

**COMPLEX™**

**COLLECTIVE**

**THE NEXT 20:**

**WEB3**

INTRODUCTION

# WHAT DOES IT TAKE TO GET **CRYPTO** **CURIOUS** LURKERS TO BECOME ACTIVE, INFORMED PARTICIPANTS?

COMPLEX  
COLLECTIVE

# INTRODUCTION

2022 marks the 20th anniversary of Complex. For the past 20 years, Complex has been at the forefront of what's next in culture. So this year, Complex Collective will be forecasting the primary drivers of culture for the next 20 years.

web3 is undeniably already reshaping the future as we know it. For context, web1 began in the 90's with the emergence of **read-only** websites. web2 followed in the advent of social media and ecommerce platforms like Facebook, YouTube and Amazon, allowing individuals to **read and create** a more user-generated and participatory internet. Now, with the arrival of blockchain technology, cryptocurrency, non-fungible tokens (NFTs) and decentralized autonomous organizations (DAOs), individuals can **read, write and own** pieces of the web. Musings on web3 often center on how blockchain will revolutionize the future of work and finances, the decentralization of everything, and a life lived in the metaverse. This study, however, is not here to argue or speculate if these things are true. Rather it proves that the next 20 years will not reach web3's fullest potential unless the people - all people - are on board.

This leads us to our question - what does it take to get crypto curious lurkers to become active, informed participants? The answer lies not in cutting edge technology, but in inclusive onboarding and education. If you are a brand, a creator or a builder already in web3, eager to jump in or just thinking about your overall digital transformation strategy - this study is for you. It's a gut check to make sure the excitement about this space is shared, and more importantly, understood by all, to usher in the next 20 years of web3.

## INTRODUCTION

### READ ON TO DISCOVER:

How many people talking about crypto and NFTs are actually buying them?

Do people think web3 is breaking or repeating the inequities of web2?

Who is believed to be trustworthy in this space?

What do people think is more valuable - digital or physical?

What exactly got people to buy crypto or NFTs for the first time?

# THE REAL QUESTION IS, WHO ARE YOU TALKING TO, REALLY?

**Crypto  
Curious  
Lurkers**

**Awareness      Interest      Knowledge      Participation**

**Active,  
Informed  
Participants**

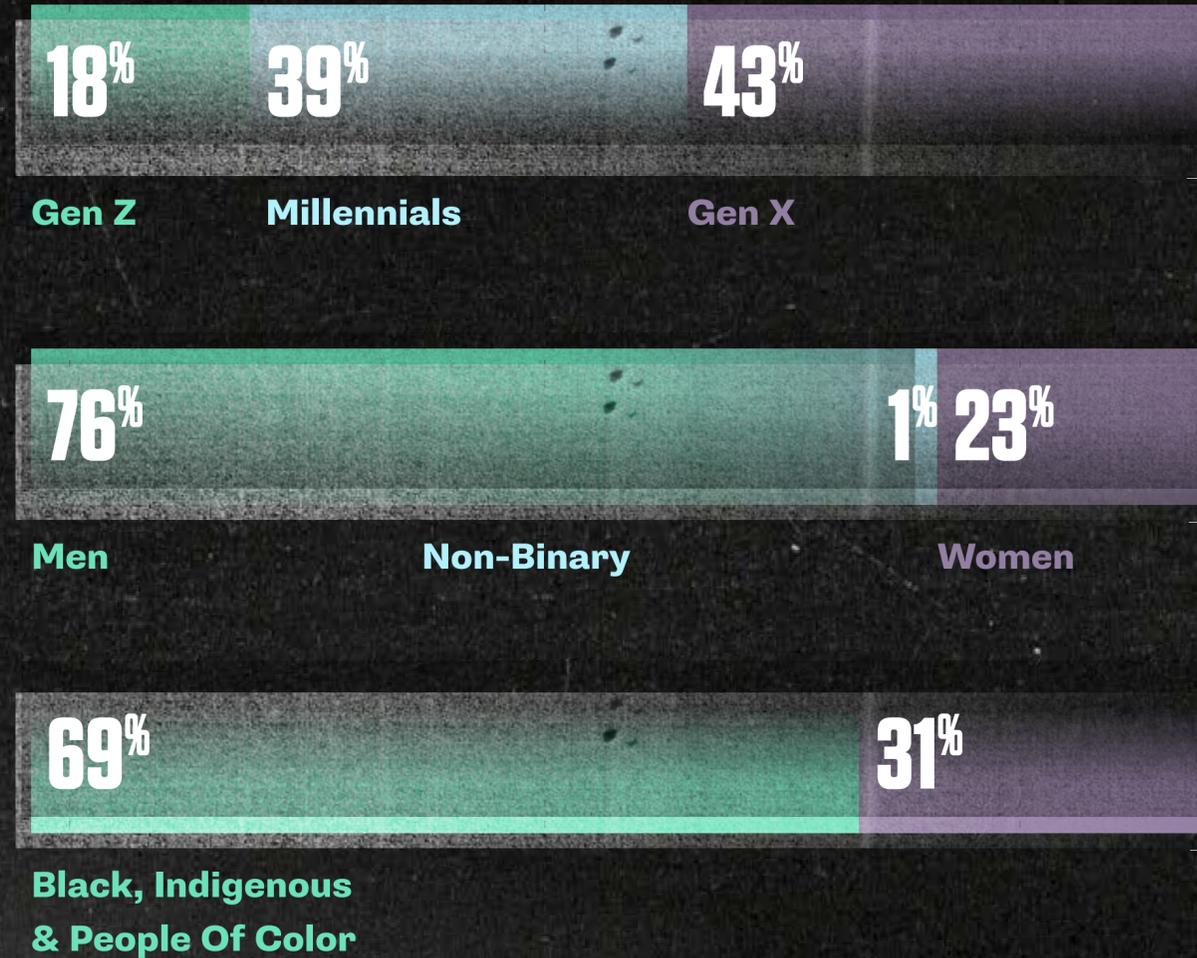
In order to get people from one end of the spectrum to the other, you first need to understand who exactly sits at each end, and what barriers separate them. Otherwise, dropping a new Dapp or NFT project may be successful in further invigorating the people already participating, but fail to welcome new folks in from the other side.

# METHODOLOGY

Complex Collective is Complex Networks' primary research and intelligence platform, forecasting **what's next** in culture through our community of over 30,000 young diverse voices.

In January and March 2022, Complex Collective conducted two controlled primary surveys with over 323 members of our community to better understand their thoughts and feelings about web3.

To augment the research, Complex Collective held 8 in-depth conversations with our community members, Complex Networks leadership, and cultural experts on our [Advisory Council](#).



# CRYPTO CONVERSATION HAS ENTERED THE MAINSTREAM, BUT PARTICIPATION HAS NOT

Virtually all of our community has heard of Cryptocurrency and NFTs, and the majority are eager to learn even more<sup>1</sup>. But just because people are talking about them, doesn't mean they're actually buying them.

Most of our community doesn't feel knowledgeable about them yet. For Cryptocurrency, the FOMO around it has led to 2x as many people buying it vs actually feeling knowledgeable about it.<sup>2</sup> Whereas for NFTs, people are waiting to buy them until they feel more knowledgeable about them.

Even for those who are buying, the majority are spending with hesitation. 71% of those buying Cryptocurrencies and 75% of those buying NFTs have spent less than \$5,000 total. This is largely related to disposable income. People whose annual income is over \$100K are 3x more likely to spend over \$5,000 on both Cryptocurrencies and NFTs than those who don't.

DAOs have yet to hit the mainstream, but their NFT-level moment is sure to come within the next few years.

