

NEW FREEDOM



Problem

Lack of effective stand-alone community management solutions for Web2 and Web3



Web3 Online games and Metaverse
Decentralized Social Media
NFT Marketplaces
Decentralized Exchanges (DEX)

Startup shutdowns due to poor community management

1. **Parler:** Parler faced significant consequences when it was removed from major app stores and web hosting services due to its perceived lack of content moderation. This effectively limited its reach and caused a substantial decline in its user base.
2. **Voat:** Voat, which positioned itself as an alternative to Reddit, faced difficulties with hate speech and harassment on its platform. These issues, combined with a lack of resources to improve moderation, contributed to its eventual shutdown in December 2020.
3. **Sarahah:** The anonymous feedback app Sarahah faced severe backlash due to concerns about cyberbullying and harassment. As a result, it was removed from app stores, which seriously impacted its user base and ultimately led to its decline.
4. **Yik Yak:** Yik Yak, once a popular anonymous messaging app, faced a barrage of negative publicity related to bullying, threats, and inappropriate content. This controversy ultimately led to its discontinuation in 2017.
5. **Secret:** Secret was an anonymous social networking app that faced difficulties in managing harmful content and cyberbullying. It eventually shut down due to these challenges and a lack of sustained user engagement.
6. **Whisper:** Whisper faced controversy over privacy concerns and the potential for abuse on its platform. Although it didn't shut down entirely, these issues affected its reputation and user trust.

Big names, same problems...

1. **Clubhouse:** Increased pressure to improve moderation policies and address harassment issues. Potential loss of users and reputation damage.
2. **Twitter:** Frequent bans and suspensions of accounts engaged in harassment and hate speech. Loss of advertisers and public trust.
3. **Facebook:** Congressional hearings, increased scrutiny, and calls for regulation. Public distrust and criticism of its role in misinformation and privacy violations.
4. **Reddit:** Bans on controversial subreddits, leading to backlash from some users. Efforts to improve content moderation.
5. **TikTok:** Scrutiny from governments regarding data privacy practices. Concerns about inappropriate content affecting user growth.
6. **YouTube:** Loss of advertising revenue during the ad boycott. Ongoing challenges in moderating content.
7. **Instagram:** Public criticism for not doing enough to combat cyberbullying. Pressure to improve safety measures.
8. **Snapchat:** Criticism and public backlash for the domestic violence-themed ad. Efforts to ensure content remains safe.
9. **Twitch:** Bans of high-profile streamers and criticism for inconsistent moderation. Efforts to improve enforcement of community guidelines.
10. **WhatsApp:** Calls for better moderation and measures to combat misinformation. Scrutiny over its role in spreading false information.
11. **4chan:** Ongoing association with extremist content and harassment. Minimal changes in moderation policies due to its commitment to free speech.
12. **Parler:** Removal from app stores and web hosting services, effectively limiting its reach. Ongoing challenges to re-establish itself.
13. **Gab:** Continues to face criticism for hosting far-right extremism. Struggles to grow beyond a niche audience.
14. **Steam:** Steam has made efforts to improve its content curation and moderation, but controversies continue to arise.
15. **League of Legends:** Efforts to combat toxic player behavior, including chat restrictions and suspensions. Focus on improving player behavior.
16. **Overwatch:** Similar to League of Legends, Blizzard Entertainment has made efforts to address toxicity within the game.
17. **Minecraft:** Introducing measures to report and moderate inappropriate content, but challenges remain in maintaining a safe environment.
18. **Second Life:** Efforts to improve content moderation and provide tools for users to report harassment.
19. **World of Warcraft:** Efforts to combat toxic player behavior and harassment, including the implementation of reporting tools and suspensions.

Web3, same problems...

