

The importance of crypto values

The importance of crypto native values, their impact on consumer behaviour and how this relates to an open metaverse

December 6th 2022, Berlin



GM Indonesia by Jord Hammond



Christian Heeg

- COO at DevelopX
- Physicist by education (TUM)
- Consultant by training (amongst others RB, McK)
- Firm believer in crypto native values and advocate for an open metaverse
- Member @seizerDAO

On September 15th 2008 Lehmann Brothers filed for bankruptcy



Greed

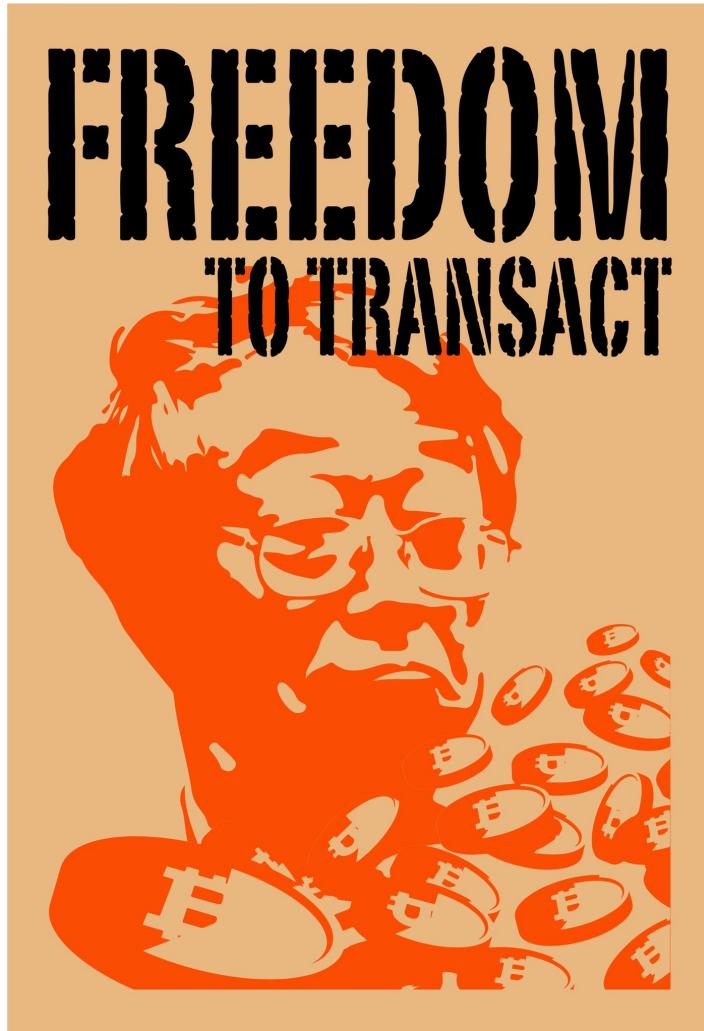
Leverage & subprime mortgages

Lack of regulation

Poor debt-to-equity ratio

Centralization

More than USD 600 bn in assets affected



Freedom to transact by 6529er

*We have proposed a system
for electronic transactions
without relying on trust*

Satoshi Nakamoto

The Bitcoin whitepaper proposed a technical solution in response to the issues with the traditional financial system