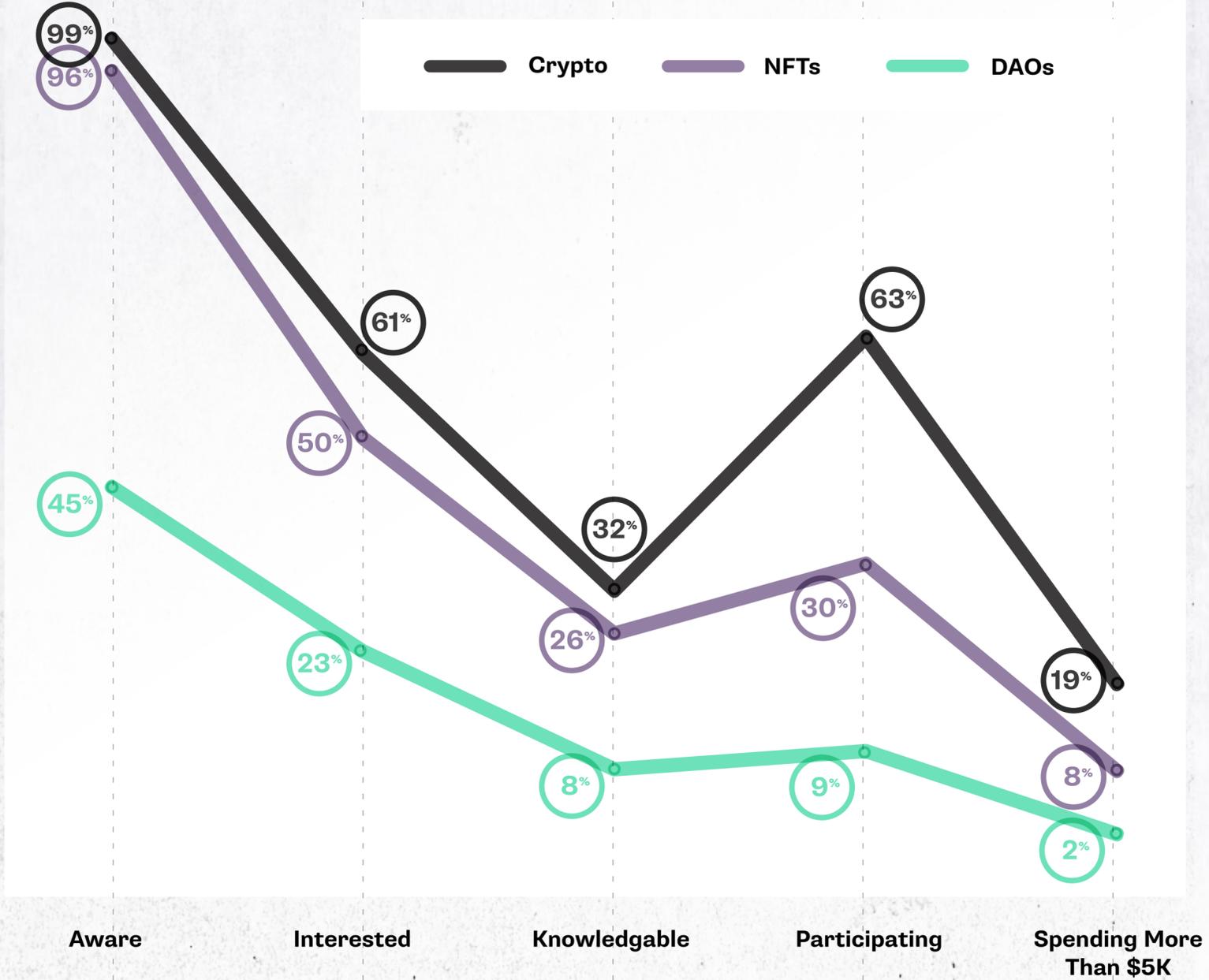
All to say, even if a web3 project is well-positioned for awareness and interest, it still does not guarantee people will participate, especially if there isn't a significant plan for education.

<sup>1</sup> Our Community Is More Likely To Be Aware Of Cryptocurrencies (99%), Compared To 86% Of All Americans. [Source: Pew Research Center, Nov 2021](#)

<sup>2</sup> Our Community Is More Likely To Be Participating In Cryptocurrencies (63%), Compared To 16% Of All Americans. [Source: Pew Research Center, Nov 2021](#)

BARRIERS - TALK VS ACTION

**CRYPTO  
CONVERSATION  
HAS ENTERED THE  
MAINSTREAM, BUT  
PARTICIPATION  
HAS NOT**



## BARRIERS - INEQUITIES, BY GENDER IDENTITY

# CRYPTO'S NARRATIVE PROMISES FINANCIAL FREEDOM, BUT FOR WHO?

The reality is historically marginalized groups are being left out of the picture. Those who are actively participating in and shaping the future of web3 resemble the same inequities of web2 tech, finance and culture.

For example, [according to Bankless DAO](#), women and non-binary folks face sociocultural barriers to information and participation, including the exclusionary culture of tech and finance bros, men tending to talk about money and take risks more, and men tending to not take on as many responsibilities with home and child care, leaving more time for side hustles.

As a result, in most cases for our community, the level of interest, knowledge and participation in web3 amongst the men doubles that of women and non-binary folks.<sup>1</sup>

About 1 in 20 members have fully jumped into crypto, moving 100% of their investments into cryptocurrency. However, 100% of those individuals are men over the age of 35.<sup>2</sup>

It's not just investing. Similar disparities exist for female-identifying creators too. For example, over the past two years on Nifty Gateway, [only 16% of NFT artists identify as women, and sales of their work accounted for only 5% of total NFT sales.](#)

There needs to be more effort put towards more inclusive conversations, education, curation, hiring and investing for women and non-binary identifying individuals.

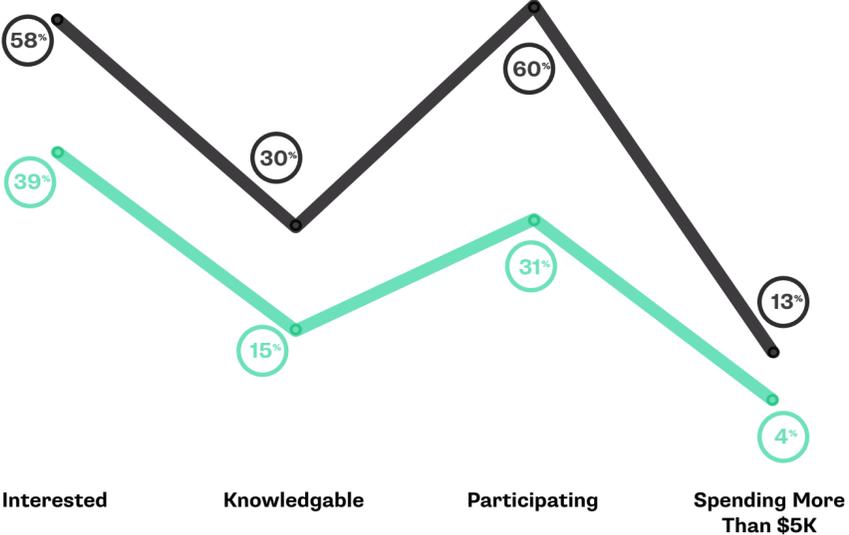
<sup>1</sup> This Is Consistent With The National Average In The U.S. - Men Are 2x As Likely As Women To Say They 've Used Cryptocurrency. [Source: Pew Research Center, Nov 2021](#)

<sup>2</sup> This Is Consistent With The National Average In The U.S. - The Average Cryptocurrency Owner Is A 38-Year-Old Male Earning \$111K Per Year. [Source: Gemini State Of US Crypto, Nov 2020](#)