1. **Decentraland** (Virtual World Metaverse): Faced challenges moderating inappropriate content, affecting user experience.
2. **Axie Infinity** (Blockchain-based Game): Dealt with inappropriate content and scams, impacting user trust.
3. **MyCryptoHeroes** (Blockchain-based Game): Encountered harassment and inappropriate content issues, affecting player engagement.
4. **The Sandbox** (Metaverse and Game Creation Platform): Managed user-generated content disputes and inappropriate creations, impacting user experience.
5. **Cryptovoxels** (Virtual World Metaverse): Addressed content moderation issues and disputes over land ownership, affecting user satisfaction.
6. **Sorare** (Blockchain-based Fantasy Football Game): Faced scams and fraudulent listings, potentially decreasing user participation.
7. **The Six Dragons** (Blockchain-based Game): Dealt with inappropriate behavior and harassment among players, harming the player community.
8. **Lost Relics** (Blockchain-based Action RPG): Addressed item scams and fraudulent transactions, impacting in-game economy.
9. **Gods Unchained** (Blockchain-based Collectible Card Game): Managed inappropriate chat behavior and cheating, affecting community engagement.
10. **The Sandbox Game Maker** (Platform for Creating Blockchain-based Games): Handled content disputes and moderation issues, affecting usability and reputation among creators.
11. **NBA Top Shot** (Blockchain-based Collectible Highlights): Faced issues with scalping and price manipulation, impacting user trust.
12. **CryptoPunks** (NFT Collectibles): Encountered issues with copyright disputes and unauthorized derivatives, affecting the NFT community.
13. **VeeFriends** (NFT Art and Experiences): Addressed concerns related to the moderation of token holders' events and experiences, impacting user expectations.
14. **Blockchain Cuties Universe** (Blockchain-based Game): Dealt with inappropriate player behavior and disputes over virtual item ownership, affecting the gaming community.
15. **War Riders** (Blockchain-based Car Battle Game): Managed issues related to in-game harassment and player disputes, impacting the gaming experience.



Web3 content, gaming, and communities are quickly **gaining traction**

Why Now?



