

“ARTCO” - Whitepaper Version 1.0

Submission for

[WEB3 COMMUNITY OUTREACH FOR CULTURAL INSTITUTIONS](#)



ArtCo

A Curated Art DAO Project

A Plattform for
ART NFTS & Event NFT Airdrops
Multiwallet & Currency Payments
Presale of NFT-Tickets
Bonuses with automated Payouts

1. MISSION STATEMENT

DEFINITIONS OF KEY TERMS IN THE MISSION STATEMENT

What is a Cultural Institutions? A Cultural Institution is an organization with a culture and a mandate to preserve or promote art. They may be museums, libraries and archives, churches, art galleries, theatres, concert halls and opera houses.

What is an Outreach Program? An Outreach Program is a way of providing services that prior to its provision were inaccessible or hard to access by the target communities.

What is Web3? Web3 is a decentralized protocol of the internet which makes use of distributed network of computer, people and resources to achieve important social goals of decentralization, security and privacy which protects its users and puts them first.

As the digital age proceeds, we have come to a place in which a space is required where art can thrive, art for its own sake, art for its own beauty.

We aim to achieve this by creating an **outreach program** styled in form of a **DAO** with a focus on building a **decentralized cultural heritage** of the world housed on the internet. We identify with the core values of :

- Outreach Programs - education, creativity, collaboration
- Cultural Institutions -promotion, preservation of arts and culture;
- Web3 - decentralization, community and a creator-first ecosystem.

Our Mission is to be a place of communion for art and art lovers.

We are ArtCo, bridging the gap between art's, past, present and future.

The past in form of created Art, the present in form of the members and the future in form of the decentralization of the cultural heritage of the world.

2. OUTLINING THE GOAL

AIM

We aim to produce, promote and preserve art while providing the following services:

- I. Education
- II. Collaboration
- III. Marketplace
- IV. Loyalty Programs
- V. Investment DAO

Our services is formed to be a 5 - step process to be achieved in phases, because we see each succeeding phase as building on the previous one.

| Education | Collaboration | Marketplace | Loyalty Programs | Investment DAO |
|--------------------------|--------------------|------------------------|---------------------|-----------------|
| Online Learning Platform | Exhibitions | NFT Marketplace | Point-based System | Joint-Ownership |
| Art Spaces & Discussions | Competitions | Auction | Tiered-based System | Liquidity Pools |
| | Residency Programs | Loan collateralization | Patron Fee | Fund-raising |
| | | | HODL | |

SERVICE DELIVERY

Education

Education is a very important tool in creating a community around your outreach program because it gives you the opportunity to show people what your mission is all about and why they should be part of it. In our case, ArtCo is providing access to digital arts education to the general art community. We believe people have a natural thirst for self-improvement, and providing this particular service is our way of tapping into the art community. We want to bring together people who are passionate about learning, in one place where they can learn together. These student-members alongside more established artists and educators who will assist in creating the curriculum and provide mentorship and guidance will form the crucial core of our membership in the beginning.

Problem Statement: Inadequate and fragmented access to quality digital arts education.

Solution: We aim to educate our members in two ways, by creating an online-learning platform and providing spaces for art discussion and appreciation.

The online learning platform will feature a well-curated curriculum on the most important digital art skills to learn at the moment, which will include digital painting, animation, 3D modelling, pixel art, etc. We will also offer topics at the intersection of art, technology, marketing and sustainability, so there will be courses offered in story-telling, documentation, art recreation, emulation and ethical issues, etc. We will like to give our members a well rounded education that offers them a vision of the importance and possibilities surrounding art in the digital age as we move towards a more virtual future. Art spaces will be spaces organized to encourage and spur art discussion and engagement. To make this even more attractive, we will invite more established artists, curators, archivists, art influencers, tec-entrepreneurs. The goal here is to bring in more synergy to our community building and not make it one-dimensional. Naturally social media will be a very important medium for this discussions. Social media platforms like Twitter, Instagram, You-tube are the perfect place to put ourselves out there and have these discussions. it's also a more proactive way of inviting prospective new members into the community as we discuss hot-topics in the art world. As an added benefit for members, we intend to actively make use of Discord, an important tool in community engagement. Discord will be a space where student-members can have constant communication and support each other. It will also be a place where they can actively ask questions and get their answers with guidance from mentors within the community.