Fixed supply vs **Infinite money printing**

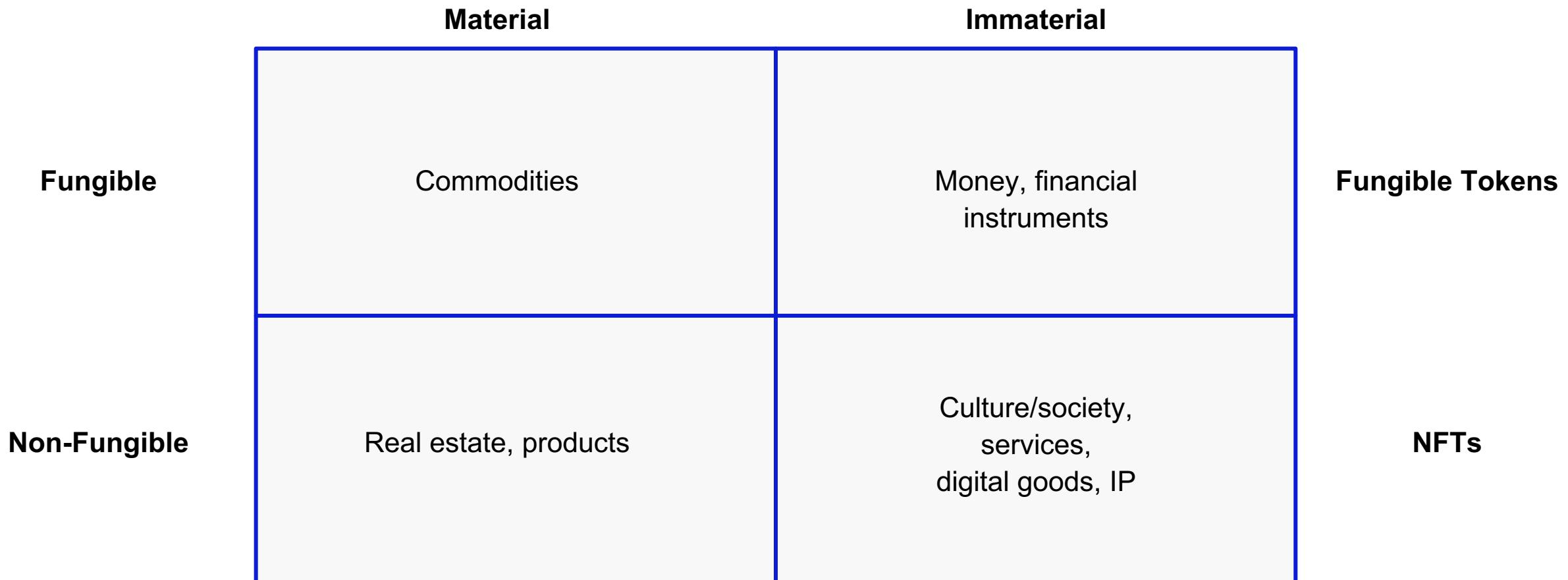
Trustless vs **3rd parties**

Anonymity vs **KYC**

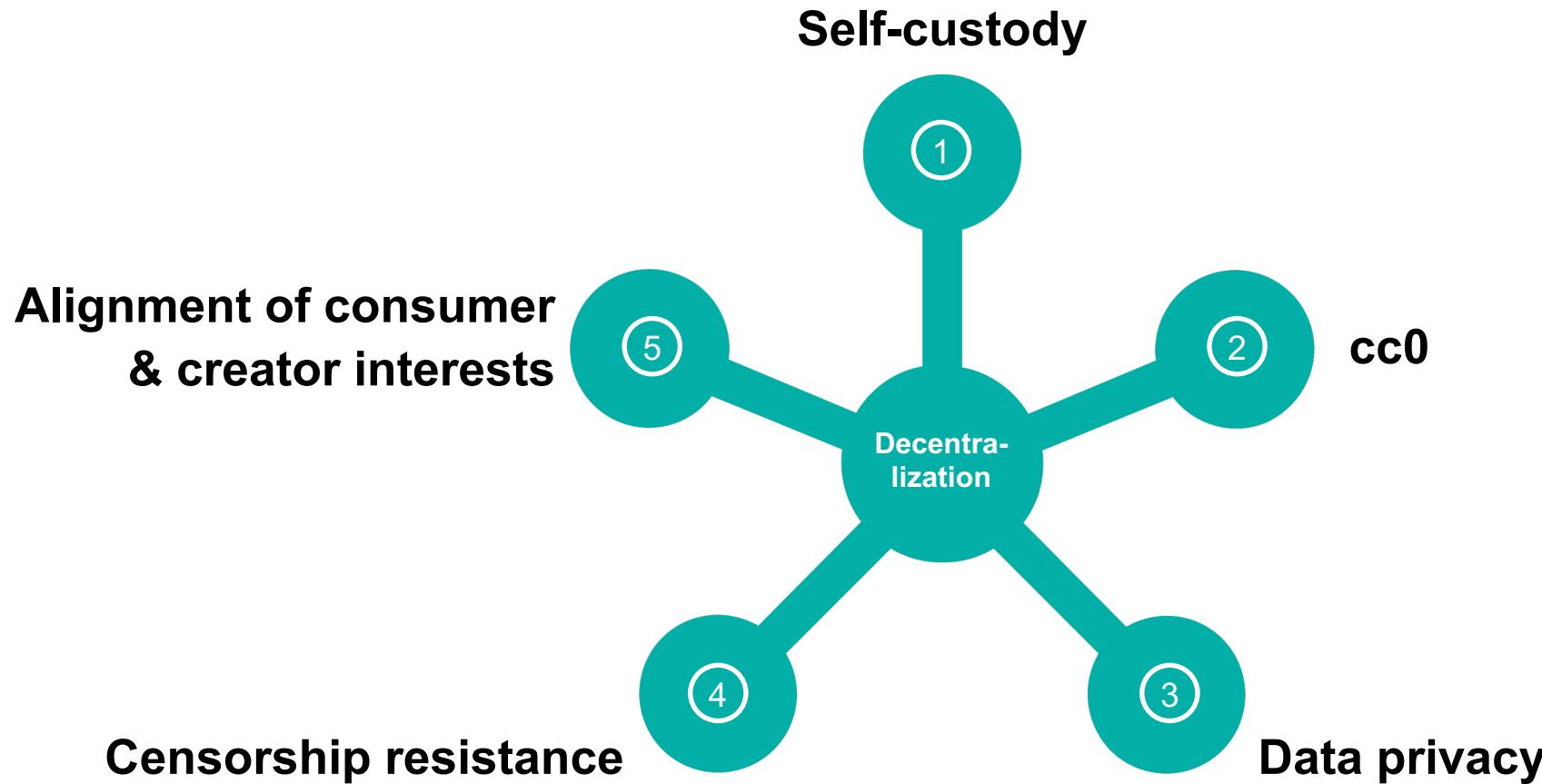
