

D6.2

Revenue models for DAFNE+ DAO

V2.0

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Abstract

This deliverable describes the revenue models for DAFNE+ platform

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Abbreviations

DAO	Distributed Autonomous Organization
NFT	Non Fungible Token
YOY	Year Over Year
TRL	Technology Readiness Level
ROI	Return on investment
MAU	Monthly Active Users
EVM	Ethereum Virtual Machine



1 Executive summary

The document presents the strategic business plan developed on the basis of the research conducted throughout the DAFNE+ project, highlighting how it differentiates itself from other platforms. In addition, it identifies mainstream trends and strategies for further enhancing monetization opportunities for the cultural and creative sector, as well as the platform's positioning within the current European digital market.

The current platform economy limits creators with high fees, lack of ownership, and algorithmic control. Existing solutions leave major gaps in fair monetization and user autonomy.

DAFNE+ proposes a blockchain-based platform that empowers creators with true ownership, direct monetization, and decentralized governance via DAOs. It provides licensing tools, smart contracts, and transparent economic models designed for artists, musicians, writers, and designers.

Targeting the fast-growing creator economy, DAFNE+ positions itself against traditional platforms like Patreon and YouTube, emphasizing fairer revenue sharing and compliance with evolving digital regulations.

The business model proposes a pathway to sustainable growth through transaction fees, premium tools, and partnerships, avoiding extractive practices. A community-driven governance structure, a clear scalability roadmap, and diversified funding strategies ensuring platform resilience.

We present next the results of a study that combined desk research, literature review, stakeholder interviews, user testing, case studies, and benchmarking. The study focused on aligning revenue models with the priorities of its users, while ensuring technical and market feasibility.

Following the final review feedback, a second business model concept – the **DAFNE+ Training Centre** – was added to **Chapter 6** together with the reinforcement of the main model. The interventions aim to strengthen the project's sustainability and address the limitations of the initial



business model, designed in the early phase of the project and impacted by shifts in the global NFT landscape.

Chapter 9 has been reworked and revenue forecast methodology and new calculations, have been added.



2 Introduction

This deliverable presents the work completed under Task 6.3 following the initial platform release in January 2024 and the first round of workshops in February 2024. During this period, the core technical architecture, blockchain fee model, and budgeting logic were established. Building on that foundation, we concentrated on two priorities: (i) designing and testing the Decentralised Autonomous Organisation (DAO) model and (ii) detailing the initial monetization framework.

The work presented in this document builds upon earlier tasks of the project. Previously we identified, clarified and showcased the different kinds of fees a Web3 platform may incur, together with the cost volatility that such infrastructures entail (see Deliverable D5.1, Section 3.2.1.3 on Monetization). In parallel, we developed strategies to attract professional creators during the early-adopter phase (outlined in D2.3, Section 4 on Revenue Models and Monetization) and, in collaboration with the consortium, completed the first iteration of the DAO structure and governance model (D2.3, Section 5 on DAO and Governance).

To refine the proposed revenue models, the DAFNE+ team conducted co-creation sessions with use case representatives using the Value Proposition Canvas methodology. This approach enabled participants to collaboratively identify key user “gains,” “pains,” and potential solutions from both the creator and collector perspectives. These insights informed the strategic positioning of each revenue stream and helped align platform features with real-world expectations. Figure 1 illustrates a screenshot from one of these sessions, where participants mapped these dimensions in real time as part of the iterative business model design process.