Tezos Application: At this stage, most of the community activities will be conducted in web2 especially social media. However we envision a use case of tokenizing members participation in the education stack i.e members who have completed the curriculum will be presented with Non-Transferable Tokens (NTTs) which will serve as badges showing proof of participation in the program. This badge will be available in their Tezos wallet (Kukai) which becomes an added bonus to their digital resume. Another use-case that can be built on this is utilizing this badge as a necessary proof required to participate in sponsored programs like art-residencies. Another possible application of tokenization is to keep track of community members participation right from the start, for example Discord has a bot-enabled ranking system which can be tokenized into a point-based system that can be managed using a decentralized storage system like IPFS. This can be utilized in future on-chain to access benefits like discounts, free NFTs, etc. Naturally once this is redeemed, the value-worth of a discount for example will be deducted from the accrued points.

Collaboration

The collaboration phase is billed to follow the education because we believe education is a fertile space to nurture the the spirit of collaboration through community collaboration, education and engagement. All the ideas flowing around in this initial spaces becomes the seeds we want to nurture to excellence in the collaboration members. We want to create a healthy open space for innovation, creativity and the birth of new art forms never seen before. While collaboration is billed to be the outcome of a success education program, we do not intend to limit it to just student-members, instead it will be open to art lovers in all diversity. This include artists looking to showcase their skills, to techies who want to innovate solutions in the art space, as well as art patrons, creative types who have bright ideas who require skilled collaborators who can bring the ideas to life. We recognize that our membership has the potential to include more than just artists only, and the art collaboration phase is the stage where ArtCo seeks to open its doors even wider to the broader art community and folks on its periphery.

Problem Statement: Insufficient artistic collaborations

Solutions: Art collaboration will be be nurtured in three broad ways:

Exhibitions will be an open for all opportunity for artistic creators to exhibit, showcase and promote their art, while providing patrons and cultural institutions a wealth of art productions to curate. Exhibits will also serve as auctions, points-of-sales for creators and a way to interface with sponsor cultural institutions and tech companies particularly in the gaming and VR industries on possible collaborative use-cases for their art works. Competitions which will be similarly open for all, will particularly double-down on team-work and collaboration with an hackathon-format which places high value on experimentation, cross-over applications not limited to the traditional art space, innovative products. Naturally there will be prizes up for grabs on this one and participants will be challenged to think outside the box in how they imagine the artistic creativity process, the

limits of what can be done in terms of producing, promoting or preserving (digital) art. The residency program is probably the one that may be exclusive to members as a means for not only rewarding those who have completed the curriculum but also to provide them access to more resources in terms of tools, mentor-ships, grants, etc. Member artists will be exposed to a variety of new techniques, cultures to stimulate, polish refine and most importantly re-imagine all they have learnt prior to now in new forms set for the canvas.

Finally we intend to conduct these services have both virtual and on-ground formats of these programs, these will provide full benefits and access to art lovers of differing temperaments, styles and resources.

Tezos Applications: The blockchain applications of Tezos to the collaboration phase is similar to the use of NTTs as badges for proof of participation, however there are possible usecases that can be stacked on NTTs in this particular section. This includes making the NTTs regenerative, this is a fun way of proofing that you have participated in more than one ArtCo collaborative projects, as your NTTs changes form with each new program you attend or participate in. This usecase can be extended to being used as ticketing for art events, where the rarity of your NTTs can determine if you are allowed VIP access for instance.

