

Title: I think the NFT marketplace is much more than we may realize...

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Howdy folks - it was suggested to me I should post this in here:

So, yesterday I was sitting around the house, thinking about my favorite stonk, and the metaverse, and it struck me square in my pink starfish. A realization that I've since been trying to wrap my head around the sheer scope of ever since, and my glassy gray matter is really struggling with it. GameStop is about to create and enable something much larger than just their marketplace: GameStop is about to create an entire cluster of economies. I'm not sure if this sub has really come to this realization, but I think this is why we're seeing so much talent flocking to GameStop - they've been shown the potential. Allow me to attempt an explanation of one such potential economy, and how it might connect to the others- I'll use an IP most of us are familiar with: Pokemon.

Rarity & Demand

This is the first pillar of my realization. GameStop allows an IP like Pokemon to bring the stakes of their game to all new levels by allowing creators to, well, create rarity. Remember the craze of collecting Pokemon cards, and how now some of them are worth thousands of dollars? Well, that's because of rarity, and your chances of pulling a 1st edition Charizard being pretty fucking slim due to the number of physical cards in existence. Now, NFT's allow devs and creators to implement that same rarity to their game worlds too - they cryptographically ensure the uniqueness of an item. So, GameStop's marketplace could allow, say, The Pokemon Company to populate their next game with NFT pokemon. There could be an entire population's worth of NFT's minted for next to nothing thanks to Loop. Pokemon in the game world could have the same rarity in game as the cards would have. Say there's millions of Magikarps in play, and a few thousand Gyrados. Can you imagine finding literally the only existing Mew in the world? Players want to win, and Collectors want to collect - this is going to create demand for the strongest, and rarest Pokemon in the game. Allowing players to buy/sell their collectible and limited Pokemon for use in a game world is going to create an entire economy, JUST WITHIN THE POKEMON UNIVERSE. Powerful Pokemon will become very valuable, and the Pokemon Company, and GameStop, would see proceeds from each of those transactions, whatever their value might be. Players might determine that having the only Mew in existence is worth \$10, or it's worth \$100,000. Can you imagine quitting your job to literally catch/train/sell Pokemon?

E-Sports

Thanks to things like rarity, this can really increase the stakes of a game not only for the players, but also spectators. If the chances of you finding a Zapados or an Articuno in the wild are slim, wouldn't you want to hang out in the metaverse to watch the best Pokemon trainers battle it out with the one's they've found and trained? Suddenly seeing rare and unique Pokemon battling is an actual spectacle - you can't just pull them out of thin air anymore. People might actually want to go to watch tournaments, which creates a Pokemon league, with fans and collectors cheering on their favorite trainers, and maybe even bidding for their champion Pokemon. The Pikachu who won the very first Pokemon trainers championship? Well, someone might really want that NFT, and pay accordingly. Maybe it's worth \$500,000. Maybe it's worth even more than that. Some of the most expensive 1st edition Charizard physical cards are priced at nearly \$800,000CAD on Ebay. Do they have verifiable history attached to them? Can you see the stats and outcomes of every battle they've been in? Can you watch replays of the best players in the world battling with them? Can you literally interactively fight with them in-game? **Do they do anything other than just sit there and be a "stupid worthless" card?** Maybe that in-game champion Pikachu is worth a lot more to someone. Maybe having some skin in the game makes these digital assets much more valuable. Keep in mind: A portion of all these transactions are going directly to the creator of the NFTs, and to GameStop.

Avatars & Game World

This is where we sort of combine the Pokemon IP with the rest of the metaverse's potential. Let's imagine that this Pokemon game allows us to bring our metaverse avatar into their game world. This allows for all sorts of opportunities with things like clothing companies, and the entire realm of streetwear. Let's step into this economy for just a moment:

Let's say that the folks who run the clothing/stuff brand *Supreme* decide "Oh hey, let's make a limited run of NFT hoodies that come with our physical hoodies. We don't want to deal with gas fees, or learning crypto, so we're going to mint everything with GameStop" - well, people are going to buy them, because they want the exclusivity. There are only so many physical hoodies for sale, and there are only so many NFT's to go with them. Having an avatar wearing certain brands of clothes can become a status symbol, because the demand for *Supreme* NFT hoodies is nuts, and supply is limited. Having a cool avatar starts to become much more meaningful to players, because they can start to bring their favorite clothing into their games with them, along with knowing they might be the only ones who can have it. (Just want to quickly point out that people will buy Fortnite skins for like \$10, knowing that thousands of other people have it) More and more clothing companies will see the value in creating NFT versions of their products because not only does it let them advertise their brand to a huge audience, but this becomes an entirely new revenue stream for them. You know how much money is made in the reseller market for streetwear? Well, now they are guaranteed a bite of those sales. So is GameStop.

Someone might really want to have the jacket the 1st Pokemon champion was wearing when they won to display in their metaverse apartment. They might pay a lot more money for it than it was originally worth, because it is unique and can be traced back to an event that's important to them. A company might take notice of that, and want to sponsor trainers, so they could not only get the advertising exposure, but also a piece of those elevated profits when their NFT's are sold at a premium. The potential is huge. This can further be built upon with things like decorating (or even building) your ingame or metaverse home with art from your favorite artists. I hear that people like buying NFT art, or something.

Summary... ish

This is just a small fraction of the scale and potential that the NFT marketplace brings to the table. By allowing creators to manufacture supply/demand within game worlds, economies for these worlds are born, and give the contents of those worlds tangible value to players and collectors alike. These economies will create entirely new revenue streams for multiple sectors, and GameStop is at the center of all of them. Creators can turn their IP's into their own economies now. Can you imagine, an entire economy for even a fraction of the games you've played and loved? What about for collectibles? NFT comic books? If the current "de-facto" NFT marketplace is worth \$10B for mostly selling jpegs to speculators and has extremely high fees, what do we think GameStop's organic value could be worth given what we know about their marketplace offering? GameStop may have laid the framework for entire economies to be born. I have never felt so fucking bullish about my investment. I think I'm going to throw up from how dizzying the scale becomes.

Also, shorts never closed. So there's that too.

All this potential **and** we're DRSing the float? They are so fucked.

tl;dr - I think GameStop's NFT marketplace is going to create multiple economies. At least one for every game that utilizes NFT's, and that's barely the start.