

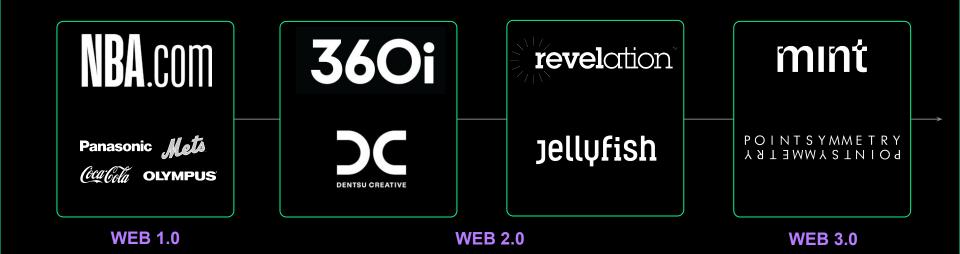
Tokenization and Brand Marketing:

The Next Phase of Consumer Engagement

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Y A T B M M Y S T N I O A P O I N L S Y W M E L B Y

Matt Wurst: A Brief History



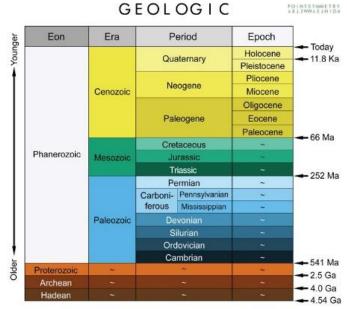
Web3 & Brand Tokenization

- 1. The Building Blocks of Web3
- 2. Introducing: "NFT 2.0"
- 3. Tokenization & Consumer Loyalty
- **4.** Keys for Brand Success

Sprinkling in...Real Use Cases (!!)

The Building Blocks: Web3





A Brief History of Marketing

COMMERCIAL

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	Web3			
			Metaverse, NFT 2.0 Blockchain, Crypto 1.0, NFT TikTok CTV, Streaming Instagram, Snapchat Twitter, YouTube MySpace, Facebook Blogs Google, Amazon Banner ads Dot.Com	2010 202
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			MySpace, Facebook	← 2006
Marketing	7			
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	Dot.Co	Dot.Com	← 1998	
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	Dial-Up	Netscape	~	
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		Compuserve		← 1993
	Visual	Cable TV	~	← 1970s
	Visual	Television	~	← 1955
	Audio	Radio	~	← 1920
Advertising	Local	Out of Home	~	← 1900
Advertising		Magazines	~	← 1800s
	Print	Newspaper	2	← 1700s
	FIIIL	Pamphlets	~	← 1600
		Books	2	← 1500s
Scribing	Pre-Ink	Scrolls		← 0
Marking	Stone	Cave Walls	~	← -40,000
Grunting	~		-	← -100,000

WEB3: Driving the next phase of engagement.

	Web 1.0	Social Media	Web3
Messaging			
Community			
Experience			
Ownership			

challenge:

Web3 remains complicated & confusing for brands.

Opportunity: Let's clear up the confusion.

WEB3

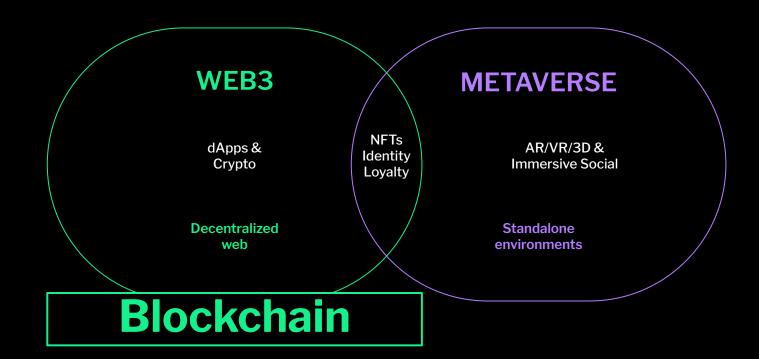
Decentralized concepts and technologies that provide **infrastructure** for the future of digital.

METAVERSE

Ecosystems are the future state of how humans will **experience** the internet.

