

A Modern Marketer's Guide to NFT Adoption and Branding

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NFTs, also known as non-fungible tokens, are a fast growing asset class within the cryptocurrency market. Public awareness of NFTs emerged back in 2021 when a laser-hot trend of collectable digital artwork hit the scene. It was a revolutionary technology because it enabled creators to tokenize, authenticate and sell digital content.

At the start of 2022, the global NFT market was worth around \$3 billion. This valuation is expected to reach \$13.6 billion by 2027. So, you might be wondering, why are so many people shelling out real dollars to acquire virtual goods?

To help you fully understand the potential of NFTs, let's begin with their evolution leading to the present, then move on to their applications going forward.

Today's digital ownership revolution

NFTs have made the process of ownership and identification of digital assets easier than ever before. The metadata underlying all non-fungible tokens are mapped on the blockchain in a decentralized and secure manner. These data can be quickly verified and are helpful for determining the rightful owner of an asset, not to mention telling similar assets apart.

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Past, present and future: NFT evolution

So far, artists, filmmakers, musicians and other creatives have been among the earliest adopters of NFT technology. Numerous companies and celebrities have also begun using NFTs to engage their following. One recent trend is to use the tech for various kinds of access passes or proof of membership.

The future of NFTs in the web 3.0 landscape

When it comes to web 3.0, the next evolution of the internet, NFTs are a game-changer. Their widespread use will catalyze decentralization and the establishment of trustless/permissionless networks. As such, NFTs will be foundational to metaverse and web 3.0 economies alike.

In addition, NFTs are practical for decentralized verification purposes. For instance, tokens can be used to prevent scams and a plethora of ID-related security issues because the credentials of each token are verifiable on-chain.

What's more, NFT technology can assist brands in overcoming many of the obstacles that have held them back from adopting digital marketing practices more fully.

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NFT profits: money-making obstacles

You've heard the saying, it takes money to make money. NFT minting can be profitable but it is expensive and requires

substantial investment. While free-mint NFTs do exist, most tokens are issued and sold for sums that might intimidate everyday investors. Let's not even get into gas fees and steep marketing costs for the issuers!

Earning potential with NFTs

Similar to cryptocurrency, NFTs are speculative investments and prone to fluctuation. Though it is possible you will make big bucks buying or selling NFTs, there is no guarantee. Therefore, a little homework can go a long way. Before you buy anything, get in the habit of analyzing previous sales records. This is a reliable way to understand long-term earning potential.

What's the news with NFTs today?

Given their rapid popularity growth, NFTs remain an attractive investment opportunity. This is evident by the increasing quantity of trades and number of companies entering the space. In recent months, market momentum has taken a sharp but temporary decline due to what's been dubbed the crypto winter.

Notwithstanding, experts predict a rise in global NFT trading volume as the assets live up to their potential in the years ahead.

NFT adoption: applications and benefits

NFT projects have become a hot topic, especially in the marketing industry. In 2021, the NFT market cap surpassed \$23B, representing a 20,000 percent growth year on year. Major brands have begun investing in the crypto and NFT space:

- According to the Gartner Hype Cycle for key

technologies, NFTs will transform the functions of marketing in a big way.

- At The Drum Digital Summit, Adcolony and The Drum brought together execs from Coca-Cola, Dole and VaynerNFT to talk about how they used NFTs in their marketing campaigns.
- Tom Simpson, Adcolony's VP, pointed out that brands can raise capital by selling NFTs. Marketers can incorporate NFTs into their promotions or as part of their customer relationship management (CRM) mix.
- Avery Akkineni, president of VaynerNFT, stated that marketers might be put off by jumping into NFTs in the early stages because communities are still small. After all, OpenSea averages just 20,000 daily users. However, getting embedded early on could help cement brand authenticity in the metaverse.
- Coca-Cola recently started a campaign in which their story revolved around the metaverse and real life.
- Dole's campaign involved the brand's mission for healthy nutrition. The team talked about the tech's learning curve and discussed what they learned along the way.

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So, how can NFTs be used in the context of modern marketing?

- NFTs provide ownership and a way to connect with communities directly.
- Brands are no longer limited to offering physical goods and services. NFTs can be anything digital – artwork, 3D animation, music, land in the metaverse, etc.
- Brands can track the ownership and origin of their assets and ensure that the data associated with them is accurate and cannot be tampered with.

- Consumers demand transparency and NFTs provide a way for companies to meet this need.
- NFTs offer a way for brands to engage with their customers more effectively.
- NFTs eliminate complex logistics like shipping, taxes and storage costs.

Verdict

NFT marketing is more than getting your NFT in front of your target audience. It is about utilizing creative digital marketing strategies to generate unique and meaningful experiences while achieving long-term marketing objectives.

According to AsiaPac Digital, a smart way to enter the space is by partnering with experienced digital NFT marketing agencies to generate buzz and get your NFTs to the right audience.

To achieve successful adoption, digital marketers need to learn NFT concepts that are constantly evolving, adopt NFT influencers and ensure legitimacy in their activities.

The best opportunities for significant profit making often arise when markets are new. Fortune favors the bold.

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