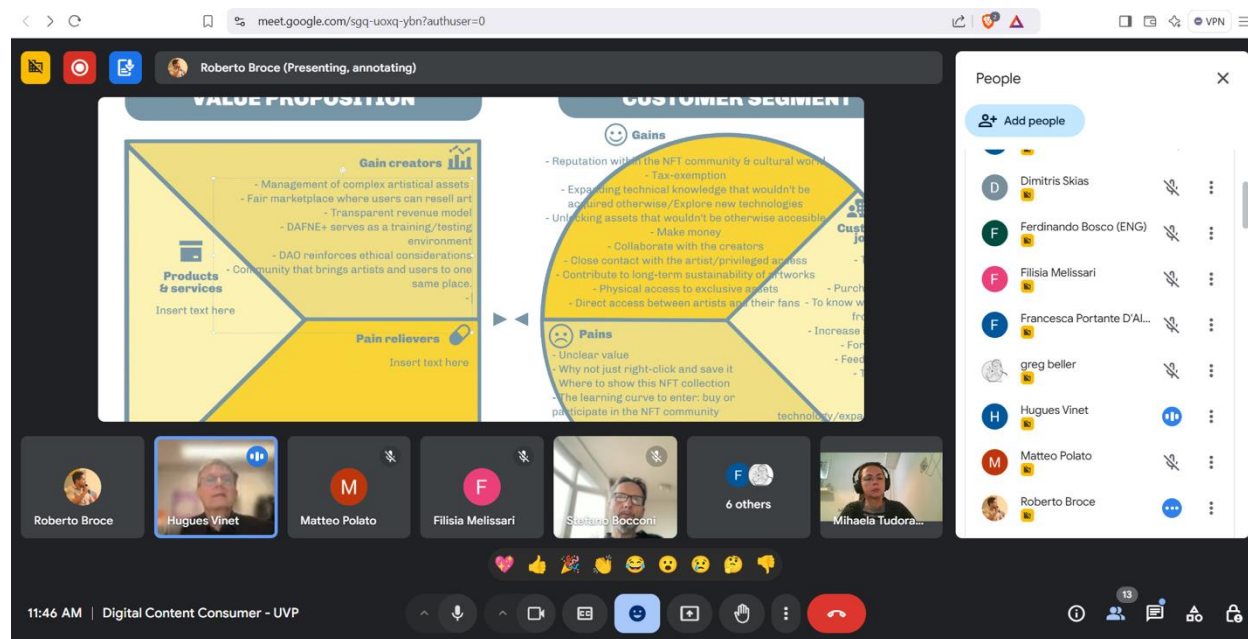


Figure 1. Co-creation sessions with use case representatives

Our methodology combined several complementary activities:

- Stakeholder Interviews: In-depth qualitative interviews with creators, users, and industry experts to gather insights on needs, expectations, and challenges.
- User Testing: Iterative prototyping and feedback loops to evaluate platform functionality and identify adoption barriers.
- Case Studies & Benchmarking: Comparative analysis of successful digital and Web3 platforms to inform best practices and identify market opportunities.

This approach kept the focus on the different types of users: digital content creators, artists, writers, musicians and designers, while bringing together platform design, tech, governance, and business planning to reflect what creators actually need today.



3 Problem Statement

Digital creators power an ever-expanding share of Europe’s cultural and economic life, yet the platforms they rely on were not built in their interest. Most current services extract high commissions, conceal recommendation algorithms, and centralise audience data, leaving creators with little bargaining power, scant ownership of their work, and unpredictable income. These structural flaws are not incidental. They stem from business models that reward scale over fairness, opacity over transparency, and short-term engagement metrics over long-term career sustainability.

Musicians confront sub-cent streaming payouts and gatekeeping by labels and distributors. Visual artists battle market saturation, rampant IP theft, and fragile royalty enforcement. Writers, designers, video makers, and educators face parallel pressures: rising production costs, shifting content policies, and a constant need to “feed the algorithm” just to remain visible. Across every discipline, creators shoulder operational risk while platforms capture disproportionate value.

The result is an ecosystem where only a fraction of participants earns a living wage, where policy changes can erase whole revenue streams overnight, and where creative autonomy is routinely compromised. Unless the underlying infrastructure is re-imagined, these challenges will persist and deepen as the digital market grows.

3.1 Common Challenges for All Digital Creators

3.1.1 High Platform Fees and Revenue Cuts

A major issue for digital creators is the significant percentage of their earnings taken by platforms. Many content platforms, app stores, and live-streaming services impose commissions ranging from 20% to 50% on creator earnings, drastically reducing their income. For example, Apple’s App Store charges a 30% commission on in-app subscriptions, including those made through Patreon or Substack, which significantly diminishes the amount creators actually receive (Sharwood, 2024).



Similarly, Twitch, a dominant live-streaming platform, enforces a 50/50 revenue split for subscriptions by default, meaning creators receive only half of what their fans pay (NCESC Gaming Wiki, 2022). These steep platform fees force creators to either increase pricing for their audience or accept lower earnings per sale, making it difficult to achieve financial stability.