Self Custody vs **Custodians**

Decentralization vs **Centralization**

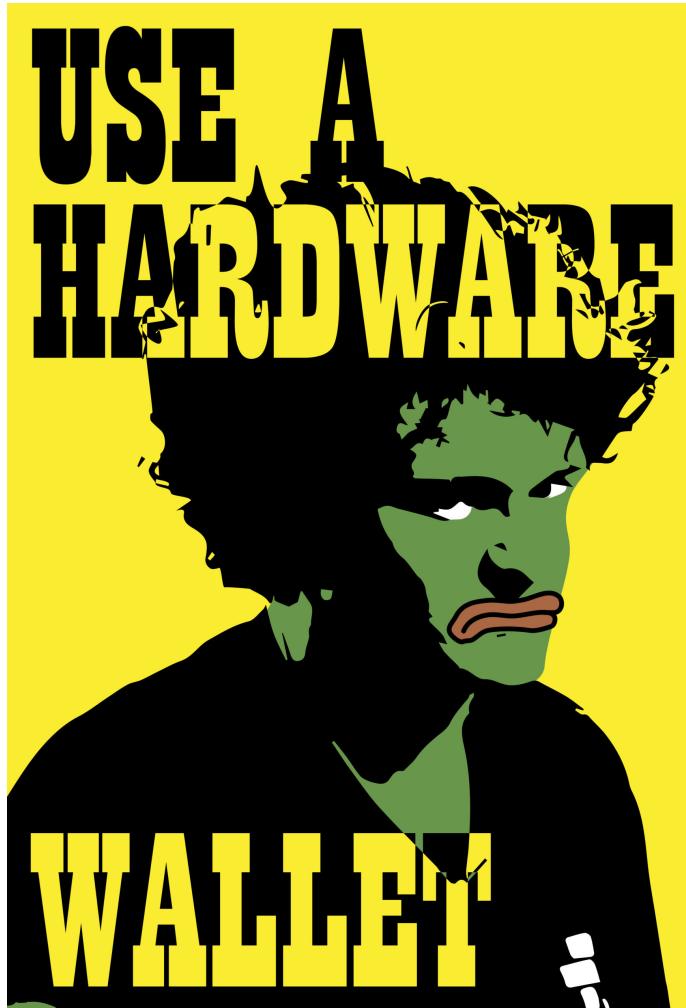
Fast forward: Blockchain technology powers tokenization of everything



