

Summary

As Arbitrum seeks to grow, it's critical to understand why builders and entrepreneurs choose to develop on this platform, and what its strengths and weaknesses are in comparison to its competitors.

Currently, Arbitrum delegates and key organisations in the ecosystem (GCP, OCL, Foundation, etc.) have multiple theories on why some developers and entrepreneurs opt for it as their technology of choice, and others don't. And, many choices are being made to define which programs to fund and how to prioritise the technical roadmap.

We aim to interview builders and entrepreneurs to understand:

1. why they build on Arbitrum
2. what features they want to see in future development
3. who are the types of people that are more or less likely to be Arbitrum's users.

Beyond what desk research or a survey can accomplish, this research will provide the Arbitrum DAO and affiliated entities with a deep understanding of builders mental models and decision frameworks, allowing better strategic choices. To ensure relevance we'll create a Stakeholder Council (and success bonus approved by said council) and work closely throughout the project, refining research questions, sharpening the research focus from preliminary findings, and ensuring comprehensiveness of the final report.

We'll also coordinate with the ARDC research position to compliment their work with our deep user research capabilities.

Context

While Arbitrum has a strong brand and core competencies that separate it from competitors, it's still unclear which of these features is most important to developers and what kind of support would be most meaningful. We don't really know why

builders choose Arbitrum instead of its competitors. Is it the capability to use a variety of programming languages? Is it the technology's existing ecosystem? Is it something else?

Multiple technical comparisons have been done (e.g. [L2Beat report](#), [Binance report](#), [MIIX Capital report](#), [Tiger research](#)). However there's a lack of research that focuses on the perspective of users.

This represents a strategic threat - how do Arbitrum organisations (GCP, OCL, Foundation, DAO, etc.) build on our collective strengths if it's not even clear which strengths (or weaknesses) make the difference? And, how does Arbitrum effectively distinguish itself from other Layer 2 (and Layer 3) technologies if it isn't clear on why builders might prefer those platforms?.

Proposal

We propose to do intensive research with builders and entrepreneurs to establish a deep understanding of the features important to these critical members of our ecosystem. This will identify why Arbitrum has become a technology of choice among its users, where its weaknesses are, and promising directions for future development.

We will also develop profiles of the "type" of people most likely to build on Arbitrum, so we get a sense of who are existing market is (and is not) to give clarity on how to best expand the ecosystem.

This research will be done in close collaboration with Arbitrum's key organisations and stakeholders, to ensure maximum relevance and actionability. For this we're proposing to set up a Stakeholder Council including:

- Representative(s) from the Foundation
- Representative(s) from Offchain labs
- Representative(s) from Gaming Catalyst Program
- Arbitrum DAO Delegates

Our research goals include:

1. Understand why builders who build on Arbitrum selected it as their technology of choice. Illustrated the storyline of how people come to build on Arbitrum.
2. Identify key strengths and weaknesses that Arbitrum has in comparison to 2 key competitors from the perspective of builders.

3. Highlight key areas for future development for Arbitrum (both technical and support programs), from the standpoint of builders and entrepreneurs who use the platform.
4. Build a profile of prototypical Arbitrum users to better understand the types of people who tend to prefer this technology.

The research participants will include:

- Builders from Arbitrum's established and emerging verticals (DeFi, Gaming, AI, etc.).
- Builders with a variety of tenures, split between builders who have used Arbitrum for more than a year and less than a year.
- Builders who have either come to Arbitrum to build entirely new projects versus those who use the technology to expand on their existing projects.
- Builders who have chosen competing ecosystems (e.g. Solana, Optimism, Base. TBD with Stakeholder Council).

This composition of participants is meant to offer both a broad understanding of Arbitrum's user base, while also making sure we are able to identify nuance at the level that is relevant for actual builders. We will be able to highlight trends that are relevant Arbitrum-wide, while also diving into the insights that help us understand the needs of builders in specific projects and with specific experiences.

Research questions:

We'll refine the research questions together with the Stakeholder Council.

Methods

- We will do live interviews with all participants that focus on the following topics:
- Participant background and projects
- Specific project demands
- Participant decision-making process around platform and technology use
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- We will organize the interviews around the Jobs to be Done framework

Output/Deliverable

The output from this research will support Arbitrum's efforts to improve and expand, furthering its vision to become a great home for builders. Specifically, this research will:

- Give guidance on future feature and support programs by highlighting builders' perspectives on Arbitrum strengths and weaknesses
- Support deepening of Arbitrum's ability to meet the needs of specific builders by highlighting which capabilities are most relevant for different projects.
- Support future outreach efforts to evangelize and bring people by highlighting Arbitrum's key value propositions for specific types of builders
- Support the development of pipeline initiatives to bring people onto the platform by sharing how builders come to Arbitrum
- The deliverable will be a research report that addresses our key research goals:
- Understanding why participants prefer Arbitrum (or other ecosystems)
- Understanding participants mental models for decision-making around blockchains to build on
- Offering insights for further developing and expanding Arbitrum

- Understanding typical profiles of Arbitrum builders
- Live session with Arbitrum delegates and Stakeholder Council for Q&A on research report.

Timeline

3 months from kickoff for project completion

(Pre-eliminary findings shared from week 4 onwards)

Team

Alex Lumley + RnDAO user research team

Daniel Stringer, PhD

(project lead): User Researcher at RnDAO. Daniel founded of Stringer Research, a Design and User Researcher firm focused on cross-cultural and international research. Daniel has over 15 years experience leading user research studies and teaching companies to use human centered design in their operations at Facebook, The World Bank, Google and other organizations.