3.1.2 Dependence on Algorithms for Visibility

Visibility and audience engagement for digital creators are dictated by opaque algorithmic recommendation systems that operate on platforms like YouTube, Instagram, and TikTok. These systems determine which content appears on users' feeds, making creator success highly dependent on algorithmic favorability. Many creators report concerns about "relying on the platforms' algorithms for their content to show up on [followers'] feeds," fearing that minor changes in platform preferences could lead to severe declines in views and engagement (Podia, 2022). Algorithm updates often occur without warning or transparency, making it difficult for creators to predict audience reach without resorting to paid promotion. This instability forces creators into a constant cycle of content optimization to remain relevant in algorithm-driven environments.

3.1.3 Limited Ownership and Control

Although large platforms provide creators with access to vast audiences, they also strip them of content ownership and direct audience relationships. Unlike independent websites or email lists, platforms maintain full control over distribution and can alter policies at any time, often to the detriment of creators. Hallinan et al. (2024) highlight that creators are "subject to opaque and often automated forms of platform governance where content can be removed and accounts terminated with little notice or explanation" (p. 112). Many creators have faced sudden demonetization, content takedowns, or even complete bans without prior warning, leaving them with limited recourse to appeal against such decisions. Furthermore, migrating an audience from one platform to another is notoriously difficult, effectively locking creators into the revenue structures and policies imposed by dominant platforms (Hallinan et al., 2024).



3.1.4 Inconsistent and Unpredictable Monetization Models

Revenue for digital creators is often highly volatile due to frequent policy changes, fluctuating ad rates, and evolving platform monetization structures. Many YouTubers have faced periods of drastic income reduction due to advertiser boycotts and platform-imposed ad restrictions, a phenomenon widely known as the “Adpocalypse” (Constine, 2020). This erratic monetization system has led to what experts call “platform whiplash”, where creators must continuously adapt to avoid sudden income losses caused by platform shifts (Constine, 2020, p. 150). Sponsorships, subscriptions, and donations provide some creators with alternative revenue streams, but these income sources are equally unstable and require continuous audience engagement to remain viable.

3.1.5 Struggle to Maintain Sustainable Income

Due to high platform commission fees, volatile revenue models, and dependence on opaque algorithms, most digital creators face significant challenges in generating sustainable income. Industry reports indicate that over 96% of creators earn less than \$100,000 annually, with nearly half making under \$15,000 per year—below the poverty threshold in many European countries (Tech-Wire, 2022). The income disparity between top-tier creators and the broader community is vast, and only a small fraction achieve financial independence through content creation alone. As a result, many creators must rely on multiple platforms, juggle fragmented revenue streams, or take on part-time work to remain afloat—conditions that contribute to high burnout rates and mental health issues (Tech-Wire, 2022). Figure 2 illustrates this income distribution, highlighting the steep drop-off in earnings beyond the top percentile.



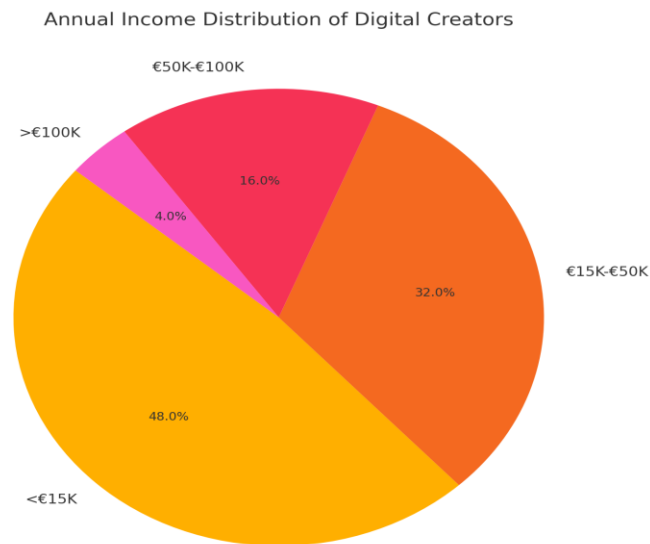


Figure 2. Annual Income Distribution of Digital Creators

3.2 Challenges for Specific Types of Digital Creators

3.2.1 Sound and music professionals

This section focuses on the second DAFNE+ pilot (UC2), which engaged sound and music professionals—artists, engineers, and researchers—emphasizing their reliance on advanced technologies and the critical importance of accurate attribution and provenance.

