Project Author:

ALL CITY

Project Category:

Ecosystem Fund Allocation

Project Name:

Reviving the NFT Market: A Plan for Apes, Kodas, Meebits & More Moving Forward

TEAM DESCRIPTION

The project's core team, Advisory Board and projected revenue share framework with the APE Foundation will be announced in the coming weeks before the AIP advances. To ensure clear understanding of this document for Web2 and traditional-world readers evaluating the proposal, we have defined certain Web3 terminology in the KEY TERMS area for your benefit.

ABSTRACT

The Ethereum NFT market is facing a crisis.

Destabilizing factors like meme coins and Ordinals have diverted new user interest, contributing to a 60% drop in average trading volume. Established blue-chips like Bored Apes and Azuki have suffered 85-90% declines in value, with other premium collections like Meebits and Kodas seeing similar decreases.

The recent SEC authorization of spot Bitcoin ETFs has generated increased investor interest in crypto, and BTC is back to approaching all-time highs putting us at further risk of Inscriptions being the first form of digital collectibles that onboarded investors recognize and embrace — making it clear that we need a plan.

This proposal calls for the creation of an entity tasked with overseeing a pool of revolving community-owned Ethereum-based NFTs from collections that grant intellectual property rights to their holders. Consultations with project founders and their legal counsel have begun to ensure alignment with long-term visions.

The entity will supervise a contracted multinational Big 6 advertising agency to develop a multi-year, multi-phase marketing plan based on data derived from a global market research study that the agency will be tasked to execute. The initiative will also integrate the development of a physical product or product line based on study findings and subsequent recommendations made by the agency, with a percentage of revenue going directly back to the APE Foundation. In some cases these products may be digital. Particular attention will be placed on children's toys, games, collectibles and accessories; K-12 education products and apps; food and beverage. Areas of interest for marketing include product placements in television, movies, streaming platforms, and traditional video games; content creation, targeted marketing, and influencer partnerships; traditional media; digital media.

The entity's head office will be established in Hong Kong.

SPECIFICATIONS

To select the advertising agency an RFP process will be facilitated by the ApeCoin DAO Governance Working Group and the community will have a say on who is chosen. Selection will be limited to the following companies:

1. WPP (WPP plc): https://www.wpp.com/en

2. Omnicom Group: https://www.omnicomgroup.com/

3. Publicis Groupe: About PUBLICIS GROUPE | Publicis Groupe

4. Interpublic Group (IPG): https://www.interpublic.com/

5. Dentsu Group Inc: Dentsu Group Inc.

6. Havas Group: https://www.havas.com/

These agencies are among the most influential in the world, operating as holding companies with extensive networks of individual agencies across the globe, granting significant media buying power and access to premium marketing channels.

Costs associated with working with these groups are calculated based on campaign duration and its overall complexity. Common factors include which media channels are being used, target audience reach (global vs. regional), endorsements and partnerships, seniority of the team members tasked with the project, and production costs associated with the creation of promotional materials. Payment structures vary.

Given the complexity and importance of this project, consultants will also be required. Some may be hired when a watchdog

will be necessary during meetings with service providers, and others may be required on a more regular basis for manufacturing and distribution during the entity's first cycles of production.

BENEFIT TO APECOIN ECOSYSTEM

Financial Sustainability

- Direct Profit Sharing:

A strong percentage of revenue from any product sales will flow back to the APE Foundation and the ApeCoin DAO treasury to fuel future initiatives and foster financial health for the ecosystem.

Global Brand Awareness

- Big Agency Partnerships:

Taking a top-down approach and partnering with top-tier advertising agencies will unlock immense networks and marketing expertise to reestablish and propel ApeCoin and ApeCoin associated NFTs into the mainstream.

Increased NFT Collection Value

- Demand Surge & Rising Floor Prices:

Campaigns of this magnitude lead to a rapid increase in demand for the products being marketed; which in this case include images from well-known NFT collections. Furthermore, by pairing these images with a mass-marketed product line we underscore the unique opportunity to own a "character" from these projects and be part of the storylines we create.

Ecosystem Growth Engine

- NFT Market Revitalization and New User Influx:

A successful campaign will also reignite widespread interest in Ethereum NFTs and new users into the ApeCoin ecosystem to expand our reach.

KEY TERMS

Big 6 Advertising Agency

- The six largest advertising agency holding companies in the world: WPP, Omnicom, Publicis, Interpublic, Dentsu, and Havas. These companies control a vast network of individual marketing and advertising agencies.

Blue-Chip NFT Collections

The most well-established and valuable NFT collections, often associated with strong communities and prominent creators.

DAO (Decentralized Autonomous Organization)

An organization run by its community members through voting on proposals using a cryptocurrency token. In this case, the ApeCoin DAO is a community-governed organization focused on ApeCoin and the Ape Ecosystem.

Disney Pinnacle

Disney Pinnacle is a new platform where fans collect and trade digital pins featuring Disney, Pixar, and Star Wars characters launched in late 2023. The marketplace uses blockchain technology and offers a social experience for fans to connect and share their collections.

