Business and marketing plans for blockchain-based loyalty and audience engagement programs

"How can we get ahead in innovation by doing this, because if we don't, somebody else will." **– Bill Gates.**

Introduction

Blockchain is creating the next wave in loyalty and rewards programs, adding more excellent dimensions, flexibility, clarity, and transparency to existing loyalty and rewards programs. Cultural institutions can use blockchain technology to create a brand-new rewards program from scratch or to modernize and improve an existing loyalty program. Patrons may be more satisfied, and rewards may be simpler to redeem if blockchain is used to create a multichannel network.

Additionally, blockchain technology reduces worries about fraudulent activity in loyalty programs, offers more flexibility in reward redemption, and lessens user annoyance with redemption rates. By integrating blockchain technology into patron loyalty programs, cultural institutes can track the data in real-time and reward patrons more efficiently.

With over 70% of American consumers aware of cryptocurrency, using blockchain in rewards programs may represent a marketing opportunity for cultural institutes willing to innovate on their rewards and patron engagement strategies.

A completely new perspective must be adopted, and the strategies listed below must be performed if cultural institutions increase their patron engagement rate, consequently boosting their number of patrons and attracting new ones.

Soulbound NFTs:

For patrons, Soulbound NFTs can be a form of achievement by listing a patron's memberships, participation, and affiliations. They are non-transferable, publicly verifiable digital NFTs. Hence, they can be airdropped to the participants of the cultural institutions, which these patrons can use to participate in the DAO or build up their reputation. This majorly helps the cultural institutes build up a loyal community of patrons and engage with the brightest minds.

POAPs:

POAP is a standard by which cultural institutes can send NFTs representing the idea that the patron personally participated in some event. By sending the POAP to the patron who attended some workshop or live sessions hosted by a cultural institute, it can build a strong community of enthusiastic patrons. Cultural institutes can now easily brag about the number of patrons participating in a particular session.

It can be highly beneficial for new patrons trying to find a perfect cultural institute to discover highly engaging and active cultural institutes.

Virtual Events in Metaverse (with hidden NFTs):

Cultural institutions can host metaverse museum showcases, art galleries, festivals, cultural events, music shows, etc., that let participants from any part of the world participate and have a distinctive virtual art experience.

This allows the cultural institutes to engage with their communities highly, and with the power of the low gas fees and security-focused blockchain platform of Tezos, it can positively benefit them to have better analytics and save costs.

These cultural institutions can also hide the NFTs that can be purchased(at a discounted rate) by the patrons that participated in that event to enhance the involvement and participation of new patrons. This motivates the patrons to participate in the activities and excites them to join the community.

DAOs

Cultural institutes can form the DAOs or Decentralized Autonomous Organizations in which any patron with enough voting rights (which can be checked with Souldbound Tokens) can create new proposals or vote on existing ones for the firm foundation of the community and thus creating an on-chain community shielded from plutocracy.

This can both help the patrons and the cultural institutes by providing the patrons a say in the functioning of the cultural institutes thus making them active participants of the community and it also benefits the cultural institutes to foster collaborations, engage with the community, and form structure that is more socially concerned.

They can also form DAOs to raise crowdfunding or to get the user's votes and their opinion to host inter-DAO competitions in which anyone can participate, thus helping to onboard many new different patrons and also to better engage their community.

- New audiences can also be encouraged to become patrons by showing them the potential of decentralized identity which they will build over time by participating actively in these institutes and how they can brag about their decentralized identity while also earning valuable NFTs.

Reward Programs

Consistent patrons of the community can be rewarded by loyalty points which are publicly verifiable on the public blockchain of Tezos and these points can be redeemed later for early access to products, whitelisting period in NFT sales, discounts on merchandise, NFT airdrops, contact with their favorite artists, etc.

While the possibilities of audience engagement programs publicly verifiable on the blockchain are unlimited and not limited to the one mentioned above.

Target Market

Cultural institutes can target the following group of patrons:

1. NFT collectors
2. Users interested in trustless and secured decentralized identity
3. Users interested in untampered history
4. Artists and Designers
5. Museums, Galleries, or art fairs

How involved are they to begin with?

These patrons range from those with little or no knowledge of the blockchain world to those with professional experience within our target market.

How technically savvy?

NFT collectors or artists support these cultural institutions with little to no technical training. If these cultural institutions are part of the hardcore blockchain community, patrons with limited blockchain understanding are acceptable; otherwise, any interested patrons without prior blockchain expertise are a perfect fit.

How motivated by rewards?

Patrons may be interested in the cultural institutions themselves or in the rewards programs these institutions provide. By connecting with them or demonstrating the true potential of these institutions, patrons who are initially majorly interested in rewards programs might be persuaded to become devoted members of the community.