Streaming Revenue and Fair Compensation

The pay-per-stream model used by platforms like Spotify and Apple Music has sparked widespread criticism from musicians, as it significantly limits their earnings. A European Parliament report (2024) found that only 25–30% of total streaming revenue reaches the song’s creators, with the majority of profits retained by record labels and streaming platforms (European Parliament, 2024).



Given that streaming payouts often amount to just €0.003–€0.005 per stream, artists require millions of streams to earn even a modest income (Politico Europe, 2022). Many high-profile artists, including Taylor Swift, have publicly condemned these low payouts, arguing that they make it nearly impossible for independent musicians to make a living (Politico Europe, 2022). Streaming payouts per play are so low that even viral success often fails to cover basic costs.

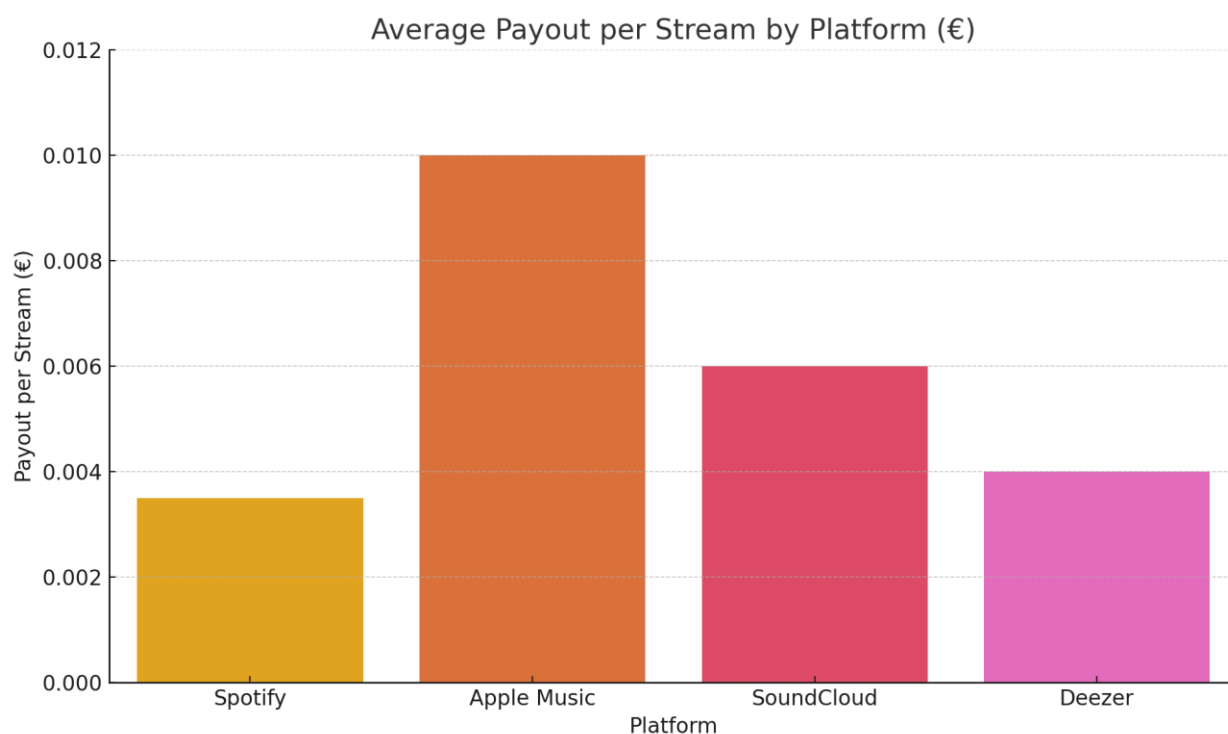


Figure 3. Average Payout per Stream by Platform

Reliance on Labels and Digital Distributors

Musicians often lack direct control over their earnings, as they rely on record labels and digital distribution services to reach audiences. Studies from the UK indicate that, after revenue splits with



labels, artists receive just 16.5% of total streaming income, while songwriters get only 10% (European Parliament, 2024). Independent artists who self-publish must still use third-party distributors like DistroKid or TuneCore, which impose additional fees and revenue cuts. Furthermore, streaming platforms prioritize major labels for algorithmic promotion and playlist placement, making it harder for independent musicians to compete (European Parliament, 2024).

