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Forse by Stablelab is excited to share this Forse Report on the outcomes of the Gitcoin-Arbitrum Partnership in the context of Pluralistic Grants framework adopted by the Arbitrum DAO and being executed by Thrive Protocol.

We analyzed the characteristics of Thrive-powered rounds in comparison to Gitcoin activity in other chains, aiming to shed some light into their performance in terms of efficiency, equality, engagement, and participating users. We hope these key statistics will help shape future iterations of campaigns and pave the way to an even more fruitful partnership with Gitcoin.

This report serves as the deliverable for Milestone 2 of the Firestarters Grant awarded to the Forse Team.

Key Takeaways

- Thrive-powered rounds on Arbitrum performed better than similar rounds in Ethereum and other L2s, with an efficiency score of 0.237.
- Thrive-powered rounds had the second best Gini coefficient of 0.559, indicating more equal rounds in terms of donation sizes.
- Thrive-powered rounds displayed increased consistency in terms of engagement across donation periods, likely driven by effective off-chain campaigns.
- All in all, Thrive-powered rounds showcased higher average donations across profiles, with gamers contributing \$4.839 on average, second only to Ethereum.

Coverage

This report aims to analyze the outcomes of the Gitcoin-Arbitrum Partnership, with focus on Thrive Protocol's facilitation and the Thank ARB campaign, from August, 2023 to March, 2024.

Limitations and Additional Considerations

Given the complexities of the gitcoin data landscape, all data points utilized in this analysis were produced from an aggregation of data obtained from the following data sources:

- Open Source Observatory (OSO),
- Gitcoin regendata.xzy,
- Official Gitcoin GraphQL endpoints.

However, during the analysis, we identified minor discrepancies between the different data sets utilized. Therefore, all numbers are subject to a small error margin.

With regards to impact on key on-chain network metrics, the lack of a standardized reporting framework for initiatives with considerable off-chain components constitutes a blocker to the accurate calculation of impact metrics. This is further aggravated by the fact that a majority of the projects funded within the scope of the analyzed partnership were to be executed off-chain.

Thrive as a Chain

For the purpose of this analysis, we considered Thrive-powered rounds as if they were a chain in order to effectively generate cross-chain comparisons. "Arbitrum" values exclude all "Thrive-powered" rounds.

Gitcoin-Arbitrum Partnership Analysis

Arbitrum Dominance in Gitcoin's Activity

As mentioned in a previous report, there's a clear dominance of Arbitrum as the network to run rounds, with 87% of the rounds in Q2 2024 executed in Arbitrum, this perfectly aligns with the commencement of the formal partnership between both ecosystems, with Thrive Protocol as facilitator.

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Efficiency of Thrive-Powered Rounds

Definitions

Round Efficiency

For the purpose of this analysis, Round Efficiency is defined as the ratio of total funds obtained from donations to the matching pool size. Rounds with higher efficiency will effectively amass a higher amount to be distributed across the projects participating in the round, increasing the total amounts allocated to the projects in the round. A lower efficiency ratio would signal that the round was not able to attract meaningful donations and that most of the funds distributed come from the matching pool.

Example: A round with 50,000 tokens in the matching pool and 25,000 tokens in total donation value has an efficiency score of 0.5 (i.e. 50% efficient). Whereas a round with 50,000 tokens in the matching pool, and 100,000 in total donation value has an efficiency score of 2 (i.e. 200% efficient).

Efficiency Analysis

Thrive-powered rounds in Arbitrum had an efficiency score of 0.237, performing better than rounds executed in Ethereum, and well above rounds in Arbitrum (non-Thrive) and Polygon. However, it still ranks far behind from rounds in Optimism, which yielded an efficiency score of 0.443.

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Adjusting by round size, and only considering rounds similarly sized to the ones executed by Thrive, we can observe that Ethereum obtains a slightly higher efficiency score than the Thrive-powered rounds (+0.04 difference in favor of Ethereum).

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If we ignore the rounds and only consider the total donation value relative to the total size of all matching pools by chain we can see some significant variations in the efficiency scores in most chains but Thrive-powered and Ethereum. This suggests that Thrive-powered rounds are, in fact, more consistent in their performance. In contrast with other chains whose efficiency scores are highly influenced by key rounds with extremely good efficiency but that cannot consistently attract the same level of donations.

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Donation Equality

Definitions

Gini Coefficient as a way to measure donation equality

Core to the Gitcoin ethos, and by design, Gitcoin rounds aim to inspire and incentivize as many individuals as possible to donate to as many projects as possible as a way to gauge interest and demand and democratically fund those projects that matter the most to the community.

In this context, the gini coefficient presents itself as an effective way to measure if many similar sized donations have occurred within a round, in alignment with the beforehand mentioned core concepts. A lower Gini coefficient indicates more

donation equality, whereas a higher coefficient indicates the presence of higher variations in donation sizes.

Equality Analysis

Thrive-powered rounds in Arbitrum had a Gini coefficient of 0.559, performing better than rounds executed in all other chains where Gitcoin is available but Ethereum (only by a slim margin of 0.004 in favor of Ethereum).

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If we ignore the rounds and only consider the total donation value relative to the total size of all matching pools by chain we can observe that Gini coefficients move towards 1, indicating a higher inequality across the board. Nevertheless, the aggregated total donations from Thrive-powered rounds still were more equal in size than other donations in Arbitrum (0.67 vs 0.711).