Most Web3 products will face **growth pains** with the user surge

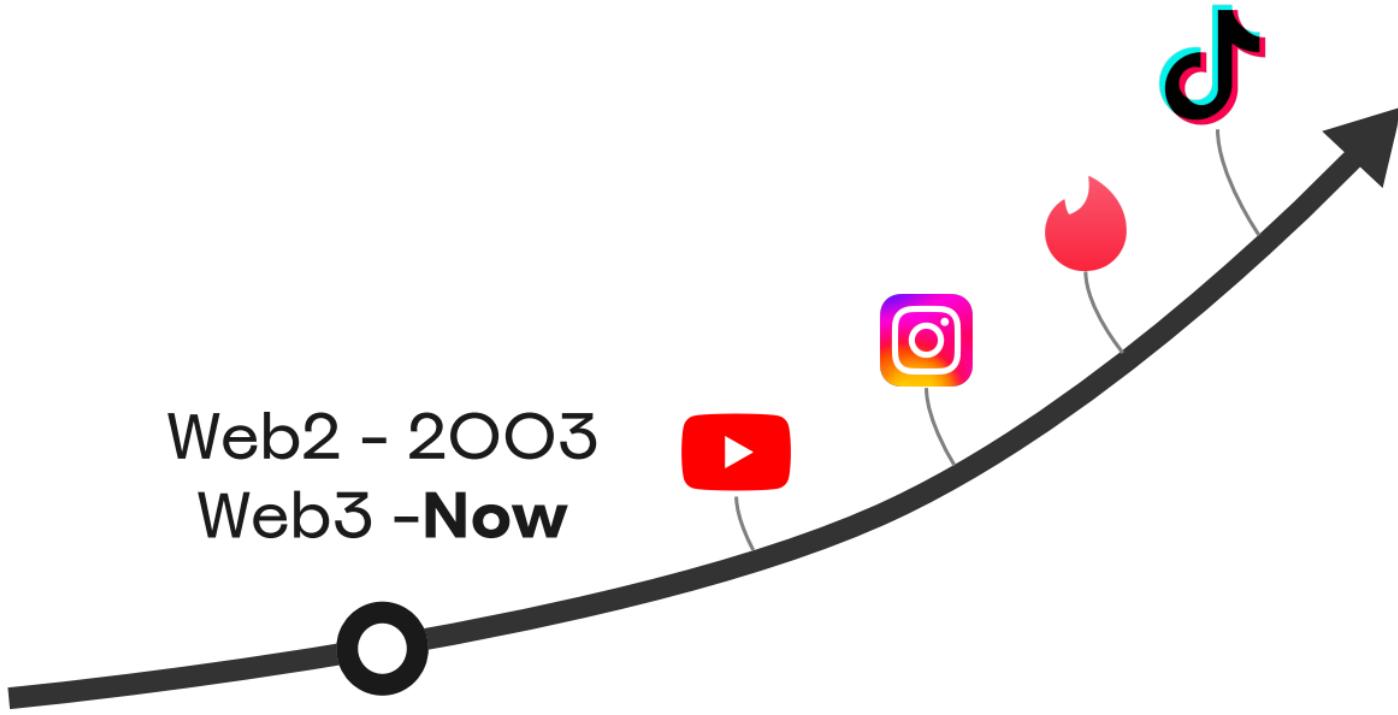


Escalating tension surrounding moderation decisions on major platforms like X, Facebook, and YouTube

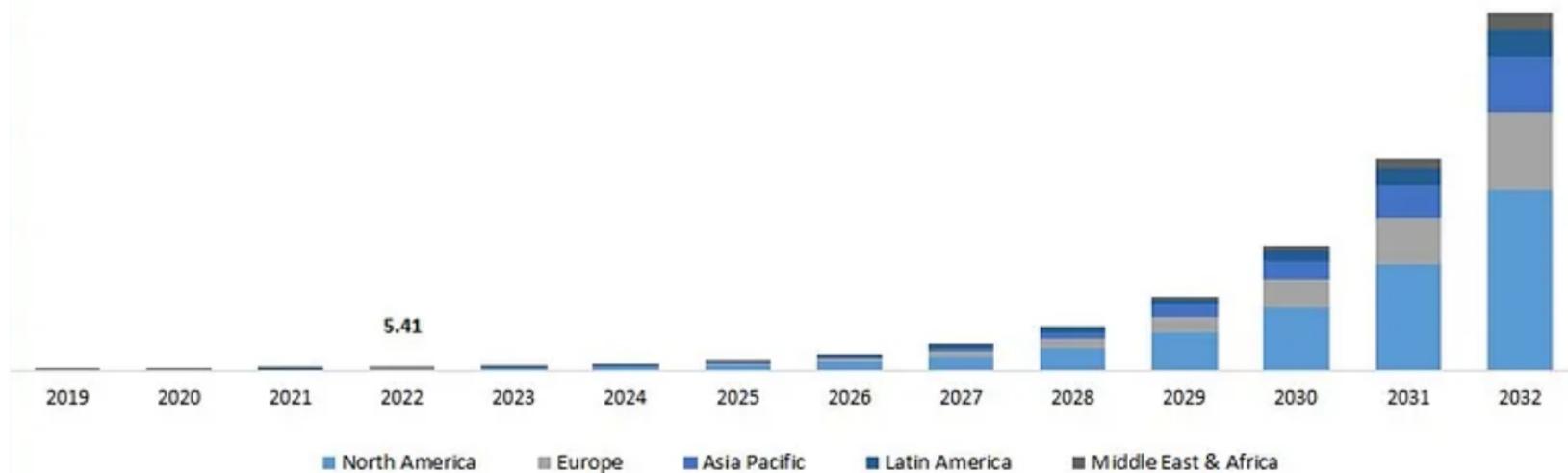
Increasing incidents of illegal and inappropriate online communications in games targeted at children