Blockchain

Opportunity: Let's clear up the confusion.



WTF... is a "Blockchain?"

Crypto NFTs Metaverse(s)

wallet community

Blockchain

proof of work vs proof of stake



WTF... is "Crypto?"



NFTs

Metaverse(s)

wallet communit

Blockchain

WTF... is an "NFT?"

Crypto



Metaverse(s)

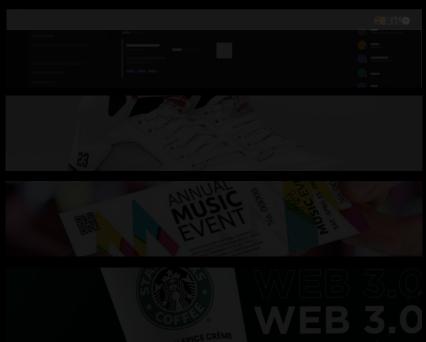
wallet

community

Blockchain

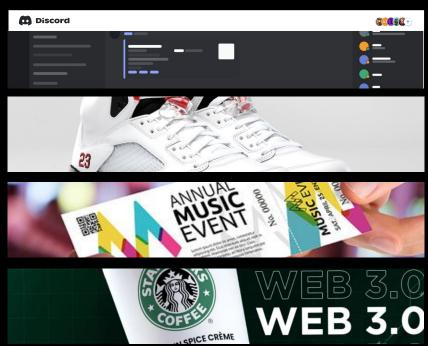
NFT 1.0 was Affinity: Art, Collectibles, Exclusivity





NFT 2.0 is Utility: Community, Loyalty, Identity



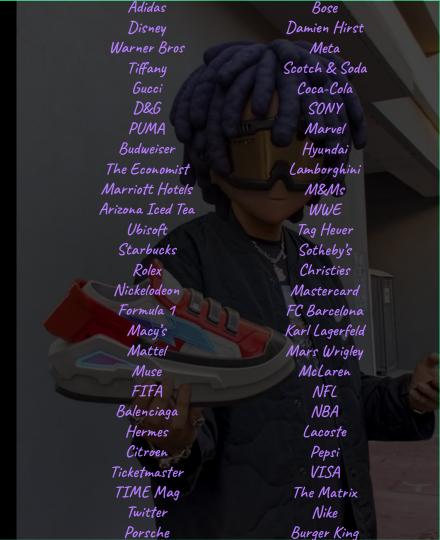


You don't have to call them "NFTs."

Welcome to NFT 2.0: "Tokenization"

tokens are

becoming part of mainstream marketing and brand strategy.



fact:

The barriers to entry are disappearing.

tokens are

the future of community in an connected world.



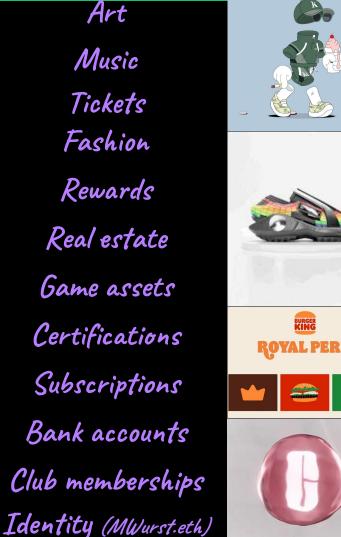
fact:

Utility is the future,

and tokens are keys to unlocking it.

tokens are

expanding the use cases of IP and ownership.



fact:

Tokens are safe.

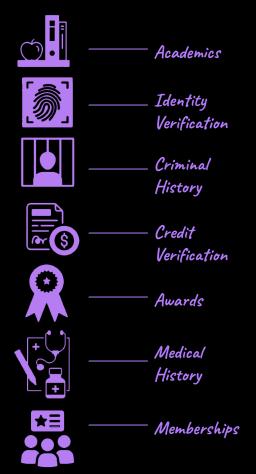
They're not scams.

(Nor bad for the environment.)

tokens are

not just for flipping.

"Soulbound" NFTs are tied to their owners for a lifetime.



fact:

"Our brand isn't yet ready for a truly decentralized web3."