Crypto natives have adapted new values to navigate this new world with decentralization at its heart



1 Self custody

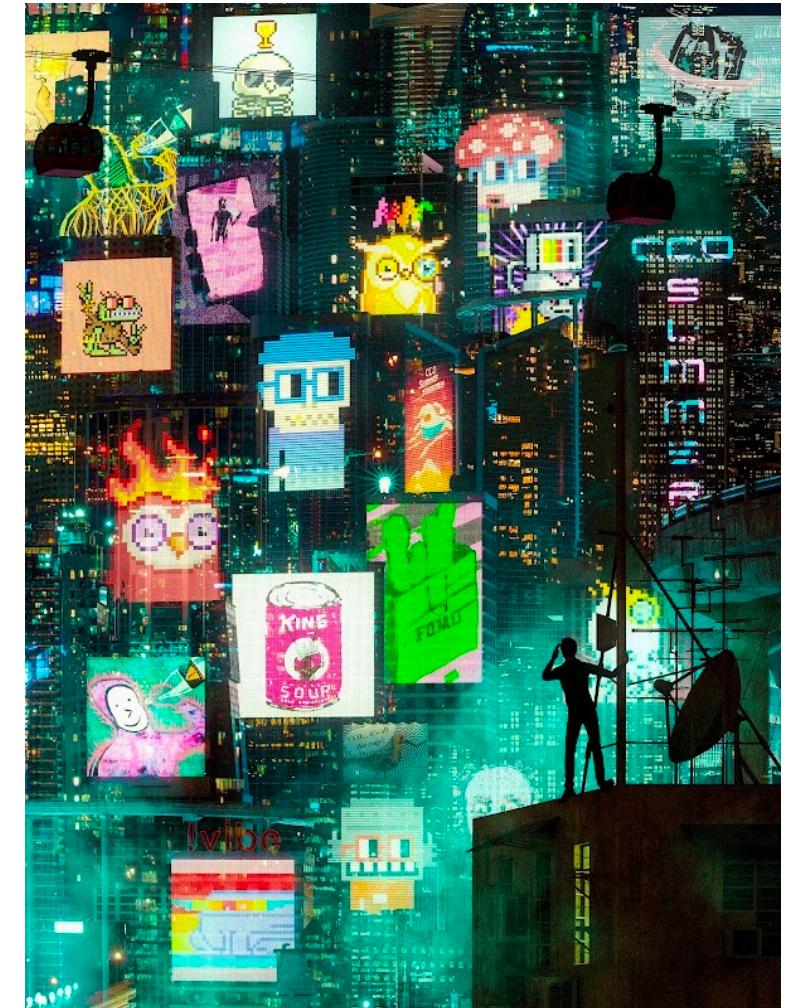


Use a hardware wallet by 6529er & 6529

- Not you keys not your coins – FTX painfully reminded us of that
- Manufacturers of hardware wallets saw record sales recently
- So did revenues generated by DeFi applications like Uniswap increase significantly
- Being able to take ownership of your assets still requires some learning
- However, being allowed to drive a car requires also learning it first