Floor Price

The lowest price at which an NFT in a collection has recently been sold. A rising floor price suggests increasing demand for the collection.

Meme Coin

A cryptocurrency often inspired by internet jokes or memes, known for their high volatility and speculative nature.

NFT (Non-Fungible Token)

A unique digital token representing ownership of a digital asset like an image, video, or piece of music. It should also be noted that NFTs can grant intellectual property rights to the holder, allowing them to use the NFT image commercially for certain purposes.

Ordinals

A recent technology allowing inscription of data directly onto individual Satoshis (the smallest unit of Bitcoin) enabling the creation of NFT-like assets on the Bitcoin blockchain.

Revenue Share

Revenue share is a business model where profits or income generated by a project or product are divided among multiple parties. In this case, we will be formulating a model where the APE Foundation will receive direct funding from any product and advertising revenues that the entity generates. This may also extend to licensing intellectual property from NFT creators for product development.

Spot Bitcoin ETF

An exchange-traded fund that allows investors to gain exposure to the price of Bitcoin without having to buy and hold the cryptocurrency itself. The approval of such ETFs by the SEC is a sign of growing mainstream acceptance.

PLATFORMS & TECHNOLOGIES

Given the extensive scale of this project, numerous platforms and technologies will be essential for its production and smooth operation. However, it's important to acknowledge that we may not yet be well-versed in all of them due to the involvement of multiple third-party service providers. Access to specific digital products may also be exclusive to platforms built on ApeChain, with a goal to replicate similar buying experiences offered to Disney Pinnacle customers through their preffered provider.

Keeping all of this in mind, here are some of the tools we plan on utilizing:

ApeChain

ApeChain is a proposed Layer 2 solution built on top of the Arbitrum network aiming to address scalability limitations of Ethereum mainnet. Once implemented, ApeChain will offer faster transaction speeds and lower fees for users.

Accounting Software

We will be using standard bookkeeping and accounting software like Quickbooks as well as crypto-payment tracking tools like Koinly and CoinTracker.

Blockchain Technology (Ethereum)

Our proposal focuses on the promotion, and potentially creation, of Ethereum-based NFTs, the underlying infrastructure for ApeChain.

Communication Tools

Tools like WhatsApp, WeChat, Signal, Telegram, Slack and email will be used for internal communication. External communication will be channeled through Twitter, Discord, Discourse, Girbook, Instagram, Facebook, TikTok and Youtube.

Content Management Systems (CMS)

A CMS will be used to manage the creation and distribution of digital marketing materials like website content, social media posts, and video assets.

Contract Management Platforms

Platforms for managing contracts like DocuSign.

Data Privacy Compliance Platforms

Platforms to ensure compliance with data privacy regulations like OneTrust and TrustArc.

Digital Advertising Platforms

Platforms like Google Ads, Meta Ads Manager, or programmatic advertising platforms may be used depending on our internal media buying strategy.

Ecommerce Platforms

Once physical products are developed, ecommerce platforms like Shopify or Magento will be needed to manage any direct B2C online sales.

Intellectual Property (IP) Management Platforms

Platforms for managing IP rights such as Lex Machina and Evisort.

Market Research Tools

Subscription services and other software solutions will be used to conduct internal market research on consumer preferences.

NFT Marketplaces

These platforms like Magic Eden and OpenSea may be used for buying and selling NFTs.

Project Management Tools

Software like Notion, Asana or Trello will be used to manage communication and workflow within our project team and with external partners like advertising agencies and product manufacturers.

Regulatory Compliance Platforms

Platforms to ensure compliance with advertising regulations and product safety standards.

STEPS TO IMPLEMENT & TIMELINE

This preliminary timeline outlines a high-level project lifecycle strategy. However, in its final iteration, we will retain the flexibility to adapt and accommodate unforeseen circumstances or feedback from various stakeholders, contracted consultants, advertising agencies, manufacturers, steering and advisory boards, and the ApeCoin DAO community.

Phase 1: Proposal & Community Vote (Estimated Time: 2 Months)

1. Proposal Refinement (1 Month)

2. Community Vote & Discussion (1 Month)

Phase 2: Entity Formation & RFP Process (Estimated Time: 3 Months)

1. Entity Creation (1 Month)

2. RFP Development (1 Month)

3. Agency Selection (1 Month)

Phase 3: Market Research & Product Development (Estimated Time: 6 Months)

1. Global Market Research (2 Months)

2. Product Development Strategy (2 Months)

3. Prototype Development & Testing (2 Months)

Phase 4: Marketing Campaign & Product Launch (Estimated Time: 12 Months)

1. Multi-Phase Marketing Plan (3 Months)

2. Campaign Execution (18 Months)

3. Community Engagement & Ongoing Support (12 Months)

Phase 5: Evaluation & Iteration (Ongoing)

1. Campaign Performance Analysis

2. Continued Advertising and Manufacturing Planning

OVERALL COST

Full request to be provided in the coming weeks.