**BARRIERS - INEQUITIES, BY GENDER IDENTITY**

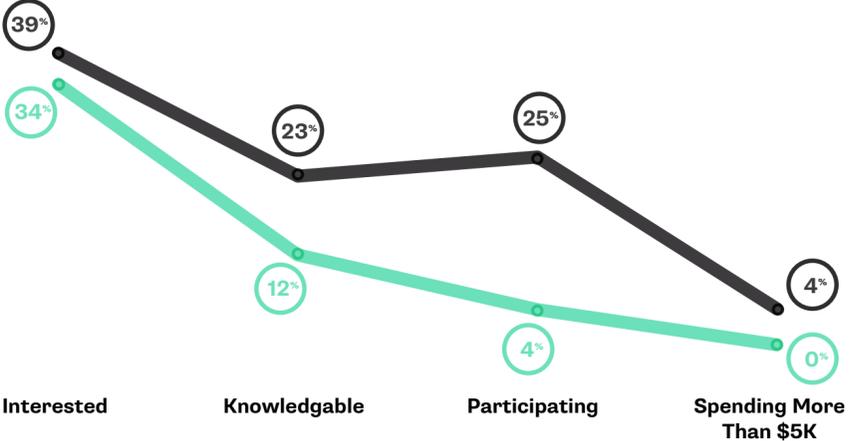
**CRYPTO**

Men  
Women & Non-Binary



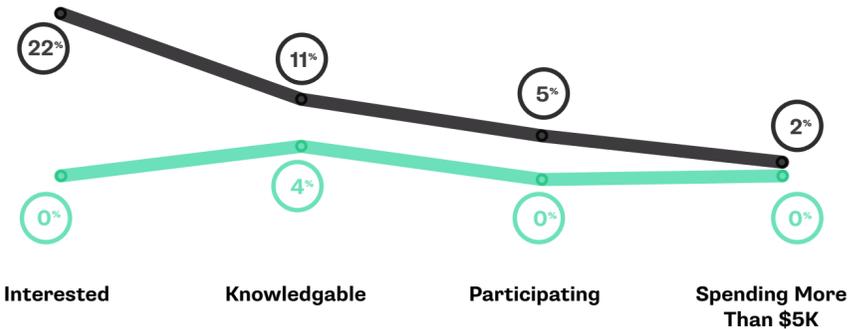
**NFTs**

Men  
Women & Non-Binary



**DAOs**

Men  
Women & Non-Binary



BARRIERS - INEQUITIES, BY RACE

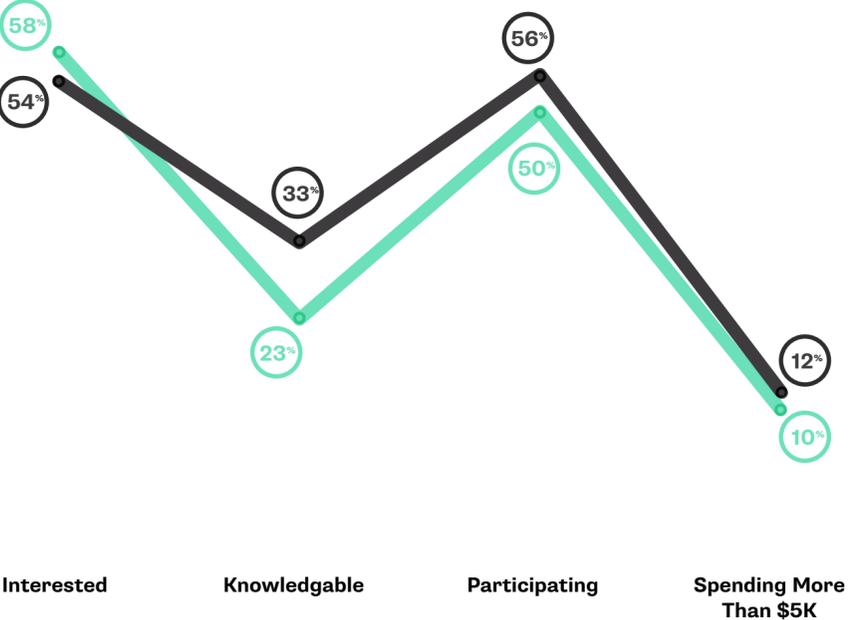
# CRYPTO'S NARRATIVE PROMISES FINANCIAL FREEDOM, BUT FOR WHO?

There are similar inequities in web3 by race as well. The same gaps in financial literacy, wealth and employment discrimination still exist, making it more difficult to access and risk money. While non-white & non-Asian community members expressed more interest in cryptocurrency and NFTs, they feel less informed in this area compared to their white and Asian counterparts. So, they are subsequently participating less too.

**BARRIERS - INEQUITIES, BY RACE**

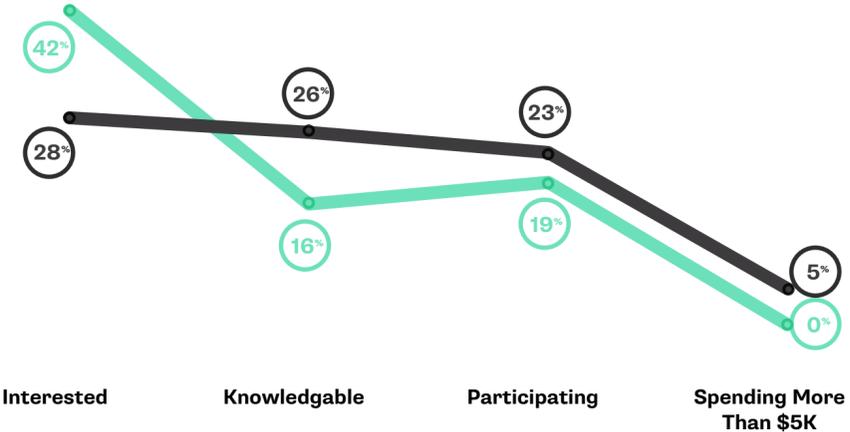
**CRYPTO**

White & Asian  
Non-White & Asian



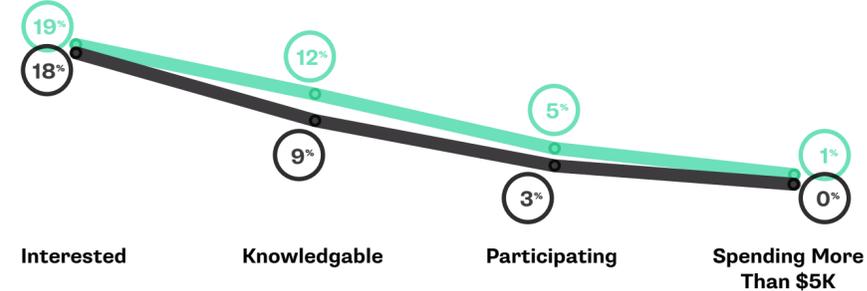
**NFTs**

White & Asian  
Non-White & Asian



**DAOs**

White & Asian  
Non-White & Asian



“

Now is the time to be mindful of the spaces we're in; this is an industry we can actively reset by equalizing the space to create an environment that's inclusive and welcoming to all races and genders.

FELICE ARCHBOLD,  
DIRECTOR OF EXPERIENTIAL  
@ COMPLEX NETWORKS



“

As a Black woman, these spaces were never welcoming to me anyways.

CHLOE, 31,  
WASHINGTON



“

Voices from these communities have to be a part of the decision-making in these spaces. Marginalized communities must have the autonomy to cultivate safe spaces that affirm, serve and amplify the needs, wants and concerns of each respective community. The individuals and organizations in the crypto space have a responsibility to redistribute the resources in an equitable manner and ensure that there is an intersectional foundation that empowers Black and Brown communities to thrive.

NUPOL KIAZOLU,  
ACTIVIST, FOUNDER,  
MISS LIBERIA USA



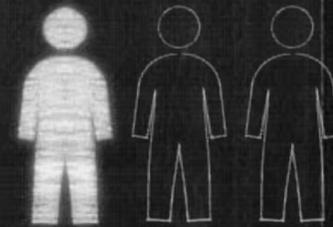
## BARRIERS - KNOWLEDGE

# UNFORTUNATELY, PEOPLE DON'T KNOW WHAT THEY DON'T KNOW ABOUT CRYPTO

Crypto is full of contradictions. Everyone has extremely strong opinions about it, even if they aren't fully knowledgeable about it or participating in it. To talk about it is an instant trigger.

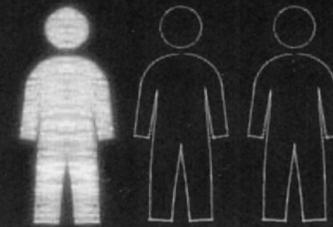
1) This Is Consistent With The National Average. In The U.S. - 40% Of American Adults Say They Don't Know Enough About Cryptocurrency To Have An Opinion On Whether It Should Be Regulated By The Government. Source: [The Ascent By Motley Fool, May 2021](#)

1 in 3



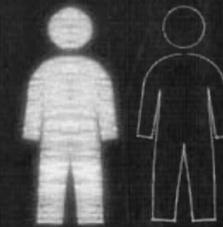
Who say they're highly knowledgeable about Crypto have never heard of DAOs

1 in 3



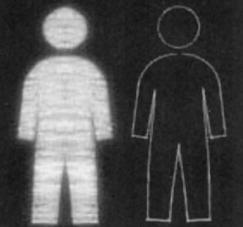
Who say they're highly knowledgeable about NFTs have never actually bought one

1 in 2



Who say they're highly knowledgeable about DAOs have never actually joined one

1 in 2



Have no idea if Biden's Crypto executive order will have a positive or negative affect on the future of Crypto<sup>1</sup>

“

When you start to get involved in the Discords, or read some of these more niche materials, you start to realize how little you know. There's people who know a lot, and then there's people who don't know a lot but think they do.

KENNY, 28,  
CHICAGO



# SO, THE BIGGEST BARRIER TO ENTRY IS EDUCATION, BUT THE BIGGEST BARRIER TO EDUCATION IS TIME

**45%**

Of people who don't buy Crypto say the biggest reason they're skeptical or afraid is because they don't feel like they have time to learn enough

**55%**

Of people who don't buy NFTs say the biggest reason they're skeptical or afraid is because they don't feel like they have time to learn enough

**BARRIERS - TIME**

“

**I just don't know enough about it to invest. I haven't had the time to sit down and learn about it.**

MARIKO, 25  
CALIFORNIA



“

**I don't know half of this stuff, and it's moving so quickly. I can't keep up.**



KENNY, 28  
CHICAGO

“

**All these people making millions of dollars, they've fully left what they used to do before to do this. So it's their full time job. It's hard to compete on that time front if you're just on the periphery.**



BOYE FAJINMI  
FOUNDER  
@ THE FUTURE PARTY

**PEOPLE WHO ALREADY  
SPENT THEIR PERSONAL &  
PROFESSIONAL TIME GAINING  
KNOWLEDGE IN SIMILAR WEB2  
AREAS ARE MOST LIKELY TO  
BE THE ONES PARTICIPATING  
IN WEB3. BUT WHAT ABOUT  
EVERYONE ELSE?**

## Archetype likelihood to participate in Crypto vs not

INVESTORS & DAY TRADERS	+280%
FINANCE	+135%
GAMBLERS & BETTERS	+104%
GAMERS	+66%
COLLECTORS & RESELLERS	+60%
EARLY ADOPTERS	+48%

## BARRIERS - TIME

“

What I learned from collecting sneakers, action figures and board games is not much different from NFTs. It really isn't. I buy a sneaker online. It comes to my house. I don't even unpackage it. I list it on StockX before I even get it. It's already sold before the sneaker gets to my house. It's the same thing with NFTs. I'll buy it and then I'll just sell it. I don't even need to see the physical product to make money anymore. So it was an easy transition.