Marketplace

Following the art collaboration phase and the production of high quality art-pieces, creators who have participated in this phase are naturally ready to trade on the marketplace and while we intend to make use of existing marketplaces on Tezos like KalaMint, we foresee additional use-cases not presently available on this platforms that we proposition will be highly attractive to artists, patrons, etc who trade on the marketplace.

Problem Statement: Low utilization of NFTs use-cases and value in the marketplace

Solutions: Social Marketing & Cooperative thinking of the Members

Tezos Applications: Some possible utilities of applications currently available on Tezos is Synthetics Synthetics can be applied to art auctions on chain, whereby listed art are betted against by holders that are not participants in the auction, all they simply need to do is bet on the price range at which the art will be sold, e.g:

- Van Gogh's letter is listed to be auctioned on Thursday.
- Bets is placed on an exchange like SEXP using on-chain oracles.
- A bets that it will be sold below 5000 XTZ.
- B bets that it will be sold above 5000 XTZ.

- If it is sold above 5000 XTZ, A wins out and takes all. Synthetics can also be applied to betting on the value of NFTs, in this case:
- Pixie is listed on Kalamint with a current value of 100 XTZ.
- A bets Pixie value will increase by 20%
- B bets Pixie value will decrease by 20%
- They both send 100 XTZ into a smart contract
- If the value does go up by 20% > > they split the difference in which A wins out.

Tezos Applications: Loan Collateralization

Using NFTs as collateral for collecting loans on Tezfin, currently Tezfin allows collateral in form of fungible tokens. However it will be interesting if this is applied to NFTs as well, this can take two forms: digital arts traditional artworks

Loyalty Programs

The loyalties program will be designed to reward members for their participation in community programs. These does two things, it retains existing members and incentivize them to be more active in the community while also attracting prospective new members to the cause.

Problem Statement: How to reward customers effectively?

Solutions:

- Loyalties Program Some popular incentives that can be applied to the art community include:
 - advance notice of/early access to new products
 - early access to sales
 - free merchandise or enhanced services
 - special services, like free or expedited shipping
 - members-only discounts
 - The loyalty program also forms basis to the DAO governance

Tezos Applications: There are various ways of utilizing a reward system in a decentralized way. Ideally the reward system will be connected to the wallet address of members. Loyalty points will be equated to token value. Token value can be interchangeable and traded on-chain. Loyalty tokens may also be useful outside the community if there are partnerships with other DAOs.

Blockchains can also protect members privacy while making use of their data if they decided to make it available.

Blockchains can store and track loyalty points in real time via the use of smart contracts

the scope of how to reward our most loyal and active members may be explored not just in the governance edge of things but also in the acquisition side of art objects (through discounts) as well slash-prices for online/offline events. This is done to show value for members participations. Value for value is the name of the game.

Some systems to adopt are:

- Points system - based on rate of purchases - discounts/bonuses and free NFTs
- Tiered rewards - based on community participation - exclusives, whitelists (Points system x Tiered system) – governance
- Upfront patron fee - to protect and preserve a piece of art of their own choice, lower transaction fees?
- Distinctive rewards - free tickets, early access, contact with their favourite artists, contribute to important socio-political causes
- Partner with other communities, DAOs, cultural institutions
- On Chain message system for contacting NFT/Ticket holders

Investments DAO

The Investment DAO is the final phase in our roll-out services and it's expected outcome of an income-generating community in the marketplace that have fostered camaraderie, collaboration and community building. At this stage member-patrons can pool their resources together and use it to invest in specific socio-political cause and projects that have been identified to be fitting with the community ethos.

Problem Statement: Building a DAO focused on art investments

Solutions: Community members as patrons form an investment group (DAO). Investment pools is a way of bringing members resources to achieve the following goals:

- jointly acquire artworks
- sponsor specific projects
- participate in the speculative art market
- invest profits from art-sales in liquidity pools designed to pay back members through automatic payouts. because the web3 space is highly monetary-driven, we want a situation where our members are exposed to the nitty-gritty of the investment game, not just around NFTs but into the world of DEFI where the usecase before DAO resources can be better explored. We want to create a DAO in which NFT (ART) creators generally can pool their profits and invest in DEFI solutions and investment routes, serving as a solid passive-income/cash flow system for them.