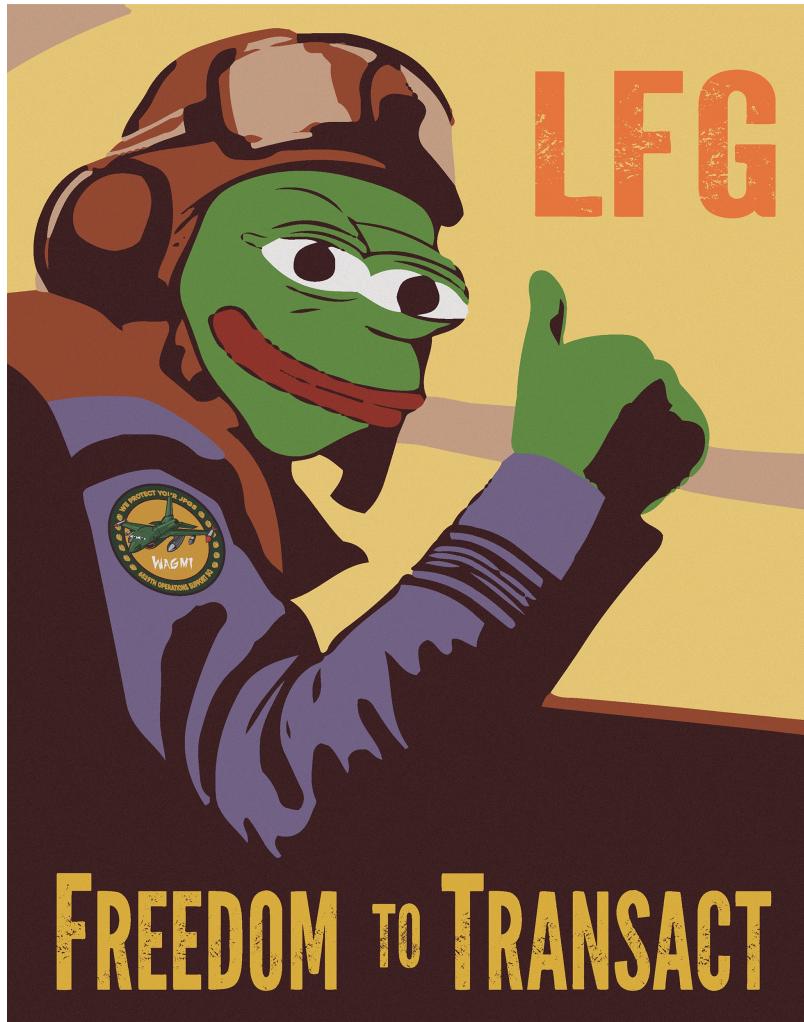
2 cc0

- creative commons zero – cc0, no commercial rights reserved on the IP of the artwork
- Mental model: like open source software but for art - allowing others to use it, remix it and build upon it
- Foundation has been laid by Nouns and CrypToadz etc.
- This summer projects and artists increasingly started leaning into cc0, most controversial/notably Moonbirds and XCOPY
- It became a popular alternative to the Yuga IP rights playbook



cc0 summer by Tommy Wilson

3 Data privacy



Freedom to transact by Arsonic

- Being able to transact anonymously was a given with fiat money
- Globalization and digitization has changed that as the majority of transactions are done digitally and require KYL/AML
- This is leveraged by companies and loyalty programs
- It is also weaponized in combination with a lack of physical cash (e.g. in Myanmar)
- Data privacy is increasingly regulated (GDPR) and consumers accept random collection of data less and less
- Blockchain technology provides the foundation to uphold the freedom to transact on an anonymous basis - which is controversial, cf. OFAC sanctioning Tornado Cash

4 Censorship resistance

- Centralized networks are more prone to censorship as decentralized networks
- Freedom of speech is a constitutional right in most developed countries
- Nevertheless we have seen many examples where this has been restricted due to the centralized nature of existing media & news outlets and social media platforms
- Two examples that are currently unfolding are the Twitter files as well as the soft treatment of SBF by many US mainstream media outlets