AARON, 38, CALIFORNIA



“

Tech and finance is something I want to be more informed about. But I'm not confident. It makes me feel ostracized or incompetent sometimes. It feels like if you never learned about stocks, then you don't have the basis to do crypto and NFTs. It's just a newer version of something that already exists that you were never really exposed to.

CHANCÉLL CORREA,  
PRODUCTION MANAGER @ COMPLEX NETWORKS



“

The crypto space is just a microcosm of the greater financial space. The disparity isn't any different from what you would see around stock ownership or home ownership or debt. All of those things are correlated.

FRANK, 30, CO



COMPLEX  
COLLECTIVE

## BARRIERS - TRUST

# ULTIMATELY, PEOPLE CAN'T LEARN NEW KNOWLEDGE IF THEY DON'T TRUST IT

There's a severe lack of trust in information about web3. Genuine experts on tech and finance still may not be sought after. They can come across as alienating, especially to those who are early in their journey, or not inherently interested in tech and finance.

One of the most mentioned sources that our community trusts was the Mark Cuban-backed Instagram account @NFT. Ironically, within a month of our survey, [Instagram banned @NFT for allegedly posting sponsored content without proper disclosures and charging \\$100,000 for promotion posts about questionable NFT projects.](#)

# 41%

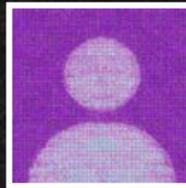
**When asked who they trust most about Crypto, nearly half of our community still said "no one."**

**BARRIERS - TRUST**

“

**“The culture is annoying. It’s difficult to find trustworthy information.”**

COLLECTIVE  
COMMUNITY  
MEMBER



“

**“I’ll look at these very deep crypto memes, and not understand any of the words that they’re saying and have to go look them up. It makes me feel like I don’t know anything. It shows how much of an insider culture it is. It makes me feel like they’re the ones making money and I’m not going to be the one making money.”**

KENNY, 28,  
CHICAGO



**SO, HOW DO YOU GET MORE  
PEOPLE TO BECOME ACTIVE,  
INFORMED PARTICIPANTS,  
ESPECIALLY IF...**

- ✗ **People talk about Crypto, but buy little to none**
- ✗ **Historically excluded communities are left out**
- ✗ **People don't know what they don't know**
- ✗ **People don't have time to learn about something that's not already a part of their personal or professional lives**
- ✗ **People don't know what info they can trust**

## SOLUTIONS - LANGUAGE

# TALKING ABOUT CRYPTO ISN'T REQUIRED TO GET PEOPLE INTO CRYPTO

Think about politics. The #1 factor that gets undecided and disenfranchised people to feel motivated to vote is supporting an issue they care about. This is 6x more effective than talking about a candidate, and 3x more effective than talking about a political party. To get people through the door without immediately tuning out, the best approach is to lead with issues first, politics last.\*

The same is true about Crypto. If talking about it can immediately trigger feelings of fear, skepticism, distrust and alienation, leading conversations and messaging with relatable values and needs first can be more effective to get people to learn and engage.

# 35%

For example, through A/B testing, **our community members who haven't bought an NFT yet were 35% more likely to express interest in owning a piece of their favorite artist's song, vs buying a music NFT, even though the end product was the same.**

\* Source: Complex Collective, Untapped Potential: How To Mobilize Undecided & Disenfranchised Voters, Oct 2020

# HOW TO TALK ABOUT CRYPTO WITHOUT TALKING ABOUT CRYPTO

## Web3 Language

-  Cryptocurrency
-  Non-Fungible Token (NFT)
-  Decentralized Autonomous Organization (DAO)

## Language Our Community Is Using

-  Long-Term Investment
-  Collectibles, Ownership,  
Authentication, Unlocked  
Access
-  Community, Membership

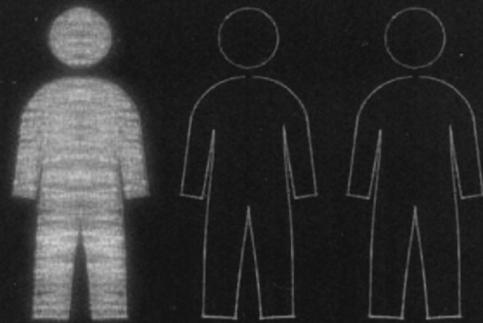
# WHEN IT COMES TO TRUST, RELATABILITY TRUMPS STRAIGHT UP EXPERTISE

There are two types of trusted sources that are essential to educating and onboarding others towards participation.

## THE FIRST TYPE IS: INNER CIRCLES.

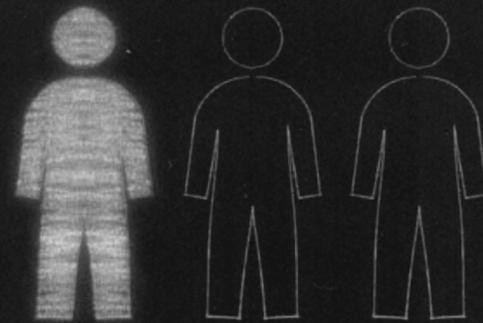
These are people with longstanding, one-to-one personal relationships. They can be friends, family members, significant others, coworkers, teachers, business partners - even a classmate at the middle school lunch table. They are further along in their journey into web3, and are open about sharing their successes and mistakes. They are available for direct questions and advice, sitting down and walking through the process of how to set up a wallet, how to join or contribute to a DAO, and even gifting NFTs. This makes them the most effective means to guiding someone from passive interest all the way to active participation. Otherwise, the absence of someone in their inner circle to talk to about Crypto makes it extremely difficult to advance.

## SOLUTIONS - TRUSTED INNER CIRCLES



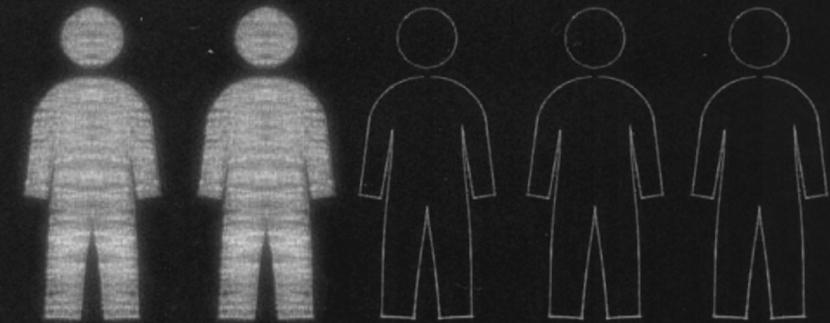
**1 in 3**

**1 In 3 first got interested in Crypto because they had someone knowledgeable in their inner circle to talk to about it - this is the #1 most mentioned reason why**



**1 in 3**

**1 In 3 first purchased Crypto because they had someone knowledgeable in their inner circle to show them how to do it - this is the #1 most mentioned reason why**



**2 in 5**

**2 In 5 who have joined a DAO first did so because they had someone knowledgeable in their inner circle to show them how to join & contribute - this is the #1 most mentioned reason why**

## SOLUTIONS - TRUSTED INNER CIRCLES

“

There's still a level of uncertainty with crypto projects and tokens. I think it's safer to find your tribe of people you know and trust, because it's the wild, wild west.



FELICE ARCHBOLD,  
DIRECTOR OF EXPERIENTIAL  
@ COMPLEX NETWORKS

“

I don't ever trust just one source, unless it's my bestie.



JHILES, 29,  
NEW YORK

“

I've opened 58 accounts for minorities and friends on Coinbase to get them to start investing in crypto. From just word of mouth.



AARON, 38,  
CALIFORNIA

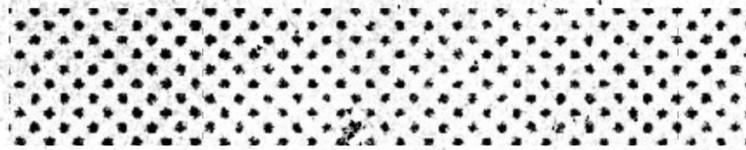
“

If there's someone who's more active in crypto than yourself, just have a conversation with them. I've done that for so many colleagues, and other friends of mine have done that for me.