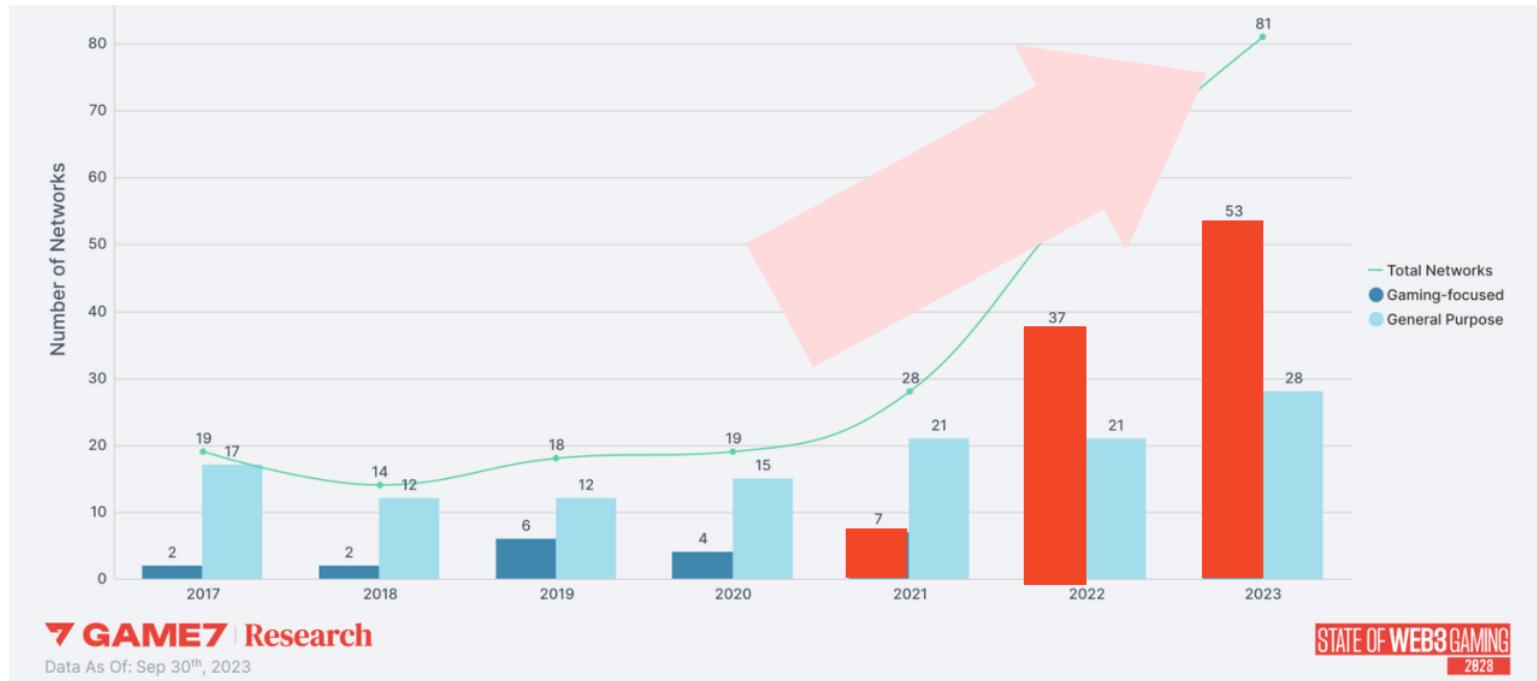


Web3 gaming is projected to grow at **68% CAGR**, achieving \$1 Trillion by 2032



Source: Polaris Market Research Analysis

Web3 gaming networks are growing rapidly despite a weak market





Web3 Gaming achieved 1 Million DAU in 2023



Major Players Committing to Web3



7M users

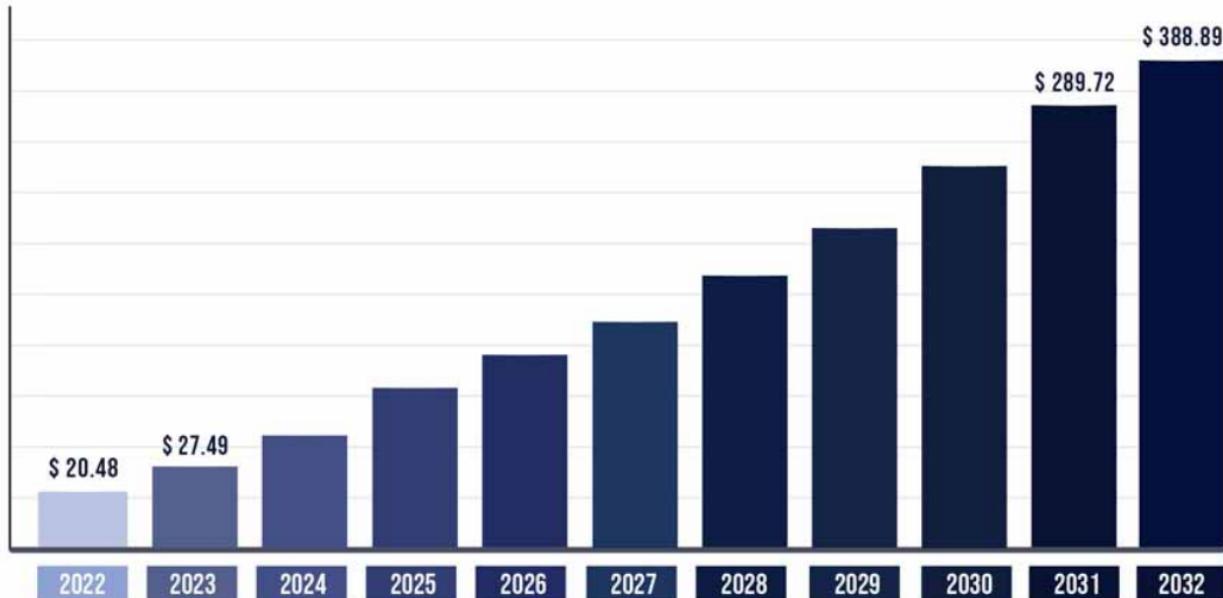