Web 2.5

Evolution.

Not Revolution.

tokens are

brand's tool for loyalty and rewards programs.



Tokens and Consumer Loyalty

Y S T S A W W E L B A B O I M L S A W W E L B A

Loyalty is not new...



50%

U.S. consumers report spending more if they're a member of a loyalty program.

Loyalty & Membership programs are outdated.

They put consumers in a box.



Bad for Brands

Limited visibility

Shallow relationship

Bad for Consumers

Fragmented experience

Boring rewards

Web3: Perfect for brand and community-building

For Brands

- Managed Memberships
 - Tiers & points managed onchain

- Audience Insights
 - Cross-channels & unified consumer profiles





For Consumers

- Meaningful Experiences
 - Frictionless opt-in, no wallets

- Loyalty & Rewards
 - Rule-building
 - Gamified engagement

Consumer Benefits

Ownership for Consumers

Collectibles



Trading cards
Subscriber token/pass
POAPs
Content/item pairing

IP into ownership

Community



Connection
Participation
Input & Feedback
Voting

Identify with like-minded individuals

Content



Access and Rewards
Tiered and gated
Virtual, Physical Events
Prizes & Perks

Inform, engage to build loyalty

Commerce



Token collaborations
Sponsor/partnerships
Merchandise & Discounts
Physical & Digital Assets

Integrate and monetize

Brand / Marketer Benefits

Decentralization for Brands

Create



Design the assets
Distribute creative
Deploy the comms

Imagination

Connect



Interoperable Composable

Partner / Co-brand

Collaboration

Own



Data
Relationships w/ Consumers

Content

Reclamation

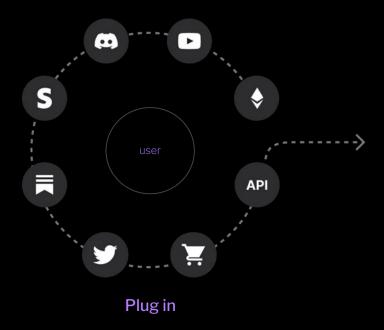
Secure



Privacy
Safety
Transparency

Validation

Layering On: Build on top of existing programs.



Loyalty KPIs:Web3 improves ownership of the consumer relationship.

CLV

Customer Lifetime Value

Consumers unlock deeper layers of the ecosystem and get exclusive perks for an upfront "cost."

AOV

Average Order Value

Exclusive access and rare items increase what people are willing to buy and pay for.

CR

Conversion Rates

Branded roadmaps, exclusive items and token-gated experiences drive greater engagement.

It's no longer just about share of voice for brands.

It's about share of wallet.



Starbucks' Odyssey

Traditional programs:

Transactional.

= \$ value, volume, frequency

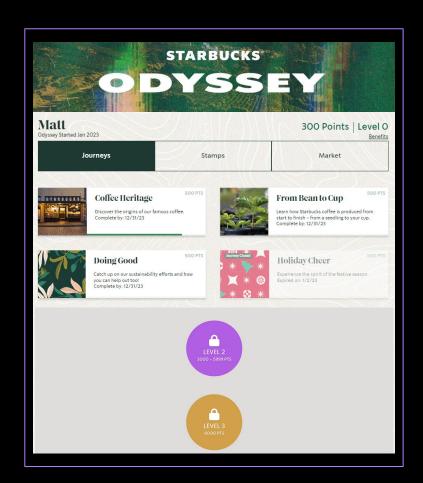
Starbucks: experiences to drive engagement and retention

"There will be a lot of ways for people to earn rewards without having to spend a lot of money.

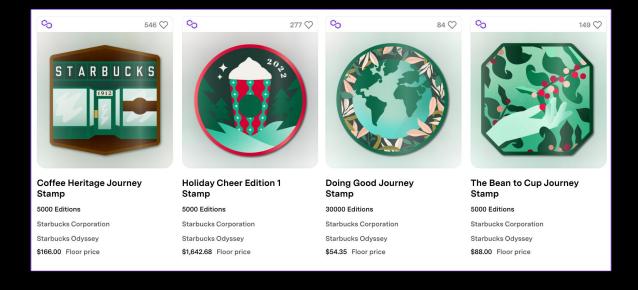
We want to make this super easy and accessible.