3.2.2 Digital artists & Designers

This section explores the perspectives of two pilot groups—digital artists working with cultural heritage (UC1) and open-source designers and makers (UC3) – highlighting their collaborative practices, diverse media outputs, and emphasis on sharing and community-driven innovation. A common denominator between the two groups is their use of similar file formats and digital tools, which enables a shared basis for market analysis and service development.

Oversaturated Digital Art Market

Visual artists creating illustrations, graphics, or digital paintings face significant market saturation in the digital space. Platforms like Instagram, DeviantArt, and ArtStation allow for easy sharing of digital art, but this has also resulted in a highly competitive landscape, making it difficult for artists to stand out and sell their work (ProfitDuel, 2023). The sheer volume of free content available has driven prices down, devaluing individual artworks as consumers are accustomed to accessing art at no cost. Many digital artists resort to posting their work for free to build an audience, but this often fails to convert into sustainable revenue streams (ProfitDuel, 2023). Earnings are highly inconsistent, with some months bringing in commission requests or print sales, while others yield little to no income. Research confirms that new digital artists without an established customer base struggle to generate reliable income, contributing to financial instability within the sector (ProfitDuel, 2023).

Another major concern for digital artists is intellectual property theft. Due to the nature of digital distribution, artwork can be easily copied, shared, and even sold without permission. Many artists



find their work circulating online or printed on merchandise without their consent, demonstrating how digital art remains vulnerable to unauthorized use and exploitation (ProfitDuel, 2023). The burden of monitoring and enforcing copyright protection often falls on the individual artist, requiring significant time and effort, with limited legal recourse against offenders.

NFT Boom and Royalty Challenges

The rise of non-fungible tokens (NFTs) in 2020–2021 was initially seen as a revolutionary shift in digital art monetization. NFTs offered artists verifiable ownership of digital works, the ability to sell directly to collectors, and a built-in royalty mechanism, allowing them to earn a percentage of secondary sales (The Art Newspaper, 2023). This model promised greater financial autonomy compared to traditional digital distribution, where platforms or third parties often retained a significant cut of earnings.

However, the NFT market experienced rapid volatility that exposed several challenges. After the initial speculative boom, both trading volumes and average sale prices fell sharply, leaving many artists with NFTs that did not find buyers or with previously purchased tokens that lost much of their secondary-market value (The Art Newspaper, 2023). Marketplace policies also shifted, eroding the original promise of automatic resale royalties. Major venues such as OpenSea introduced an optional “tipping” approach to royalties in 2023, and others, including Blur, cut default royalty rates to 0.5 percent, which reduced artists’ opportunities to earn passive income on resales (The Art Newspaper, 2023). Together, these trends highlighted the risks of depending on platform-specific NFT models instead of adopting fully decentralised solutions that secure compensation for creators.

Despite these setbacks, the core innovation of NFTs (secure digital ownership and programmable royalties) remains a valuable tool for artists. The challenge now lies in developing models that protect creators’ long-term interests:



- ensure royalty enforcement,
- transparent transactions,
- sustainable monetization strategies that address the gaps exposed in early NFT adoption.



4 DAFNE+ Value Proposition and Offerings

This section focuses on how DAFNE+ addresses the pain points through decentralized ownership, transparent revenue distribution, and community governance. DAFNE+ addresses these challenges by offering a decentralized alternative that restores control to creators. Through blockchain technology, smart contracts, and community-driven governance, the platform provides direct monetization options, transparent revenue distribution, and long-term financial sustainability.

Concretely, DAFNE+ channels revenue to creators, makes fee logic auditable, and uses open curation signals rather than opaque ranking. Centralised platforms often impose high fees, apply opaque rules, and boost visibility through proprietary algorithms. In contrast, DAFNE+ channels revenue straight to creators, enforces royalties through smart contracts, and relies on an open-source recommender system that is steered by transparent, community-defined curation signals rather than commercial ranking priorities.