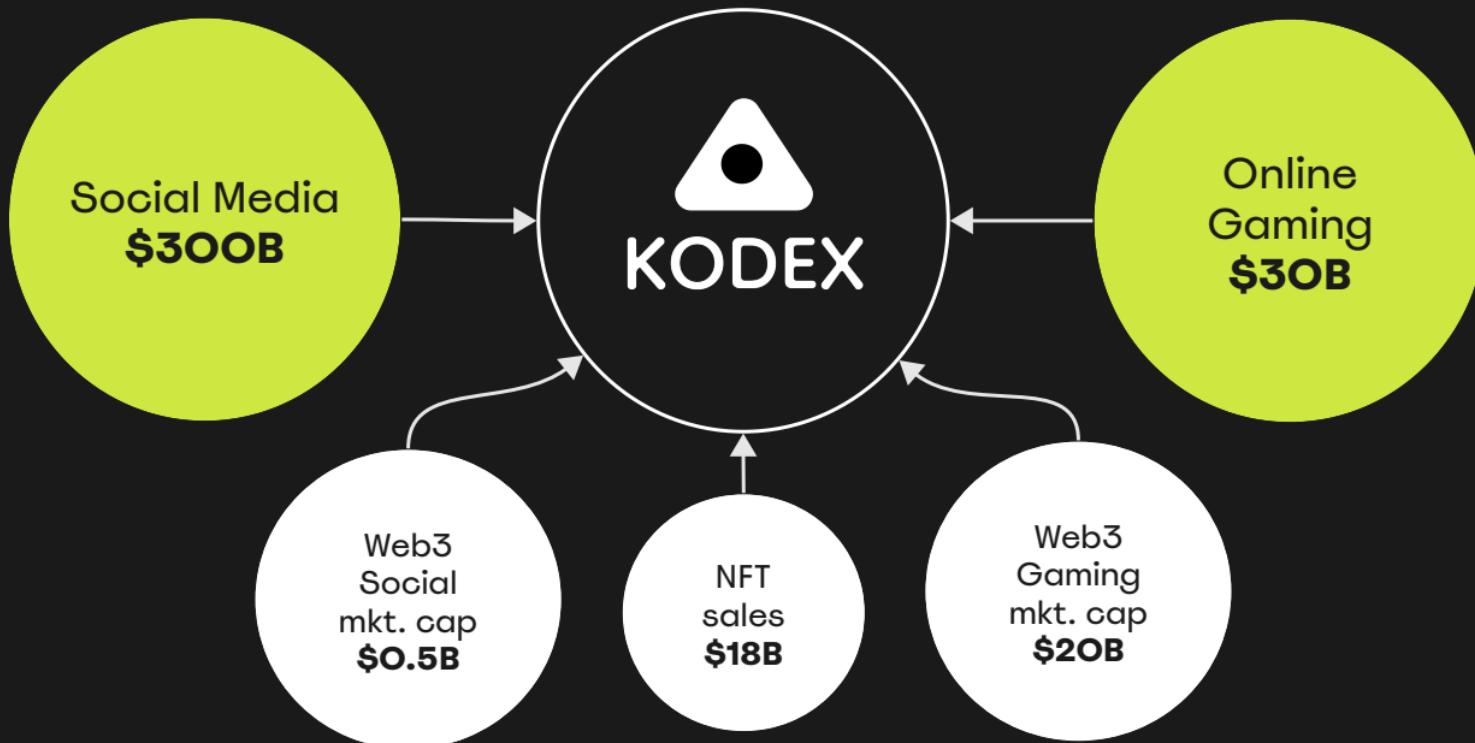
300M users



200K users

Global NFT market size is projected to grow to **\$400B** by 2032





Popular **existing solutions** and why they don't actually work?



Centralized moderation

Simply makes no sense on decentralized system



Self-moderation

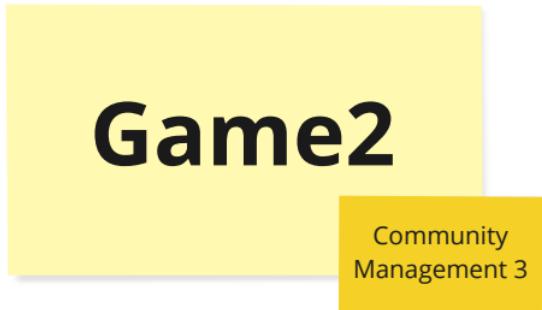
Extremely slow reaction time and low precision