BOYE FAJINMI  
FOUNDER  
@ THE FUTURE PARTY

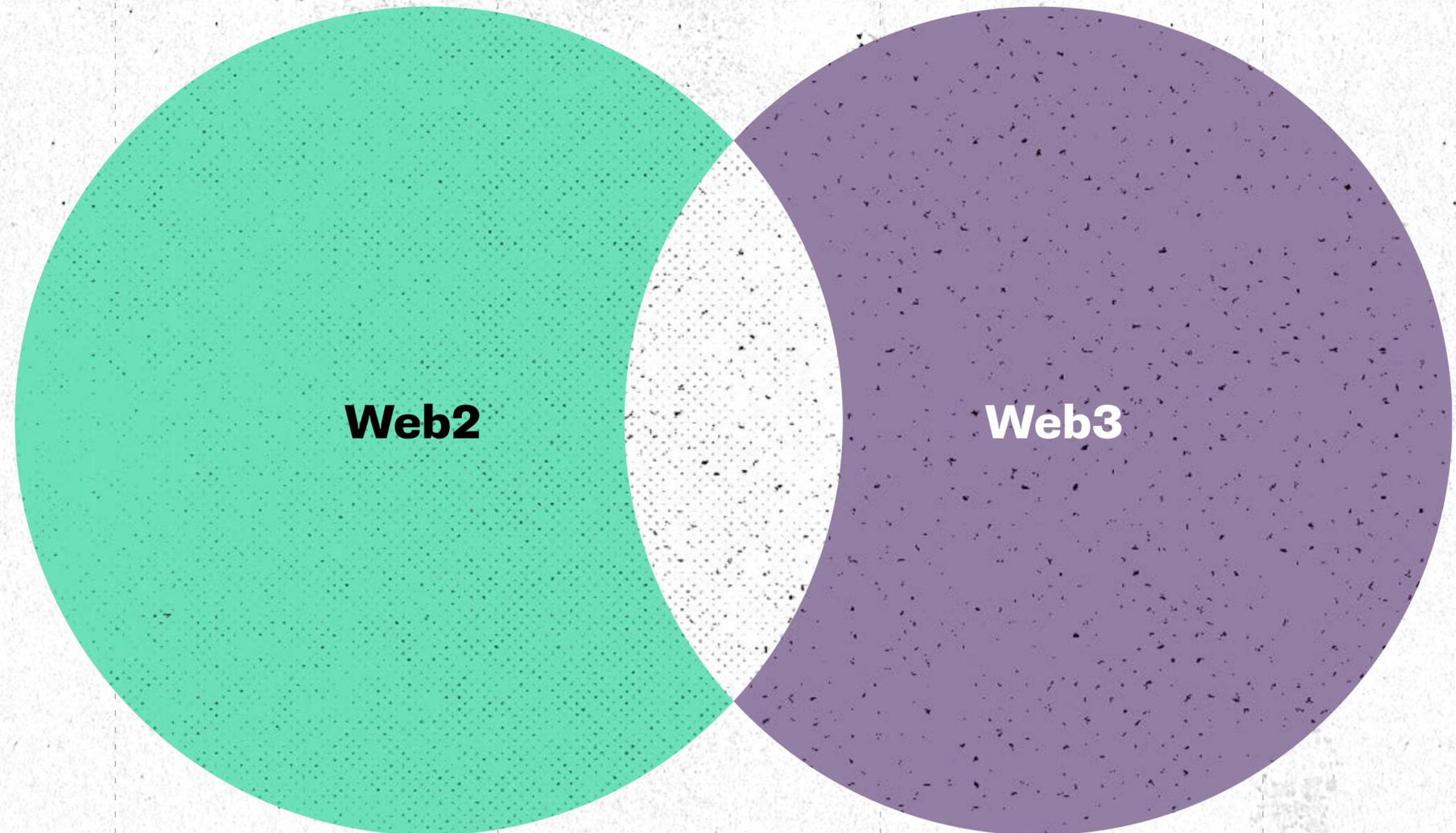
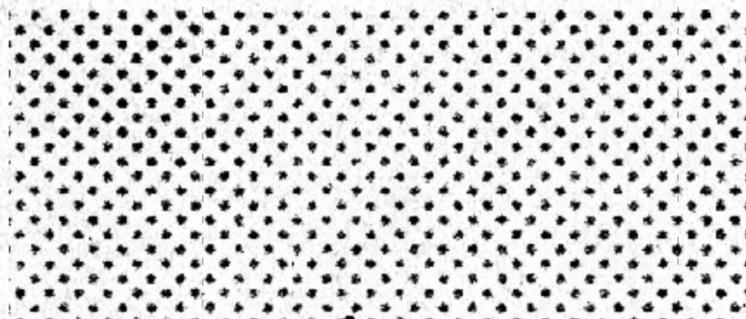
## SOLUTIONS - TRUSTED BRIDGE BUILDERS



### THE SECOND TYPE IS: **BRIDGE BUILDERS.**

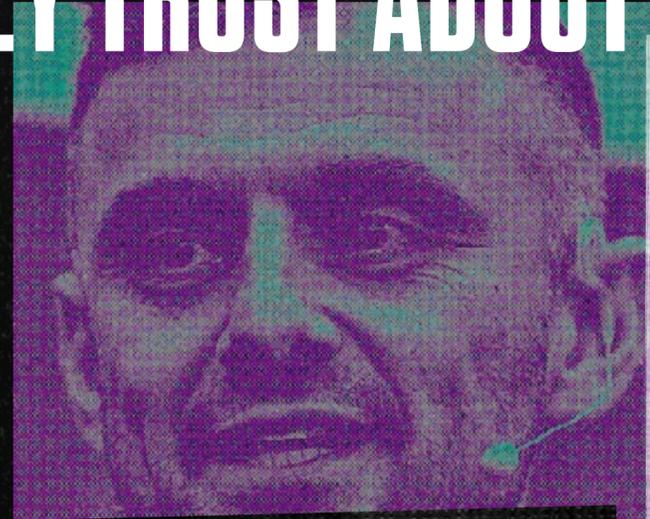


These are people in culture\* who were already relatable and trusted in web2 interests - like sneakers, streetwear and entrepreneurialism. They have done an excellent job of publicizing their journey into web3, as well as reaching back to educate and onboard their communities at each step of the way.



\* Culture ≠ Celebrity

# THE MOST MENTIONED INDIVIDUALS THEY TRUST ABOUT CRYPTO



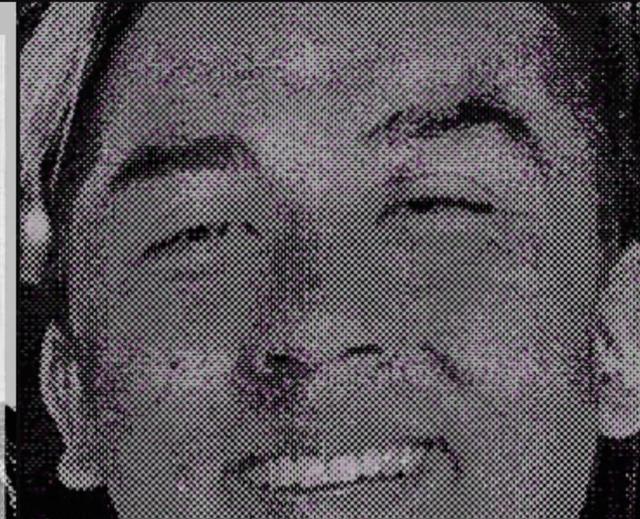
**GARY VAYNERCHUK**

In web2, he built a cult-like following around his knack to stay ahead of business and culture as an entrepreneur and investor. As he transitioned into web3, he's broken down NFTs in layman's terms, helping others understand them by how they value art, sports cards, sneakers, luxury handbags and cars. His VeeFriends project helped his audience understand how NFTs can unlock access to a deeper community, to conferences like VeeCon and even to Gary himself. He's also pulled brands like Budweiser along with him as they transitioned into web3 too, through VaynerNFT.



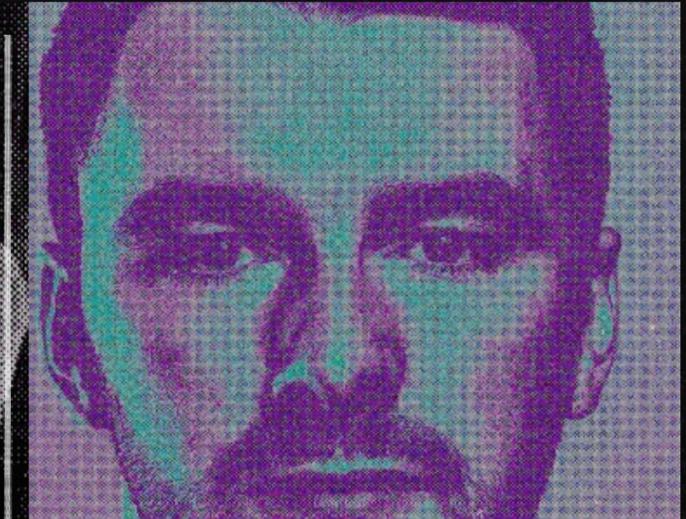
**FRANALATIONS**

Fran "Franalations" Marchello is the 34-year-old YouTuber who's built tremendous credibility as a collector of all things for nearly two decades. As he transitioned into collecting NFTs, he was one of the first to buy and sell CryptoPunks and Bored Apes, taking his audience on the journey with him through YouTube. He spends time helping to onboard others into the space through Twitter Spaces, phone calls and in-person meetings. He's become a go-to source of NFT knowledge for brand owners and rappers, getting co-signs from Snoop Dogg and Future.



