For example, morningconsult.com finds that the highest levels of cryptocurrency use comes from lower-income countries with higher levels of foreign exchange or capital controls. As Morning Consult reports "seven of the top 10 adopter countries have some form of capital



controls.” They also find that countries, such as Turkey and Argentina, with extremely high rates of inflation are more likely to see higher rates of cryptocurrency adoption. As it happens, the top reasons for interest in crypto varies widely by country, seemingly correlated with the interests of the residing populations.



### Non-crypto users

The biggest puzzle facing most of the industry of blockchain has been trying to understand non-crypto users and their reservations to getting involved with the market. Through more contextual distinction from previously cited sources, Finder.com reports the most common reason for not owning crypto is because 32% of respondents think that crypto is a scam. The second most common answer is that cryptocurrency is too volatile and the third is that they don't have spare money to invest. While these answers might not be as concrete as other sources, it does reveal a similar finding that education is an issue with most non-crypto users.

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