

Project Nameless

A non-custodial defi wallet with a social layer

The aim with Bundle was to build a product that could reach mass adoption, reaching millions of Africans. In its bid to become Pan-African, we launched in Nigeria and executed a soft launch in Ghana. The challenges to achieving that mission quickly became clear:

- You need a Pan-African payment rail infrastructure to build a Pan-African business. The defaults are Flutterwave and Paystack, however they do not have a presence in more than a few of Africa's 54 countries and territories. In addition to this, Paystack requires you to incorporate in each of the 3 countries they support. Payment infrastructure companies are also constantly faced with regulatory pressures e.g. the CBN crypto ban in Nigeria and in Kenya, mPesa (MobileMoney) cannot directly link to crypto companies
- Lack of pan-African KYC infrastructure makes it difficult to do KYC across Africa, most people don't have traditional means of ID such as passports or driver's license. Nigeria with one of the most advanced digital ID system in Africa, has for example has 41M BVNs registered vs its total population of 200M- with an adult population of over 100M, that means only 40% are banked vs 104M internet users in Nigeria today
- My thesis before founding Bundle, was crypto companies need to be custodial to succeed in Africa turned out to be inaccurate in hindsight. Although Bundle (350K users) was one of the fastest growing crypto companies in Nigeria, non-custodial wallets like TrustWallet (est. downloads of 1M users) were growing faster despite not having any onground presence or marketing efforts in Nigeria
- Today's crypto products which are trading products are not great for retention. I call this "10% constant": Across all crypto products only 10% of registered users do not churn. At Bundle we had roughly between 35,000 MAUs to our 350,000 registered users, Coinbase S-1 last quarter had 56M verified users and 6M monthly active users ($\pm 10\%$), during our founder circles with other ecosystem founders from WazirX and Tokocrypto, that ratio was fairly consistent
- However crypto founders aren't incentivized to solve this problem because crypto companies monetize better than the average tech company. The ARPU for crypto companies is really high, Facebook makes \$2.19/quarter per user in Rest of the World, but Bundle was making as much as \$8/mon per user in Nigeria. That's why Coinbase with it's 6M MAU has roughly the same valuation with Twitter who has 320M users
- Users want assets that are not listed on major exchanges like Binance or FTX, when we ran our monthly coin vote on what assets to list and we found out that most times 3 of the Top 5 assets were not listed on centralized exchanges
- Research reports show that Statistics 95% of crypto users are male, in a world that has 50:50 Gender balance ratio, that's almost another 150-200M potential global users that have been excluded from crypto due to the types of products being built which are more skewed towards men i.e. riskier, financial, trading products
- Of the 4.3B people on the internet, crypto is active with only 150-200M people. Technology adoption cycle put current crypto adoption still within the "early adopter" (16%) phase -- currently we are at 4% of active internet users

These issues made it pertinent to create a new product that allowed a more efficient way to scale and more fairly distribute crypto access/usage. Further research with Bundle users showed some crypto-specific points from a user's POV.

The key question is despite high intent, why is there a substantial number of users' accounts who never activate or stay retained?

- Gen YZ have very little discretionary income so have limited capital to invest
- Millennials are big savers and conservative investors
 - 39% of Millennials are defined as "Super Savers", saving 10% of their salary.
 - 30% of Millennials see cash as their favorite investment. All other generations chose stocks over cash.
 - 42% of Millennials are investing conservatively, compared to baby boomers. Only 23% of baby boomers are considered conservative investors, according to *Fidelity survey*).
 - 66% of people aged 18 to 29 say investing in the stock market is scary or intimidating. (talk less of crypto which is more volatile and confusing)
- Lack of confidence - almost all users say they are "not an expert" and don't feel educated enough to invest themselves
- People want to feel educated so they can feel comfortable about investing money in buying stocks
- People willing to self educate if the information all in one place

- **Problem**
 - Massive disconnect between users who are aware of and those who actually understand and use crypto.
 - There's a relatively low percentage of registered/verified users activate and are retained, usually $\pm 10\%$.
 - Most crypto companies aren't incentivised to solve this problem because they are still very profitable as the average revenue per-user is quite high relatively
 - People's main motivation with crypto is simply to make money but they are scared of losing the little capital they have.
 - Unfortunatley there's information overload online regarding crypto with jargon that's difficult to parse through.
 - There's no centralized platform to find and easily consume content. - 1,000s of Blogs and publications dedicated to crypto. There's a subreddit for practically every cryptocurrency. 100s of YouTube and TikTok influencers putting up crypto content,
 - Crypto is community driven and platforms like Reddit, Telegram and Discord have been utilized by crypto communities to coordinate communities but these platforms are not built for purpose
 - Projection of crypto users to grow from 100 million at the start of 2021 to 1 billion by 2025, but this cannot happen with the aforementioned disconnect.

Solution

With “Nameless,” we are building a non-custodial defi wallet with a social layer - build content and communities within the app to help users explore other use cases other than trading - NFTs, digital art, DAOs etc

The wallet being non-custodial means we can be Pan-African from Day 1. The previous worries about KYC, 3rd party integrations will not hold as we can have a P2P fiat on and off ramp - similar to what we did with Bundle’s Cashlink. We are also plugged into decentralised exchanges like Uniswap and Pancake Swap, this means that we can support 10K+ assets from the beginning vs Bundle’s 25 listed assets.

- "The Rabbit hole" of crypto is notoriously difficult to navigate, there are complex terms, lots of information, usually long-form that's very difficult to digest for new users
- We want to simplify this journey for users in a social and low-pressure way, following macrotrends like r/WallStreetBets, Crypto tiktok influencers and Youtube creators
- We intend to build a platform that makes it easier to get relevant, simplified and summarized information about crypto
- Educated and informed users will feel more confident and empowered enough to start their crypto asset investment journey
- Vertical social network (*reference Twitch*). Build a platform focused on onboarding individuals into crypto, that allow rookies to get comfortable and familiar with crypto via crypto education, news, trends & content from Key opinion users/influencers and peers
- Our community approach removes the need to visit YouTube, TikTok, Discord groups etc to learn more about crypto and its use cases.
- We will then provide our users with products that are simpler than day trading crypto.
 - **Product 1:** High yield stable coin investments. I.e Locking up say BUSD and accruing interests over time. Lowest minimum, highest return (12-20% APY), USD-based
 - **Product 2:** Socializing and gamification of crypto investments. Encouraging people to buy recurring but smaller amounts of Large cap cryptocurrencies like BTC, ETH in investment circles with friends or teams that encourage and hold each other accountable).
 - **Product 3:** Ability to earn crypto by completing tasks or fun/lite games e.g. Coinbase Earn, Rabbitthole.gg, Fold Card, 1729

We are making a bet on a decentralised non-custodial future while embedding content and community to help users feel more comfortable to explore digital currencies beyond buying and selling of crypto.

We believe that this product will be able to activate 4-5 times more users than current crypto platforms today.