There will be plenty of everyday experiences customers can earn like virtual classes or access to limited edition merchandise, for instance."

— Starbucks CMO Brady Brewer



Starbucks' Odyssey: How it works





Journeys, Activities, and Stamps



Data + Insights



Points, Levels, and Benefits



Web2.5 Approach

Now is the time for brands to jump in.

Opportunity

Reimagine Revisit Reorganize Redefine Represent Deepen the **Create content Understand the** Create a **Bring brand into** connection with meaningful value Web3 with style & and key players in the substance exchange experiences ecosystem consumers

Output

Operations

Objectives

Outcomes

Keys to Brand Success

1. Reimagine Objectives

Branding

Segmentation

Engagement

Retention

Revenue



Reinforce brand values and messaging



From inclusive to exclusive targets



Connection, gamification, content



Give/gift to acknowledge tokenholders

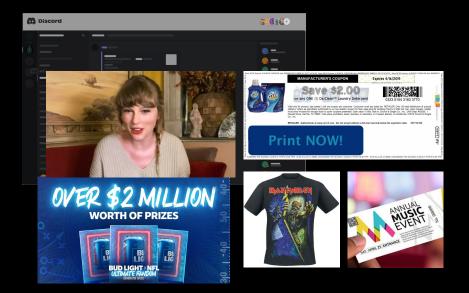


Turn marketing investment into a profit center

→ New frameworks help brands achieve KPIs

	Collectible Token	Access Token	Reward Token	Ownership Token
Objective	Awareness	Consideration	Retention	Conversion
Audience	Broad	Broad	Limited	Limited
Distribution	Primary NFT sale	Sales or giveaway	Free giveaway	Bundled w Physical
Incentive	Collect, Gamification	Access, Content	Utility, Membership	Status, Flex, Metaverse

2. Redefine Value Exchange



- Livestream Q&A with brand ambassadors
- Access to community chat (ie: Discord)
- Participation in feedback & polls
- ∰ Exclusive or "Gated" Merchandise
- Collecting Challenges with Rewards
- Tickets for games or IRL offline events
- Additional free tokens via airdrop

Consumer benefits & expectations

— Community — Collectibles — Content — Commerce —

Benefits for brands / marketers

- Create --- Connect --- Own --- Secure ---

3. Revisit the Marketing Playbook

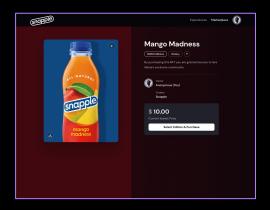


\rightarrow Put your assets center of the digital architecture



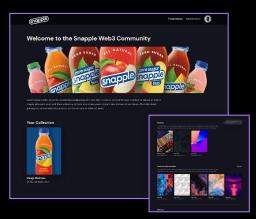
\rightarrow Integrate into the existing ecosystem

Collectible



Sell / give tokens for engagement to grow community.

Rewards



Token-enabled platforms, content, experiences, prizes, feedback.

Partnerships



Collaborations with other brands through validation of token ownership.

4. Reorganize Roles and Responsibilities

Agencies, Brands, Creators

Strategy

Architect a token-based approach that fits within the marketing plan

Creative

Asset design and concept, variations, logos, and brand guidelines/skins

Marketing

Messaging and communication to reach the right audience

Engagement

Community management, moderation and

Blockchain and dApp partners

Mint

Create any type of NFT on multiple blockchains

Distribute

Multiple channels to seed tokens to communities

Host

From email to wallet, simplify the claim process

Authenticate

Enable high-value participation through token-gated validation

Activation partners

Experience

Utility, tactics, and execution of gated engagement for token holders

\rightarrow The marketing ecosystem is growing massively

IP Owners

Artists

Publishers

Digital Media Groups

IP rights holders

Music Rights

Film

Photography

Gaming

Influencers

Agencies

Holding Co

Tech/Production

Media

Data/Analytics

Talent Management

Events

Experiential

Consultancies

Brands

Fashion/Apparel

Enterprise CPG

Sports

Entertainment
Travel/Tourism

QSR/Dining

Beauty

Retail (B&M)

Real Estate

Partners

Social Platforms

Content Platforms

Ecommerce Platforms

CRM/Data Platforms

Marketplaces

Web 2.0 Loyalty

Membership Platforms

\rightarrow The technology ecosystem is growing even faster



5. Represent Your Brand









The Collectible

- → Tokens are a visual representation of your brand
- → No creative limitations
- \rightarrow NFTs can be made from of a variety of file types & formats:

Art, videos, images, animations, 3-D models, and more...

