"Every contact we have with customers influences whether or not they'll come back. We must be great every time, or we'll lose them." – Kevin Stirtz.

Marketing Channels

Community Calls over Discord:

- **Purpose:** Sharing Updates, Patron acquisition, and patron engagement
- **Metrics to measure:** Community call attendees, attendees to the acquisition rate

Week notes:

- **Purpose:** Sharing future goals and what has been accomplished, engaging with the community, and acquiring new patrons
- **Metrics to measure:** Week notes' receivers, read to website visit ratio

Social Presence (Twitter/Discord/Instagram):

- **Purpose:** Cultural Institution brand awareness, Visual engagement, early contributors branding, building community
- **Metrics to measure:** Followers, Likes, Top mentions, Impressions, shares, etc.

Building Relationships

Healthy Relationships are the key to Strong Community, and a Strong community is a key to a Strong organization.

A cultural institute can form a strong community of passionate audience by making the community heard or by making them participate in shaping the future of institutes.

Hold biweekly or weekly community calls to learn the existing patrons' preferences.

Be open to positive and negative feedback from the community and try to act upon the negative feedback to retain the existing patrons' community.

Making it accessible to non-web3 patrons

These institutes, while onboarding the patrons with zero knowledge of blockchain, can offer the service of creating a wallet for them and store the private key locally on the patron's device only and can also use the concept of meta transactions to pay for the minimal gas fees (thanks to PoS, minimal gas fees, and secure blockchain platform of tezos) on behalf of patrons.

Now, these newly onboarded patrons can easily participate in all the events hosted by these institutes without worrying about anything.

How can institutes benefit from it?

Cultural Institutes can benefit from the NFT sales revenue generated through virtual events or list these NFTs on a marketplace. It is essential for a patron to be a part of the community and to vote on proposals.

They can also benefit from the highly engaging community of patrons by bragging about their participation rate in their live sessions or events.

They can also earn recurring revenue by listing the Art NFTs on marketplaces that generate royalty income while keeping track of their buyers.

How can communities benefit from it?

Patrons of the community can vote on proposals and shape the cultural institutions' future, thus forming a digital space where communities can make themselves heard.
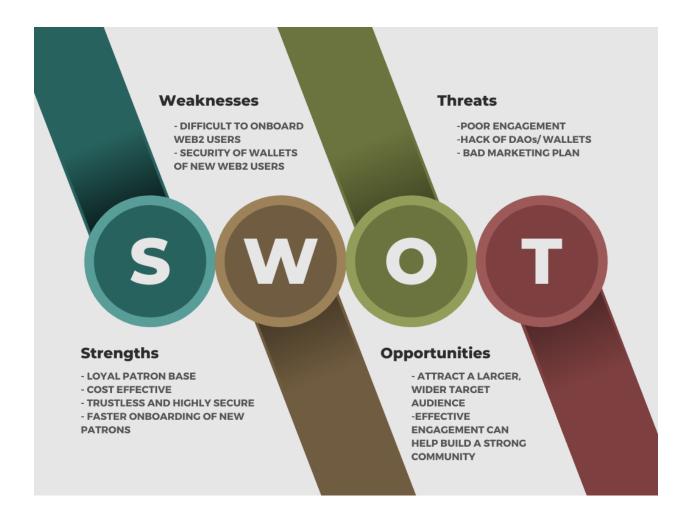
They also get the privileges these institutions offer for being loyal patrons of the community.

Patrons can also boast their POAPs and create a decentralized identity and on-chain reputation in a completely decentralized and secure manner.

They also get networking opportunities by connecting with loyal members of the community.

They can also verify the transactions on-chain using tezos block explorer in a completely trustless and secure environment, thus eliminating the need for any middleman or to trust any central entity.

SWOT Analysis

Weaknesses

- DIFFICULT TO ONBOARD WEB2 USERS
- SECURITY OF WALLETS OF NEW WEB2 USERS

Threats

-POOR ENGAGEMENT
-HACK OF DAOs/ WALLETS
- BAD MARKETING PLAN

Strengths

- LOYAL PATRON BASE
- COST EFFECTIVE
- TRUSTLESS AND HIGHLY SECURE
- FASTER ONBOARDING OF NEW PATRONS

Opportunities

- ATTRACT A LARGER, WIDER TARGET AUDIENCE
-EFFECTIVE ENGAGEMENT CAN HELP BUILD A STRONG COMMUNITY

TIPS:

- Make it easy for patrons to redeem rewards
- The privacy of patrons shouldn't be compromised
- Make it patron-centric and keep it simple and easy to use