**BOBBY HUNDREDS**

In web2, he built one of the most beloved streetwear brands, The Hundreds. As he transitioned into web3, he's become an outspoken advocate about what the streetwear and NFT industries can learn from each other. He launched Adam Bomb Squad, an NFT project where ownership grants membership access to a deeper community, as well as deepens the story around how the look of the Adam Bomb logo has evolved over the years.



**JACK BUTCHER**

As the creator of Visualize Value, he's cultivated a strong brand, community and content around simplifying and visualizing concepts about business and life. As he transitioned into web3, he similarly began helping others simplify and visualize the way they view NFTs, finances and community, for ease of learning. He even began selling some of his visuals as NFTs.

CASE STUDY:

# NADYA OF PUSSY RIOT

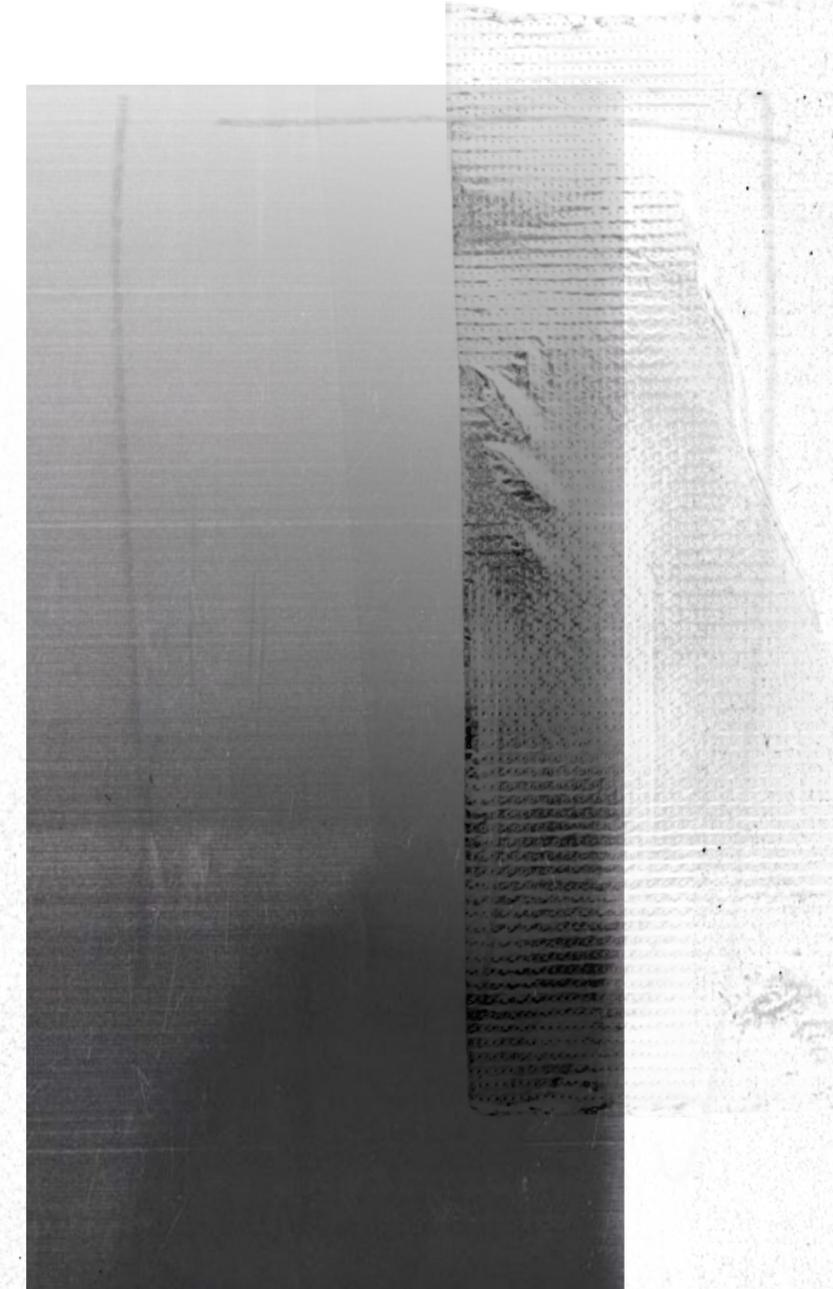
Supporting diverse bridge builders in culture is essential. Nadya Tolokonnikova of Pussy Riot has leveraged her influence as an artist and activist as she transitioned into web3. Her efforts are focused on utilizing crypto to reach back to redistribute power and wealth in culture and society. For example, she co-founded UkraineDAO, using the DAO and the sale of Ukrainian flag NFTs to [raise over \\$6.75 million in Ethereum for Ukraine in five days](#). She also co-founded UnicornDAO, raising millions to feature and invest in women and LGBTQIA+ creators who are largely underrepresented in the space, through financial tools, education and other resources.

SOLUTIONS - NO OR LOW BARRIER TO ENTRY

# IF YOU GET PEOPLE THROUGH THE DOOR FOR FREE, THEY'RE LIKELY TO STICK AROUND

The fear of losing money is a major barrier to getting people to buy Cryptocurrency or NFTs. **However, if they play with house money first, the situation changes entirely.** They are able to start learning by doing and understanding how they work without taking on the initial personal financial risk.

The more people are pushed from all talk to all action, the more they believe in Crypto long term, so just get it into their hands.



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SOLUTIONS - NO OR LOW BARRIER TO ENTRY

# THE FIRST ENTRY POINT INTO CRYPTO FOR MANY OF OUR COMMUNITY MEMBERS WAS FREE

## Apps

Apps like Cash App, Coinbase, Robinhood, Paypal & Venmo offered free Crypto through giveaways and learn-to-earn activities

## ComicCon

The Robin Hood movie & Robinhood App gave away free Crypto through a scavenger hunt at San Diego ComicCon 2018

## Megan Thee Stallion

Megan Thee Stallion sent her fans \$1 million worth of free bitcoin via Cash App, followed by educational videos "[Bitcoin For Hotties](#)"

## Coinbase Super Bowl

Coinbase gave away millions in free bitcoin through its buzzy, award-winning "less talk, more bitcoin" QR code super bowl commercial

## Hackathon

A Hackathon event paid workers in Crypto

## BlockFi

Blockfi gives away 1.5% free Crypto cash back with every purchase using the credit card

## Lolli

Lolli gives away free bitcoin rewards for shopping at certain stores

## Blockchain Friends Forever

BFF (Blockchain Friends Forever) airdrops a free NFT to new members

## NFT Gifts

Friends gave NFTs as gifts

## Referrals

Friends sent open invites into a DAO on Discord

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**IT'S NOT A BATTLE BETWEEN WHETHER PHYSICAL OR DIGITAL ASSETS ARE MORE VALUABLE. IT'S ABOUT STRIKING THE RIGHT BALANCE BETWEEN THE TWO.**

