

Capstone Letter of Intent - BidVault

Wallet Address

Name

mips-dev

Project Overview - Escrow Bidding for SNS Domains

Project Name: BidVault

This project introduces escrow bidding to the SNS ecosystem, making domain auctions more accessible and efficient. Instead of requiring users to lock up full funds for each individual bid (e.g., 50 SOL for 5 bids of 10 SOL each), escrow bidding lets users place multiple bids with the same funds. If one bid succeeds, the funds are removed from escrow, and other bids are automatically canceled. This approach streamlines bidding, boosts liquidity, and enhances user experience.

Reason for Choosing this Project

The idea draws inspiration from NFT platforms like Tensor and Magic Eden, which use escrow systems effectively. The SNS ecosystem has a developer bounty program to incentivise meaningful improvements. This project aligns perfectly with the mission to improve the overall platform and directly addresses a problem the community frequently raises. It's a chance to use the skills developed in the Turbin3 program, including escrow/vault mechanics, while tackling the unique challenges of working with domains and NFTs.

Go-to-Market Strategy

Target Users:

1. Domain Traders: People actively buying and selling SNS domains, who often face liquidity challenges.
2. Developers: Builders in the SNS ecosystem looking for tools and features to integrate.

Value Proposition:

- For traders, it frees up capital and simplifies bidding.
- For developers, it adds a new layer of functionality to the SNS domain ecosystem.
- For the community, it encourages wider participation in domain trading.

Marketing Approach:

1. Engage with SNS communities on platforms like Twitter, Discord, and Telegram.
2. Publish blog posts and tutorials explaining how escrow bidding works and its benefits.
3. Partner with SNS marketplace to drive adoption.
4. Run live demos to show the ease and effectiveness of the system.

Why Now:

The SNS community has a strong demand for an escrow bidding feature, it has often been brought up by community members. Additionally, this functionality does not yet exist for other major domain platforms like the Ethereum Naming Service (ENS). Escrow bidding would address a pressing need for liquidity and create a more efficient auction process, positioning SNS to lead the way in innovative domain services.

Competitive Landscape:

NFT marketplaces like Tensor and Magic Eden use escrow bidding, but they target collectibles, not domains. This project brings that functionality into the domain landscape, where SNS would be the first.

Technical Details

Tech Stack:

- Blockchain: Solana
- Smart Contract: Rust with Anchor
- Frontend: React
- APIs: SNS domain APIs for bid data integration

Core Features:

1. Escrow Wallets: Securely hold and allocate funds for multiple bids.
2. Bid Management: Automatically cancel conflicting bids when one succeeds.
3. Transaction Tracking: Log successful bids and manage fund movements transparently.

Revenue Model:

- Charge a 0.5% fee on successful transactions.
- Apply for SNS developer bounties to support development costs.

Development Phases:

1. Start with SOL-only bidding to keep things simple for MVP.
2. Expand to support additional tokens after launch based on community feedback.

Testing:

1. Unit Tests: Validate smart contract components.
2. Integration Tests: Ensure smooth interactions between escrow wallets, bids, and auctions.
3. End-to-End Tests: Simulate the user experience, from placing a bid to successful escrow settlement.

Project Timeline

- Phase 1 (1 week): Research and requirements gathering.
- Phase 2 (2 weeks): Smart contract development and internal testing.
- Phase 3 (1 week): Build frontend and conduct user testing.

- Phase 4 (1 week): Launch MVP and gather user feedback.
- Phase 5 (2 weeks): Expand functionality and add support for tokens such as USDC.

Final Thoughts

I'm excited to work on this project because it addresses a real need in the SNS ecosystem. By solving liquidity challenges with escrow bidding, this project has the potential to improve user experience and broaden the appeal of SNS domains. It's also a perfect opportunity to showcase the technical skills I've developed in the builders cohort.