Getting Started: 5 Specific Questions to Answer

Who is your target audience?

What IP do you have the rights to?

What level of benefit and utility can you deliver?

How would you like to distribute the tokens?

Who are the key decision-makers and stakeholders?

Build, Borrow, or Buy?

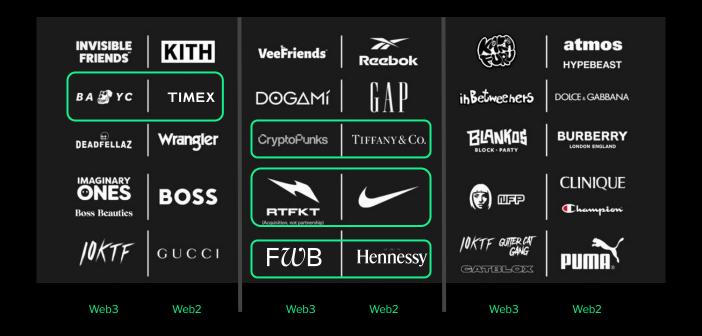
Use Cases: Your Favorite Brands

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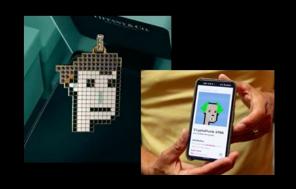
Partnerships: Web2 + Web3

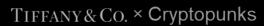
Good for brands: relevance when audiences align

Good for Web3: Legitimizes the industry



Partnerships: Integration-free member verification







Hennessy × FWB



TIMEX" × BAYC

Limited-edition partnerships

Exclusive cultural experiences

Authentics phygital goods



You're not just buying products - you're buying into an ecosystem, where different products combine together to create new rewards, increasing CLV and AOV.







Over time, new rewards for new products get rolled out, giving you an incentive to continue participating.

Key objective: Extending CLV and AOV



Consumers who purchase from Alo's new premium collection receive an authenticated NFT, which unlocks exclusive benefits such as personalized shopping experiences and access to Alo Wellness Clubs.



Alo Yoga releases first ready-to-wear collection, NFT at New York Fashion Week

VOGUE

TECHNOLOGY

Alo Yoga rolls out digital twins to accompany its premium ski collection

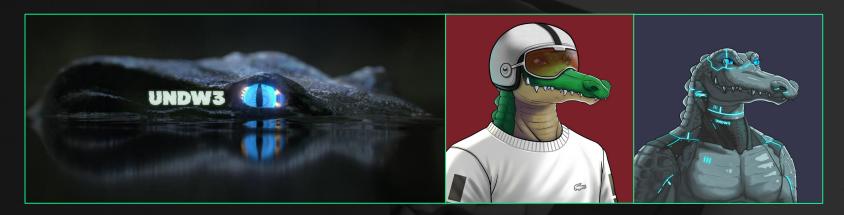


"All of this is exclusive, invite-only to our community. We're not using [NFT] language. We're using 'digital certificate of authenticity' so it feels natural to our community."

— Alo Yoga CMO Angelic Vendette

LACOSTE

Lacoste has officially launched its first NFT project: "UNDW3." The collection, pronounced "underwater", plays to the brand's crocodile motif as it brings its heritage label to Web3. Holders get exclusive early access to digital collaborative fashion, increasing CLV.



Owning one of the brand's NFTs gives people access to Lacoste's Web3 universe, something the brand called "a long-term collaborative community."



Tokenization and Brand Marketing:

The Next Phase of Consumer Engagement

Y A T 3 M M Y S T M I O P L D A L D

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