4.1 A Decentralized Platform for Ownership and Monetization

Digital creators frequently struggle with steep commission rates and locked-down revenue channels. DAFNE+ eliminates many of these bottlenecks by removing traditional intermediaries and operating on a blockchain network, where content ownership is anchored to an immutable ledger. This approach safeguards intellectual property and enables direct transactions between creators and their audiences. Rather than surrendering a percentage of earnings to streaming sites, online marketplaces, or third-party distributors, creators on DAFNE+ can collectively decide to receive a larger share of the revenue for each sale. The governance mechanism is explained in more detail in the following sections of this chapter.



Such innovations help address the “platform whiplash” effect identified earlier: creators no longer need to rely on a single corporate entity to process or approve their payouts. Instead, smart contracts automate revenue flow and instantly deliver funds whenever a transaction occurs. This model significantly reduces the waiting periods, policy shifts, and revenue cuts that have historically plagued digital creators.

4. 2 Fair Compensation and Direct Revenue for sound and music professionals

Sound and music professionals typically obtain only a small fraction of streaming revenue, and those earnings are reduced further by label and distributor fees (European Parliament, 2024). Figure 4 highlights how that concentration leaves the vast majority of artists with minimal income under the current system (Spotify, 2024). DAFNE+ addresses the imbalance through direct-to-fan sales, royalty-enforced secondary markets, and an open-source recommendation engine whose ranking criteria can be modified by the DAO. Smart contracts embed each contributor’s share in the asset and route payments automatically to composers, producers, and performers. This approach is designed to turn more transaction value into creator income and to distribute that income more evenly than the conventional per-stream model.



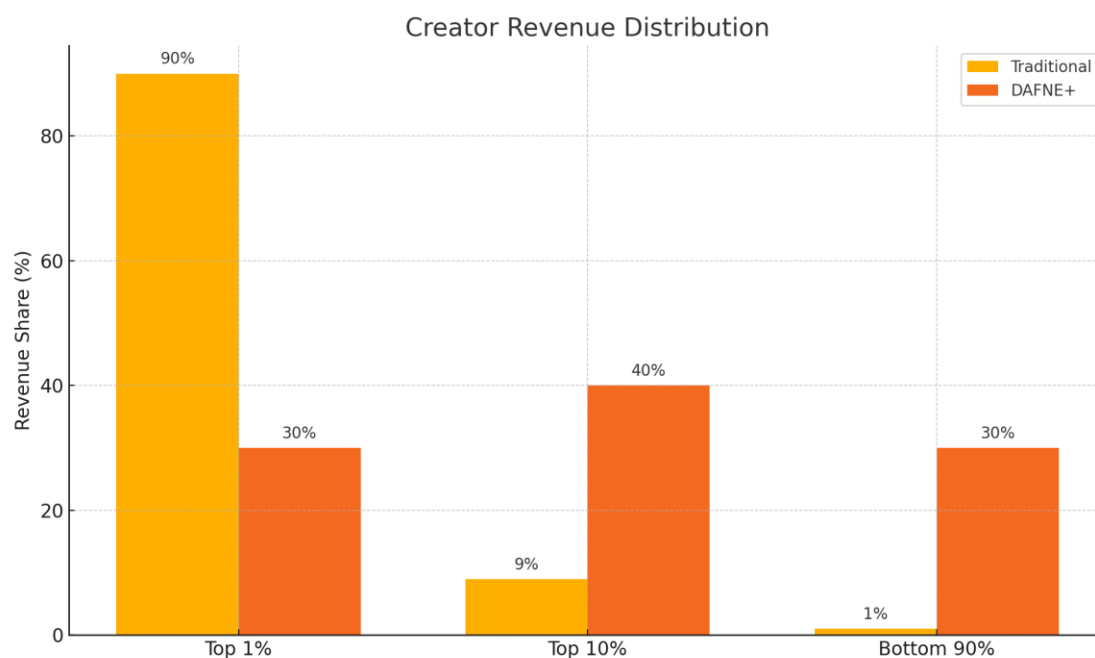


Figure 4. Creator-revenue distribution

Category	Traditional streaming*	DAFNE+ design goal**
Top 1 % of earners	90%	30%
Next 9 % (Top 10 % minus Top 1 %)	9%	40%
Bottom 90% of earners	1%	30%

Table 1. Most used streaming platforms shares compared to DAFNE+ revenue-split target

*Traditional shares reflect the concentration levels reported in Spotify's Loud & Clear transparency dashboard, where the top one percent of artists receives the vast majority of recorded streaming royalties (Spotify, 2024).