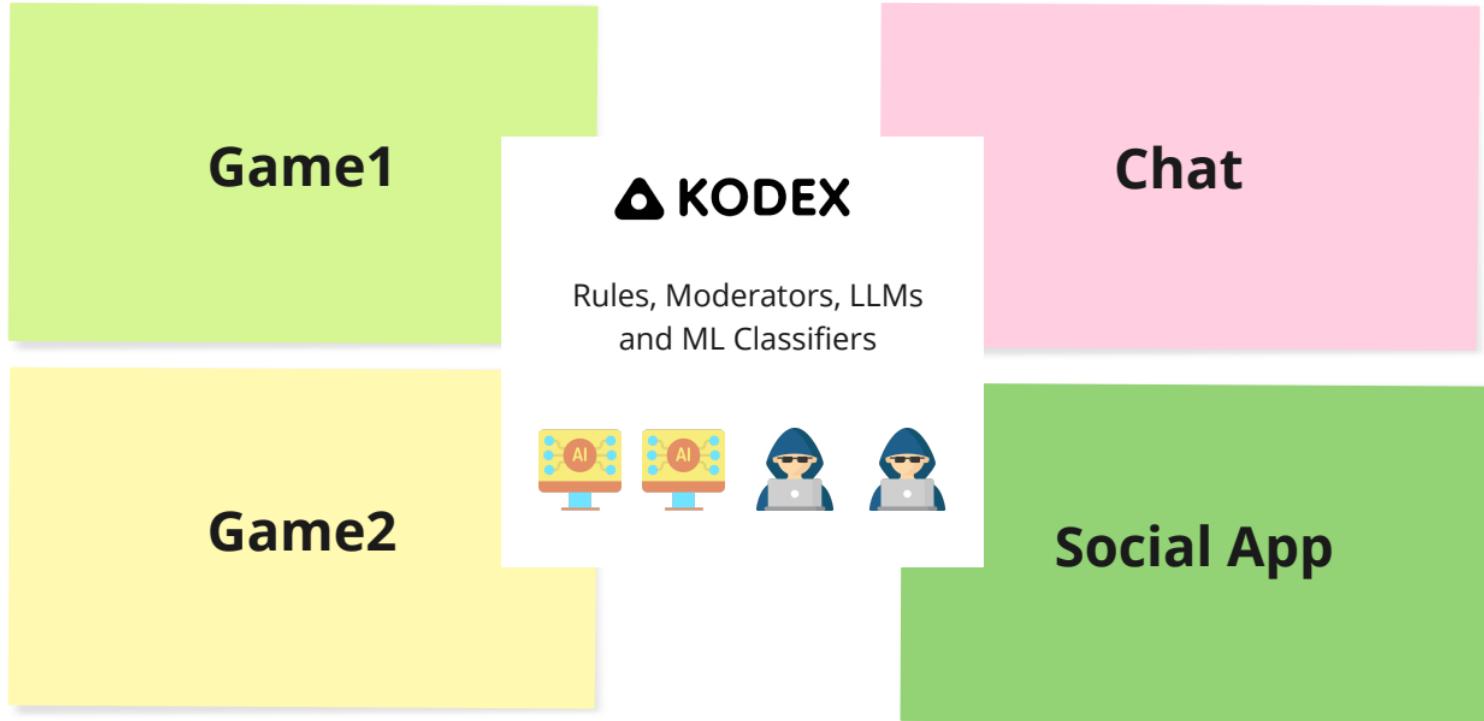
Custom solution

Expensive, vulnerable to hacker attacks