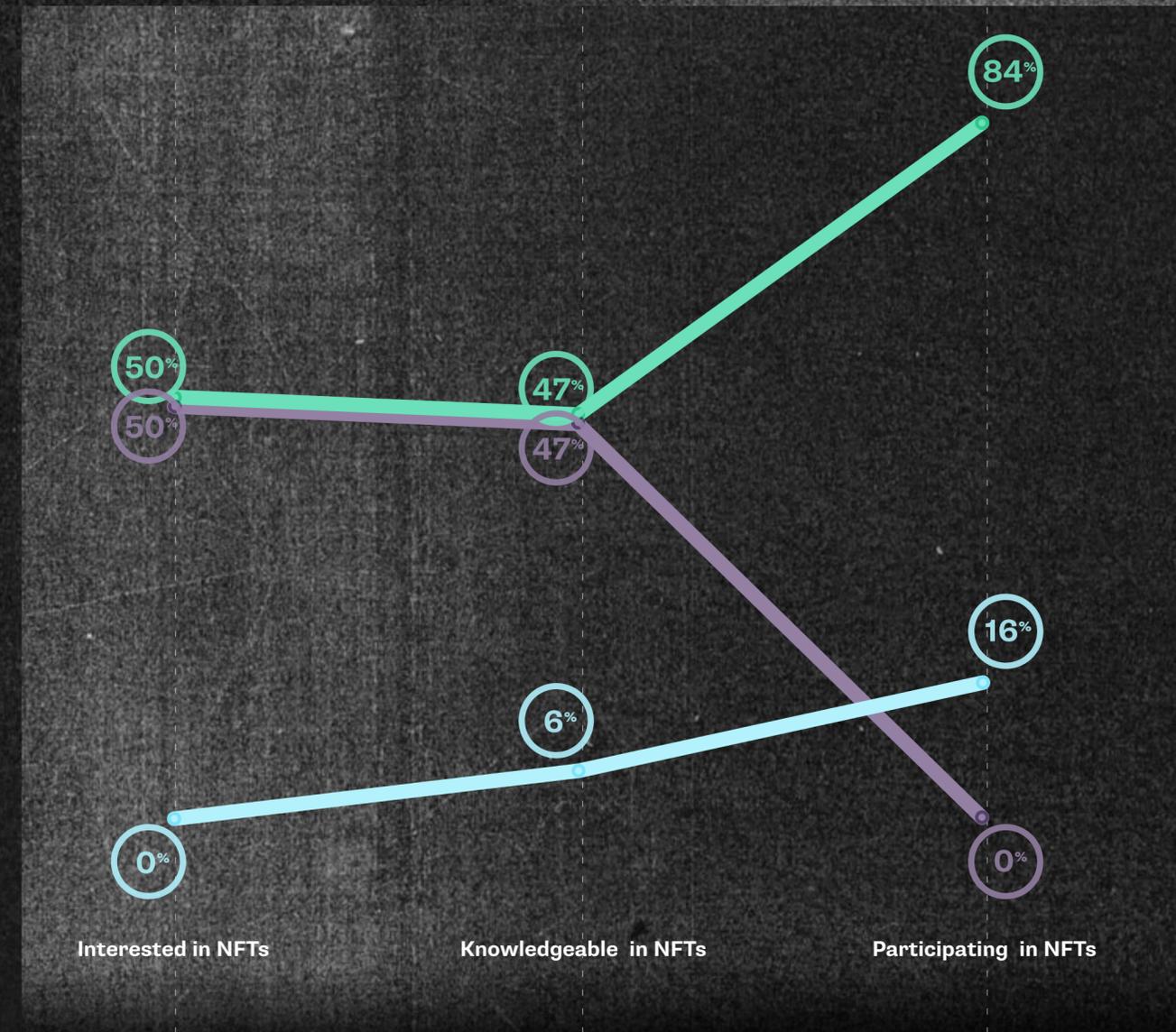
It is true that the perceived value of digital-only assets increases while physical-only assets decrease as people advance from interested to knowledgeable to participating in NFTs.

However, the majority actually place the most value on both digital and physical assets together.

WHAT'S MOST VALUABLE:

## Physical vs Digital Assets

- Physical-Only
- Digital-Only
- Both Equally



“

A piece of art that came with a physical copy is what made me buy my first NFT.

BRENT, 25, PA



“

I think the misconception with web3 is that we still live in the real world. That's not going away, ever. It will only be natural for web3 to be in our everyday real world lives. web3 will be very much like an augmented reality. I think we're going to see more NFTs giving access to events. You're starting to see how these projects have digital communities that manifest in the physical world.

BOYE FAJINMI  
FOUNDER @ THE FUTURE PARTY



## SOLUTIONS - COLLECTIBLE VS ACCESS

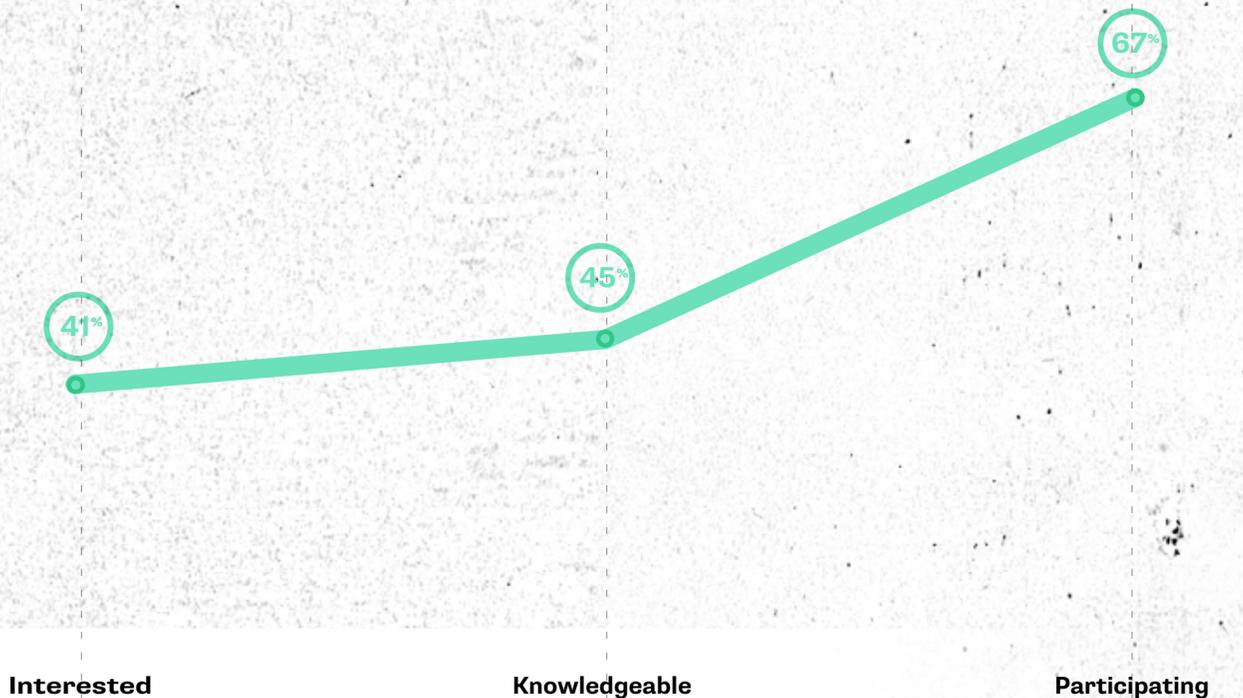
### BREAKING THE PERCEPTION THAT NFTS ARE JUST VISUAL COLLECTIBLES IS A KEY TURNING POINT FOR MORE PARTICIPATION AND LONG-TERM ADOPTION

Almost half (42%) of those who are interested in NFTs but have yet to purchase one primarily describe NFTs as digital art collectibles.

They don't understand why they should spend their money on what they perceive to be a JPEG file that can be right-clicked or screenshotted. They compare them to short-term fads they have observed, like Beanie Babies and Pokémon cards.

However, for those who have transitioned from knowledge into participation, over half (56%) now primarily describe NFTs as a means to unlock access to experiences and products in both IRL and virtual worlds. Through this knowledge, they believe this application to be a long-term technology.

#### Believes NFTs are not a short term trend



“

Most of the chatter is about digital art, and I don't see the need to claim ownership of that. I do see the use of NFTs in conjunction with physical goods to track ownership and verify authenticity as an ideal use for NFTs.

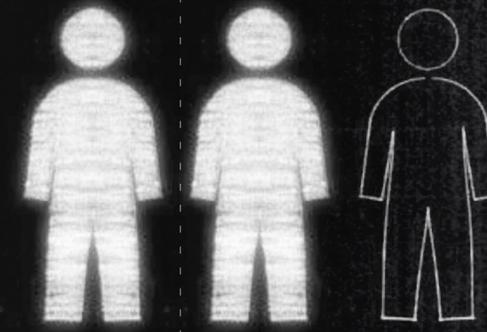
PHILLIP, 35  
VIRGINIA



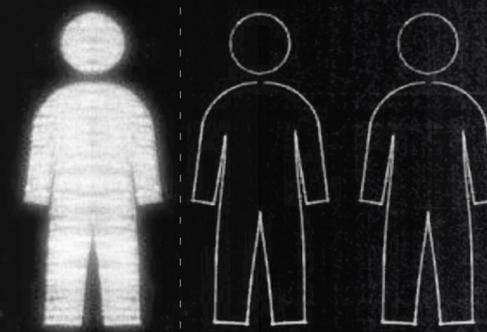
# DON'T EXPECT TO BRING PEOPLE TO CRYPTO, BRING CRYPTO TO THEM

If many people were not interested in tech or finance in web2, it shouldn't be assumed that they will proactively seek out opportunities for education and participation in web3.

Instead, integrate Crypto into their daily personal and professional lives and interests. Make learning and participating in the space feel like relatable fun and play.