**DAFNE+ columns are targets derived from the project's royalty-split model (Deliverable D2.3, Section 5). They will be updated once live transaction data becomes available.

4.3 Securing Visual Artists' and Designers' Work and Royalties

The online art market has become increasingly saturated, with thousands of digital artists competing for visibility. At the same time, intellectual property theft remains rampant, as digital content can be copied, redistributed, and monetized without creator permission (ProfitDuel, 2023). DAFNE+ offers a solution by providing artists and designers with verifiable ownership, automated licensing, and secure revenue streams.

Every artwork and design uploaded during the pilot phase is time-stamped on chain, creating a tamper-resistant record of authorship. This ledger entry blocks undetected alterations or back-dating of ownership claims. The next development step is an on-chain licensing module that will let a creator specify whether a work is for private viewing, resale, or commercial reuse. When that module is complete, the licensing terms will be stored in a smart contract so that any future transaction can trigger the correct fee automatically and route funds to the owner without external enforcement.

NFTs remain a valuable tool for guaranteeing digital ownership and royalty enforcement, but early implementations have failed to protect creators. Major marketplaces have deprioritized artist royalties, allowing traders to bypass resale fees and leaving artists with little recourse (The Art Newspaper, 2023). DAFNE+ corrects this by embedding royalties directly into smart contracts, so that creators receive compensation for every resale. Unlike platform-controlled NFT marketplaces, where royalty policies can be changed unilaterally, DAFNE+ enforces perpetual royalty payments, guaranteeing ongoing revenue from digital art sales.



4.4 A Community-Governed Ecosystem through DAOs

One of the most common grievances creators express about mainstream platforms is the lack of direct influence over policies and revenue allocation. DAFNE+ proposes a decentralized governance framework intended to involve creators in shaping core rules and financial models, rather than leaving those decisions to a centralized authority.

Through a Decentralized Autonomous Organization (DAO) structure, the platform envisions having major decisions, from content moderation practices to revenue-sharing formulas, opened for community voting. In principle, token holders gain a channel through which they can propose changes, debate possible outcomes, and ultimately cast votes that guide the platform's evolution.