Seize the memes of production by 6529er

5 Alignment of consumer & creator interests

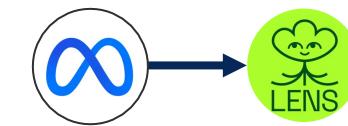
Personal data



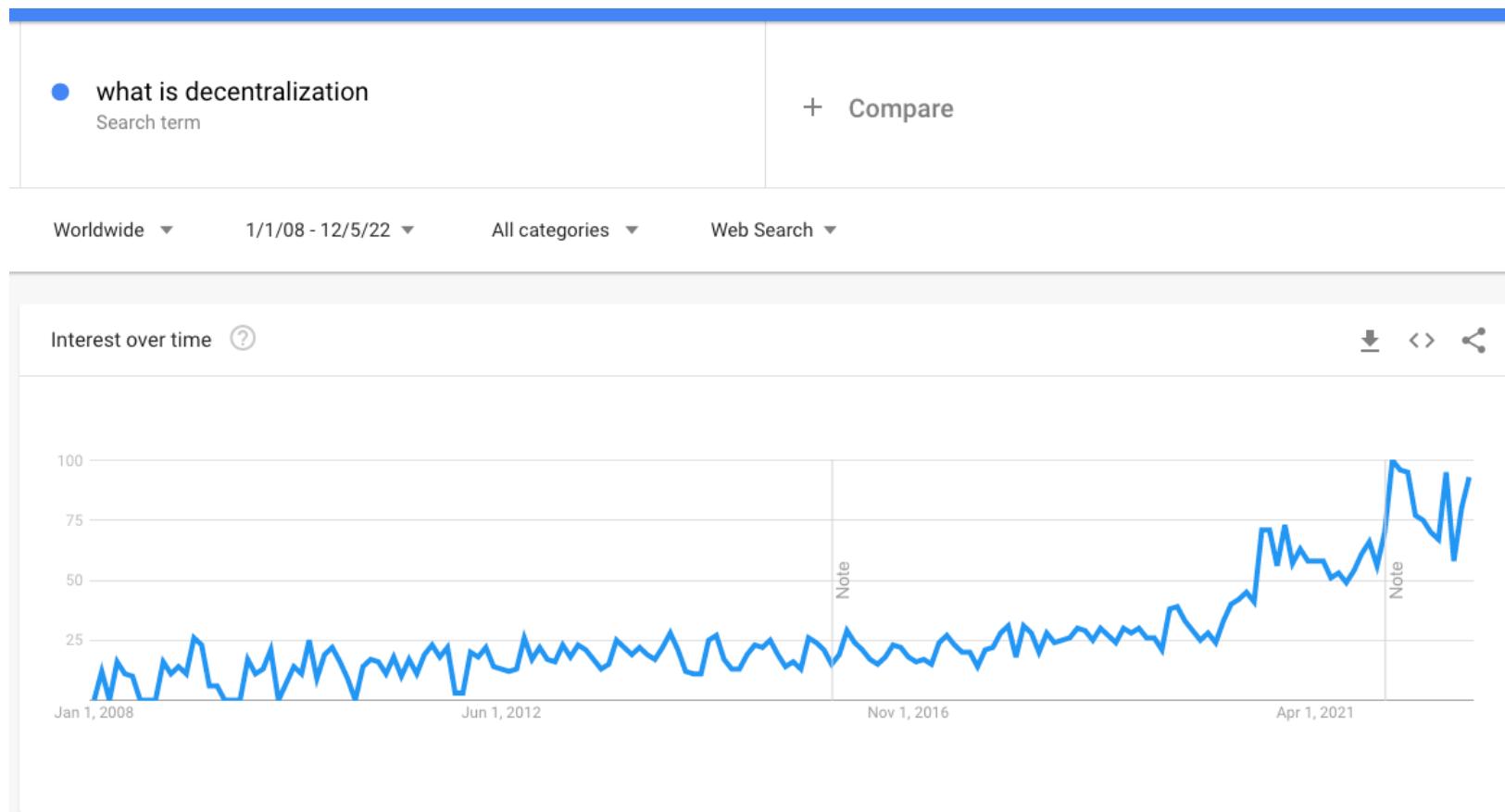
Media



Social



The interest in decentralization has increased significantly over the past 24 months



Source: Google trends



*Decentralization will be for the 2020s what
Sustainability was for the 2010s*

Crypto values will play a significantly increased role in customer behavior in the future

- Awareness of decentralization will further increase
- Customers will increasingly accept inconvenience, if it align better with their values than more established alternatives
- Ultimately they will vote with their wallets (pun intended)
- Companies (both web2 as well as crypto natives) will have to honour these values if they do not want to fall behind



**How does this relate to
an open metaverse?**

First a potential framework on what the metaverse is

The **internet** with **better visualization**
and **persistent digital objects**

6529 framework

Now add decentralization

The **internet** with **better visualization**
and **persistent digital objects...**

... built on **decentralized technology** and
honouring crypto values

tl;dr

- Blockchain technology spawned crypto values
- Interest in decentralization has quadrupled over the last 24 months
- This will impact consumer behaviour
- Decentralization will be for the 2020s what Sustainability was for the 2010s
- Crypto natives will be longing for an open metaverse
- Learn more here: 6529.io & bankless.com