<https://www.linkedin.com/in/danieltheory/>

Alex Lumley

(stakeholder management and coordination): Arbitrum delegate. Previously product developer and cofounder at Savvy, Jobs to be Done practitioner at ReWired Group, and consultant at Baine.

<https://www.linkedin.com/in/alexanderlumley/>

Andrea Gallagher

(research planning support): Drea is research lead at RnDAO. Previously she was research lead at Google Suite, Asana and Aragon, and was an innovation catalyst at Inuit.

<https://www.linkedin.com/in/andreagallagher/>

Stakeholder Council

The research will directly support the initiatives of stakeholders within the Arbitrum ecosystem. Representatives from stakeholder organizations will guide the research deliverables to help maximize the ability of this work to improve Aribtrum's technology and expand the ecosystem.

Our council will include:

- Delegate advocates
- OCL representation
- Builder advocates
- Foundation representatives
- Off-Chain labs representatives
- Venture representatives
- Potentially: ARDC representative / other service providers / other ecosystem participants/

Membership on the council would involve a set of rituals meant to guide the research for optimal impact:

- Pre-Project:

2 - 4 hours * Provide guidance during the research planning process to ensure that the project is directed towards the goals of stakeholder organizations.

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- During the project

: 1 hour every 2 weeks * (Optional) Attend biweekly project offices to receive rolling insights on research progress and offer input on project direction.

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- Completion

: 2 - 4 hours * Review (within 1 week of completion) the draft of the final report and provide feedback/clarifying questions.

- Upon reception of the final report, decide on bonus.
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Budget

We're proposing a budget plus a discretionary success bonus. The bonus will be decided by the Stakeholder Council at 0%, 50%, or 100%

Two options for scope

Discounted by 40% for first project, as expression of our enthusiasm to build the relationship and trust in our work:

Option 1: Researching within Arbitrum only: \$38,600

Option 2: Arbitrum + 2 ecosystems (e.g. Solana and Optimism): \$58,400

Discretionary Bonus: \$20,000

The budget includes:

- Incentives for interviewees (\$5k in option 1 for 50 interviews, and 9k in option 2 for 90 interviews)
- Full time senior user researcher (Daniel Stringer)
- Research design support by research lead (Andrea Gallagher)
- Up to 4 hours a week stakeholder management (Alex Lumley), including bi-weekly Stakeholder Council meetings
- Up to 10 hours a week of coordination and project management, including marketing the activity to find research participants (Alex Lumley, Daniel Stringer, support by RnDAO marketing and outreach team)

Fund Management & Payment Schedule

The funds provided by ArbitrumDAO will be transferred to the Arbitrum MSS.

The funds are then transferred by the MSS in phases as per completion of the milestones:

Kick-off: 60% budget

Completion: 40% budget + discretionary bonus

FAQs

Why doesn't the ARDC handle this?

The new version of the ARDC is setup with a single supplier per category, and unfortunately most of the candidates for the research position don't have significant User Research expertise. Multiple of them have great quant research capabilities, market analysis, etc. And some even have conducted user interviews before. However, User Research often stands as a separate skill with different foundational approaches and organisational culture.

The RnDAO team counts with decades of experience in user research, including world class researchers having informed products such as Google Suite, Asana, and Facebook and with Web3 experience (however, we don't have significant blockchain data analysis expertise and hence stepped down from the ARDC application). The research and skills proposed by ARDC candidates are thus complimentary to this proposal but don't replace it. We look forward to collaborating closely with them in advancing Arbitrum.

Why user research?

With user research, we refer to in-depth 1-1 interviews. The objective is to understand users' mental models that define how they make decisions (what truly matters to them). This work is important at this early stage because comparative analysis between chains can lead to highlighting qualities that are not (or no longer) most relevant for builders. For example, at some point mobile companies optimised for making phones smaller and smaller, competing with one another until this criteria was not only irrelevant but even counterproductive. The company that understood this first (Apple) dominated that market by innovating on features like touchscreens, camera, and display quality that were better aligned with users evolving needs. The insights that enabled these decisions require going deep into understanding both the details of the behaviour users exhibit (beyond what quantitative metrics can capture), the narratives that users tell themselves about their actions, and the deeper values and needs underneath said narratives and behaviours. As such, surveys, desk research, or quantitative data analysis would risk providing too shallow or even misleading results.

Achieving this depth of understanding can be done through user research methodologies like Jobs To Be Done (JTBD) which emphasises the goals that builders are trying to accomplish, the tasks (i.e. jobs) they do towards said goals, the challenges they encounter, and how that makes them feel.

How will the research be used?

The stakeholder council is designed as a mechanism to ensure the research questions are tied to actionable outcomes and can be used by the different representative organisations (delegates, AF, GCP, etc). The council will inform and approve the finer details of the research plan, as well as provide feedback throughout the process to dive deeper where most valuable.

We also plan to continue our regular engagement in Arbitrum (as delegates, proposers, and operators of venture-building initiatives). In this capacity, we look forward to having the findings of this research to propose new and/or refine ongoing builder support programs for Arbitrum and complimentary initiatives.

Last but not least, the findings will be shared with the DAO (both via a written report and live presentation), enabling other delegates and service providers to develop their own builder support proposals or have research insights to assess proposals and provide feedback.

We expect this research to enable the following types of impact:

- increased builder attraction and retention
- improved comms strategy for Arbitrum
- cost savings by avoiding/reducing spending in low-impact areas