People who have heard of DAOs but have yet to join one are 2x as likely to associate them with tech or finance vs their cultural interests



1 In 3 said they first bought an NFT because there was a specific moment in culture\* that provided an easy, affordable opportunity to participate - this is the #1 reason why

\* Culture ≠ Celebrity

CASE STUDY:



# NBA TOP SHOT

The success of NBA Top Shot by Dapper Labs is one of the biggest cultural moments that educated and onboarded the mainstream to NFTs. Through offering ownership of NBA highlights as if they were digital trading cards, they welcomed the masses into web3 through a culture-first approach, without being heavy-handed about the underlying technology or financial aspects. On Google, NBA Top Shot's metadescription positions it as "officially licensed digital collectibles" and [their social bios don't have the word "NFT" mentioned anywhere in sight.](#) People can buy and own the NFTs with USD instead of crypto. The approach works - NBA Top Shot [drove over \\$700 million in total sales in less than a year, with over 1 million users.](#) Even for our community, NBA Top Shot is the #1 most mentioned example that got them initially interested in and learning about NFTs. Its initial success hasn't slowed down either. In January 2022, NBA Top Shot launched a new commercial featuring Kevin Durant that [drove a 72% spike in secondary market sales.](#)

CASE STUDY:

# FRIENDS WITH BENEFITS

FWB is the best example of a DAO bridging crypto with culture and creators. So, it's unsurprisingly one of the few DAOs that Complex Collective's community has heard of. It's a community that is owned and governed by the creators and contributors that comprise it. The members collaborate and share in the value that everyone creates together. Typically, creators and contributors within a traditional company would receive a salary or be paid as a work for hire, without gaining equity. But with FWB's model, creators and contributors maintain ownership and value of the IP they create for the community and the culture. This concept isn't dissimilar from the emergence of cooperatives (co-ops) -- businesses or organizations where ownership is shared by its workers, customers or both. But as a DAO, FWB has the ability to scale global ownership and participation in a way that wasn't previously possible within the confines of physical spaces or communities. By blending the creative co-ops model of the past with the DAO model of the future, FWB is creating "communities that embody the best of both worlds: effective, principled, well-resourced organizations working to build a more equitable, democratic and collectively-owned future." The cultural value that FWB members generate and own together is limitless - FWB has a Discord for networking and collaboration. An editorial content platform all about culture, creativity and technology called Work In Progress. It hosts global events featuring artists like Erykah Badu. It has created new products and services like Gatekeeper, a web3 ticketing platform, and FWB x Taika, a club mate beverage. It even offers a fellowship program to welcome marginalized communities in as new members. The culture and creator-first approach is working, having raised \$10 million from a16z at a \$100 million valuation.

# CHECKLIST FOR WHY OUR COMMUNITY BUYS NFTS (PLUS NFT EXAMPLES THEY HAVE PURCHASED)



**Unique /  
Customizable**

**GENIES**

People can create a unique avatar and style it with digital fashion nfts that can be bought, sold and traded with others in the community. [Genies](#) is an official partner of Universal Music Group and Warner Music Group, already creating avatars for artists like Justin Bieber, Rihanna, Cardi B, Migos and J Balvin.



**Interactive /  
Gamified**

**ZED RUN**

People buy, nurture, breed, race and sell NFT racehorses. Each one has different attributes like bloodline and genotype that determine its rarity, speed and of course, price. Racing events and tournaments are hosted where prizes are awarded to winners.



**Physical  
Product /  
Experience**

**BEN BALLER x  
NICKY DIAMONDS**

The pair dropped 475 limited edition gold basketball NFTs. With purchase, the owner was shipped a physical gold basketball autographed by the duo.



**Community**

**ADAM BOMB SQUAD**

Buying an Adam Bomb Squad NFT not only means owning a unique Adam Bomb, but it also serves as a membership card that unlocks a deeper community. Membership gives the community access to exclusive virtual & IRL meetups and events, exclusive t-shirts and drops, and early access to The Hundreds drops.



**Accessible /  
Affordable**

NFT discussions often center around projects that sold for \$100,000 to well over \$1,000,000. The reality is, in most cases, all of the NFTs listed here that our community bought are selling for a much more accessible price point - anywhere between a few \$100 bucks to less than \$2,000.<sup>1</sup>

\* This Is Consistent With NFT Marketplace Data. In March 2021, Across OpenSea, Superrare, Rarible, Nifty Gateway & Makersplace, 53.6% Of Primary NFT Sales Were \$200 Or Less. [Source: Kimberly Parker Medium, April 2021](#)

Crypto – The most mentioned reasons why people participate or not, by phase

# INTERESTED

(But not knowledgeable or participating)

## Inner Circle

People like friends, family members, coworkers, classmates are available for conversation and questions

## Lack Of Knowledge + Time

There's not enough time to learn and it's too late to catch up

# KNOWLEDGEABLE

(But not participating)

## Inner Circle

People like friends, family members, coworkers, classmates are available for walkthroughs and questions

## Timing + Accessibility

An app makes Crypto available, gives away free crypto and the market dips for an opportunity to invest more

## Volatile Market

A volatile market will lead to losing money, so why invest at all

# PARTICIPATING

## Lack Of Security

Held Crypto is at risk of being scammed or stolen, so why invest too much

**NFTs – the most mentioned reasons why people participate or not, by phase**

# INTERESTED

**(But not knowledgeable or participating)**

## Cultural Success Story

A specific moment in culture, like the launch and success of NBA Top Shot, Bored Ape Yacht Club, PAK's *The Merge*, Bepple

## Inner Circle

People like friends, family members, coworkers, classmates are available for conversation and questions

## Only Digital Art Collectibles

Just a visual file that can be right-clicked or screenshotted, therefore a short-term fad like Beanie Babies or Pokémon cards

## Lack Of Knowledge + Time

There's not enough time to learn and it's too late to catch up

## Digital-Only Assets Aren't Valuable

The only phase that thinks the ownership of digital-only assets aren't valuable at all (vs physical-only or both equally)

# KNOWLEDGEABLE

**(But not participating)**

## Cultural Success Story

A specific moment in culture, like the launch and success of NBA Top Shot, Bored Ape Yacht Club, PAK's *The Merge*, Bepple

## Inner Circle

People like friends, family members, coworkers, classmates are available for walkthroughs and gifting NFTs

## Ownership Unlocks Access

Understand ownership unlocks access to experiences and products in both IRL and virtual worlds

## Lack Of Security

Celebrity shilling, pump & dumps, rug pulls and volatile gas fees will lead to losing money, so why invest at all

# PARTICIPATING

## Desirable Elements

Unique/customizable, interactive/gamified, tied to physical product/experience, community, affordable/accessible

## Lack Of Security

Celebrity shilling, pump & dumps, rug pulls and volatile gas fees will lead to losing money, so why invest too much

## Digital+Physical

The balance or pairing of digital and physical assets together are most valuable

DAOs – the most mentioned reasons why people participate or not, by phase

## INTERESTED

(But not knowledgeable or participating)

### Concept + Context

The idea of the power of community, plus seeing it in action to understand how DAOs work, like Friends With Benefits or Constitution DAO

### Tech + Finance

2x more likely to associate DAOs with tech and finance vs their cultural interests

### Lack Of Knowledge

At this stage, only 5% of our community knows that DAO stands for Decentralized Autonomous Organization

## KNOWLEDGEABLE

(But not participating)

### Inner Circle

People like friends, family members, coworkers, classmates are available for walkthroughs and questions about how to join and contribute

### Lack Of Knowledge

At this stage, only 12% of our community knows that DAO stands for Decentralized Autonomous Organization

## PARTICIPATING

### Growing Knowledge

At this stage, 67% of our community knows that DAO stands for Decentralized Autonomous Organization, and associates them with communities controlling their own decisions around investing and voting, and believe they can transform companies, nonprofits and government

COMPLEX  
COLLECTIVE

**TAKEAWAYS**

# CHECKLIST FOR A SUCCESSFUL WEB3 INITIATIVE

- ✓ **Culture-first approach**
- ✓ **Relatable non-Crypto messaging**
- ✓ **Education & onboarding plan**
- ✓ **Trusted inner circles activated for education & onboarding**
- ✓ **Trusted diverse bridge builders activated for education & onboarding**
- ✓ **Inclusive to marginalized communities  
(conversation, education, curation, hiring, investing)**
- ✓ **Free or low barrier to entry**
- ✓ **More than a digital collectible - unlocks access to IRL/virtual experiences & products**

# CREDITS

RESEARCH & WRITING BY:

**Nick Susi**

Head Of Strategy

OVERSIGHT BY:

**Aaron Braxton**

GM Of Complex Collective, SVP  
Of Business Intelligence, SEO &  
Performance Marketing

**Jonathan Hunt**

EVP, Marketing

ADDITIONAL RESEARCH & ANALYSIS BY:

**Jess Hall**

Community Manager

**Victoria Sharam Aristimuno**

Analyst, Business Intelligence

DESIGNED BY

**David Singer & Anne Zeygerman**

Gemut Studio

**Rosy Huang**

Creative Project Manager

EDITED BY:

**Anslem Samuel Rocque**

Sr. Director Of Branded Content  
Strategy & Development

SPECIAL THANKS TO:

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