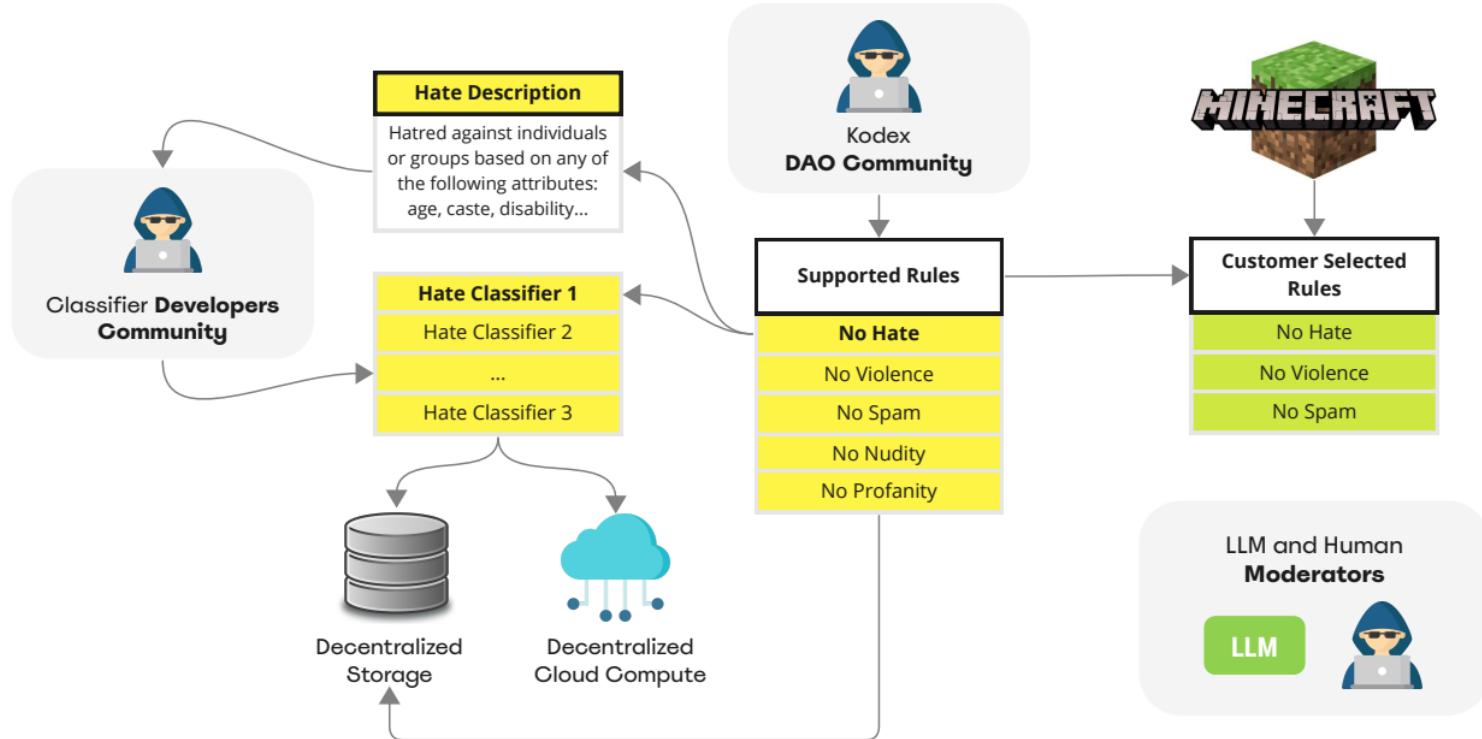
The implementation of community management is **similar** across games and social apps