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Donation Timeline Analysis

Definitions

Donation Timeline

The Donation timeline represents the activity of users that donated over the progress of the round. In order to achieve comparable data, all donation activity is relativized to its start and end date. This allows us to plot it as a function of round completion 0%-100% by participating projects. In the heatmap-like graph, green areas indicate activity (donation) and the red “dot” indicates the point where 50% of the donations had happened

Donation Timeline Curves

This curve graphically represents the aggregation of donations as a function of the project completion rate. Fundamentally, it shows when donations are made throughout the completion of the project's donation rounds. In other words, it highlights when most donations happened, early or late relative to a normalized donation period. A straight line indication that donation came in uniformly over the donation period.

Timeline Analysis

At first glance, we can observe a congregation of activity aligned for many projects. This suggests similar donation periods (determined by the round in which these were included), but also highlights that activity follows a pattern, possibly aligned with off-chain events, such as social media pushes and activation. There's also an apparent correlation with higher Total Donated Amounts and clustering of Median activity towards the end of the donation period.

In future analysis, it'd be interesting to collect and overlay such events and advertising efforts to evaluate correlations.

Sorting by Median

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Sorted by Round Donation Period Start

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Sorted by Total Amount Donated (low to high)

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Donation Timeline Curves

As mentioned in the definitions above, we are able to plot a donation characteristic curve that graphically represents when most donations happen. Off all the chains observed, Thrive-powered rounds stand out for displaying high uniformity in donation through the majority of the donation period, with a spike as rounds reach their final moments of the donation period. On the contrary, zkSync and other more novel L2s stand out due to their tendency to have many donations early in the donation period.

All in all, the donation characteristic curve of Thrive-powered rounds suggest a constant and ongoing engagement with the participating Gitcoin projects, most likely due to frequent off-chain activations, such as social media outreaches and campaigns.

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Donor Analysis

Definitions

Profiles

For this analysis, we segmented the donors into one of five “profiles” based on the users’ past interactions with over 3.5 million labeled contracts, across multiple chains. The profiles utilized in this analysis are: “NFT Enthusiasm”, “Dapp User”, “Gamer”, “DeFi Degen”, and “Trader”.

For more information on how we segment users on their on-chain activity, please refer to [this page](#) in the Forse Docs Site.

Distribution of Donors by Profiles

At first glance, we can observe that the distribution of donations by profile of Thrive-powered rounds is almost the same across all major chains where Gitcoin is deployed, with only minor (single digit percentage) differences.

Notably, Polygon has a considerably larger share of participation (unique donations) from the “trader” profile than the other chains and Thrive-powered rounds (50% vs 25-35% range).

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Distribution of Total Donations by Segment

At first glance, we can observe that the distribution of total donation by profile of Thrive-powered rounds is almost the same across all major chains where Gitcoin is deployed, with only minor (single digit percentage) differences.

It is worth noting that Thrive-powered rounds in gitcoin in general have over double the relative participation of Gamers in the total donations compared to non-Thrive rounds in Arbitrum (2.84% vs. 1.25%), considerable higher than other L2s (1.55% for Optimism and 1.92% for Polygon), and slightly above Ethereum (2.49%).

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Average Donations by Profile

When analyzing the average donation across chains and profiles, we observe that Thrive-powered rounds effectively engaged donors and encouraged high-value contributions, particularly among the “gamer” profile segment, slightly higher than the same segment in Arbitrum, but also the second-highest among all chains after Ethereum.

While rounds in Ethereum are in the lead in terms of average across most profiles segments, Thrive-powered rounds consistently outperformed other L2s, suggesting Thrive’s effectiveness when it comes to the implementation of donor engagement strategies.

Network

Gamer

Defi Degen

Dapp User

Trader

NFT Enthusiast

zkSync Era

\$2.817

\$2.376

\$1.920

\$1.833

\$1.682

Optimism

\$2.806

\$2.274

\$1.475

\$1.827

\$1.319

Arbitrum

\$4.474

\$3.262

\$3.191

\$3.011

\$1.569

Ethereum

\$11.600

\$4.827

\$4.858

\$3.705

\$2.577

Polygon

\$2.414

\$1.238

\$1.190

\$0.394

\$0.696

Base

\$1.781

\$1.552

\$1.235

\$1.814

\$0.794

Thank ARB

\$4.839

\$2.285

\$2.751

\$2.114

\$1.202

Celo

\$3.274

\$3.683

\$3.492

\$3.428

\$1.009

Avalanche

\$1.517

\$4.068

\$3.494

\$4.797

\$2.099

Metis

-

\$7.215

-

\$28.085

\$1.642

Lukso

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\$2.947

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Conclusions

All in all, the analysis highlights several positive aspects of the partnership between the Arbitrum Ecosystem and Gitcoin. Thrive-powered rounds have demonstrated relative efficiency and consistency, falling only behind Ethereum in most analyses. This sets a positive tone for future initiatives and contributes to solidifying Arbitrum's dominance within the Gitcoin ecosystem.

While measuring impact in on-chain network metrics still remains a challenge due to difficulties associated with the absence of a standardized reporting framework for initiatives with considerable off-chain components, leveraging underlying strategies beneath these positive outcomes will likely further enhance the outcome of future rounds within the Gitcoin-Arbitrum Partnership.