ACTIVITIES

- **Education**
- **Online learning platform**

Create an online platform for learning digital art

Have a standard curriculum catering to at least 4 niches in the beginner section.

Onboard at least a 1000 members in the first 3 months. Measure our progress by how many people take each course and progress to the next one. Evaluate what we are doing right and wrong. Evaluate how many of our members are active on the learning platform and figure out how to increase active participation by noting what we are doing right and wrong.

- Potential obstacles, incremental changes to work on and look out for.
- Offer tests and NFTs to measure and encourage student-members capability
- 3 months timeline

Art spaces and discussions

- Create an open space where art can be discussed among members consistently and periodically
- Organize in-house town hall meetings to discuss specific topics in art (discord) every week and then throw in twitter spaces for the same purpose once every month. Also podcast interviews, youtube- channels can be considered.
- Gauge which of the social media channels works best and focus on that, engage the community productively by bringing in experts on different topics and encouraging discussion among the student- members in town-hall meetings and interviews.
- Start 2 weeks after learning platform curriculum launch.

Collaboration

•Virtual residencies

- Create a virtual residency program for student-members who have completed their phase of the curriculum
- The virtual residency will reoccur every 6 months to provide a sufficient net-period for student- members to complete their phase
- Mentors, resources will be provided, Members get a special NFT-badge after the program
- The program will last 1 month

Exhibitions

- Create an exhibition/auction where members can present their works and appreciate others works
- Exhibitions will take place every 6 months intervals
- It will last for one week

Competitions

- Organize art competitions to stimulate and encourage innovation among artist-members, it will be styled like an hackathon
- Art competitions will occur once in a year
- It is possible to make secret or non secret offers for 1/1 and 1/N art creations
- The highest offer wins after the exhibition ends
- It will last for two week

Cooperative Investments

- Liquidity pools
- Users can participate in DAO created pools to earn some interest
- DAO creates new pools from yield of first pool

Fundraising

- DAO enables option to collect from community for artists and projects

Joint-ownership on

- A = distributed ownership on ART
- R = distributed costs
- T = distributed income over time

Loyalties Plan

- Art-Coins with collateral in real Art or money
- Create special branded NFT Items of unique 1/1 art as 1/n
- Give away of 1/n special branded NFT
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3. Target Market

Our target group is

- The art community – with a focus on the millennial – gen z group
- Cultural institutions – museums, libraries, theatres, event-centres, etc..
- Art lovers within the millennial demographic

Why? We are focussing on art lovers within the millennial demographic because they are the most tech-savvy and finally buoyant of the group considered. Gen Z is tech savvy as well but hasn't averagedly hasn't achieved purchasing power as a demographic due to their age, while baby boomers while finally bouyant are not neccesarly tech-savvy enough to probably handle web3 technologies. While we aim to be as open as possible and onboard as many people as possible. We have chose the millennial group as our focus group for the above reasons. But we welcome all people able to understand it.

How to encourage active participation? Community building, participation and relationship is they key here.

What do we want want from the target group? Their energy, passion, dedication, resources both mental, financial, social, etc.

What are we offering them? A virtual community to explore the world of art with fellow art lovers.

- Creating a safe, open accessible community for them.. No discrimination
- Incorporating the community members input in the community's vision

Building Relationships

General Guidelines

- To be seen, to be consistent, to be open, and deliver on our promises as an organization.
- Include as many people, and organizations in our outreach to widen the net of communication and connections.
- Treat everyone with respect and dignity befitting of stakeholders.
- Nurture the principles of diversity, genuineness and sincerity within the community
- Carry out extensive consultation with all stakeholders, before launching, and continue after launching on a consistent basis

Building Relationships with Members

- Validate the importance of each community member by involving them in goal-setting and governance of the community.
- Keep an open line of communication and manage members expectation by clearly defining the goals and services being offered.
- Clear the air on concerning issues within the community to reduce negative feelings and viewpoints.
- Actively listen to community members, encourage inquiries and questions to figure out what members consider important.
- Encourage diversity and encourage members to treat each other in a dignified, sincere manner.