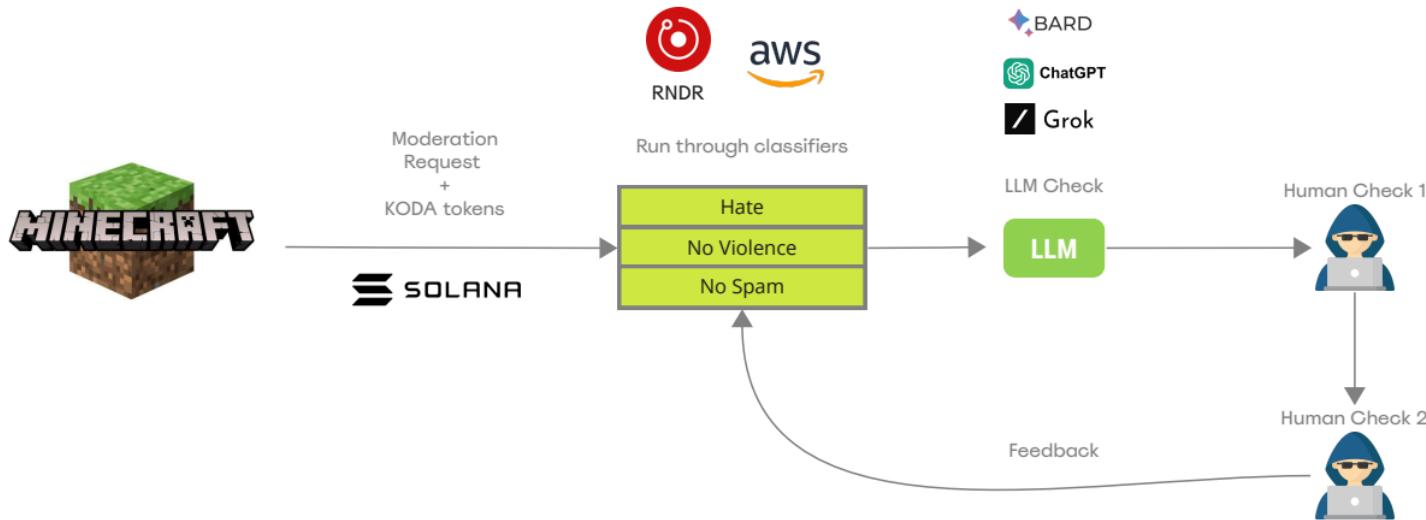
Kodex is a shared **component** across all apps



Decentralized Autonomous System



Moderation Request Flow



Product: Vision

Kodex is the singular secure source of **law and order** in the future decentralized Web3 world