Building Relationships with Partner Organizations

- Research and reach out to:
 - organizations with similar missions, purposes, values
 - organizations with different missions, purposes, values but may have a similar vision, rationale, and objectives to explore potential partnerships with us
 - important community leaders and influencers
 - Look for common links, allies, connections and use them as a basis to bond
 - Attend events, webinars, workshops and use it as an opportunity to bond
 - Engage potential partners in important conversations like:
 - what you each do and ideas for what you each need;
 - ways you can benefit one another;
 - the communities and networks both organizations reach;
 - the strengths you can each offer with regard to a potential partnership;
 - cultural competence and communication styles.
 - Create a statement clearly outlining the partnership's vision, rationale, and objectives. Also, explain why you are partnering. Be explicit about each partner's role and assign tasks and responsibilities based on strengths. Begin with smaller tasks and responsibilities, and then increase their size and complexity over time.
- Establish metrics to track desired activities, outputs, and outcomes (e.g., logic models or fidelity scales). Share relevant data as much as possible.

Specific Strategies

- Conduct a needs assessment to understand what the (digital) art communities require the most and focus on that in terms of design for the DAO
- Collect accurate data, stories, case-studies to get the perfect picture of the reality on ground.
- Identify the most important issues raised and the most important features needed and implement based on that
- Let the marketing outreach focus on telling stories
- Minimize assessment or intake procedures to lessen the bottlenecks for incoming members

Centralization vs Decentralization

Transparency vs Secrecy

Acquisition vs Speculative

DEFI Solutions for Art Communities and Cultural Institutions

Tokenization

- Fungible tokens - may be applied to loyalty programs in form of a point-based systems based on rate of purchases, the point value is equated to the token value, i.e if a user has accumulated 100points, they then have 100T. The points-system will be measured in real time and stored on chain. The value will be attached to the user wallet address which will be visible in their wallet using an on-chain messaging system which users can then use to buy new artworks.
- Non-fungible tokens - in addition to the normal trading function of NFTs, NFTs may be used in loyalty program to reward community members by offering free-tickets
- Non-transferable tokens - will be applied to the online learning platform, where student-members who have completed can receive NTTs as badges of completion which can be useful in the outside world as proof of knowledge. Student-members can even use this badges to apply for residency programs sponsored by cultural institutions. NTTs will also be awarded to those who participate in exhibitions and competitions.
- Mutli-asset contracts
- Fractionalized NFTs - is useful for the joint-ownership of artworks by members.
- Asset-backed tokens - this is an experimental feature, to see the possibilities of basing the value of tradeable tokens created by the community on the value of artworks they have - generally it's advised that artworks in this case be of museum-standard with higher intrinsic value.

4. WHAT COULD GO WRONG? AND RECOMMENDATIONS

- Risk of failure or low adoption of the online learning platform, perhaps due to poor learning tools or low reach or attractiveness towards potential learners
- Poor community bonding, detached members, not engaged enough
- Risk of duplication, of doing the same thing, again if the marketplace is not attractive or unique enough
- Loyalty program not incentivizing enough, too complex, or not broad enough in usecases in case of cross-chain, or off-chain interoperability
- Fraud in case of investment DAO, or power aggregating in the hands of a few donors in terms of DAO direction.

5. CONCLUSION

- As the digital age proceeds, we have come to a place in which a space is required where art can thrive, art for its own sake, art for its own beauty.
- The core - ethos of cultural institutions is to preserve and promote art, we recognize this and identify with the need to bring art lovers who share this spirit together.
- A state of communion surrounding art, the artists and the audience liaised by cultural institutions and other relevant organizations.