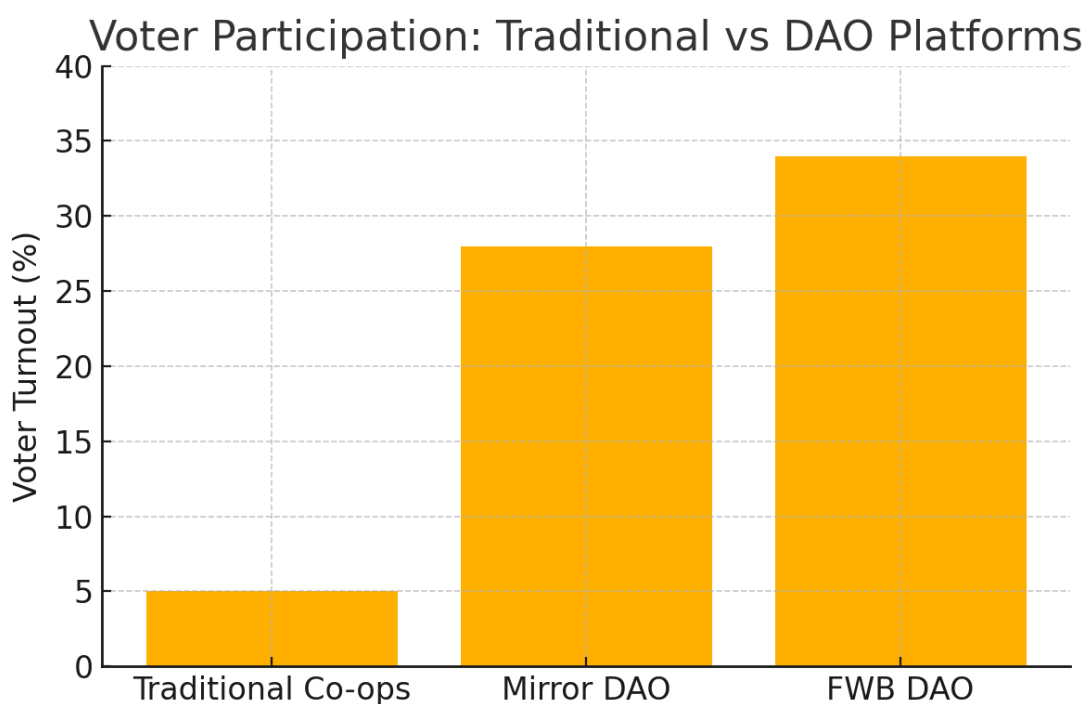


Figure 5. Average voter turnout on governance proposals



Figure 5 compares average voter turnout across three governance models. Surveys of European cultural co-operatives indicate that fewer than five percent of members typically cast a ballot in annual general meetings (International Cooperative Alliance, 2022). By contrast, Snapshot data published by Mirror shows that roughly twenty-eight percent of token holders voted on governance proposals during 2023 (Mirror, 2023). Friends With Benefits reports a thirty-four percent turnout in its 2024 community governance recap (Friends With Benefits, 2024). These figures illustrate that token-based DAOs tend to engage a far larger share of their member base than conventional co-operative structures. DAFNE+ will use these DAO participation benchmarks when refining its own incentive scheme and quorum rules.

This participatory approach is meant to reduce abrupt policy revisions, yet its success depends on whether governance mechanisms genuinely encourage broad and balanced creator input. While DAOs can offer more transparency than conventional top-down models, they also face the risk of low voter turnout or disproportionate influence by large token holders. Nevertheless, DAFNE+ aims to improve upon traditional platforms' opaque decision-making by disclosing proposals publicly and letting the community shape how content is circulated, monetized, and safeguarded.

If executed effectively, such open governance could help sustain a creator-centered ecosystem. However, the degree to which this model solves entrenched issues, such as unfair revenue splits or unpredictable moderation rules, will ultimately hinge on how well creators, token holders, and developers collaborate within the DAO.

4.5 The Technology Behind DAFNE+

While the detailed software architecture is presented in Deliverable D2.1 and the implementation of smart-contract components is described in Deliverable D4.2, this section summarizes the main design choices that support DAFNE+. The platform uses two Ethereum Virtual Machine (EVM) -



compatible blockchains, Ethereum (now proof-of-stake) and Polygon, to balance public auditability with low transaction fees suitable for routine creative workflows. Smart-contract modules govern licensing, royalty splits, and token voting, and are designed to be upgradeable through DAO decisions. Taken together, these elements establish a transparent framework for fair revenue distribution and long-term asset protection.

4.5.1 Blockchain Infrastructure

DAFNE+ relies on the proof-of-stake consensus models of Ethereum and Polygon, avoiding the energy costs once associated with proof-of-work systems. Polygon handles most day-to-day interactions because of its low transaction fees, while Ethereum is used to anchor critical data that benefits from a larger validator set. This dual-layer approach lets micro-payments and royalty disbursements clear quickly and at a fraction of main-chain costs, making small-value creative sales economically feasible (European Blockchain Observatory & Forum, 2023).

Security is essential. Each asset minted on DAFNE+ is linked to an on-chain record that proves authorship and timestamps every licence or resale event. Creators can verify ownership at any moment, and collectors can trace provenance without relying on a single central database. Third-party audits are accessible to everyone through Polygon, reinforcing transaction transparency.

4.5.2 Smart Contracts

One of the most transformative aspects of DAFNE+ is its smart contract system, which automates revenue distribution and enforces contractual agreements without the need for intermediaries. Smart contracts are self-executing protocols written into blockchain code that facilitate, verify, and enforce transactions based on predefined conditions (Szabo, 1997).

Smart contracts handle:



- **Instant Payments:** Creators receive revenue immediately upon content purchase, subscription, or royalty trigger, eliminating delays caused by platform-controlled payout schedules. Unlike YouTube or Spotify, where payments are disbursed on a monthly basis and subject to revenue cuts by payment processors, DAFNE+ transactions occur in real-time, ensuring liquidity for creators.
- **Royalty Mechanisms:** Each time a creative work is resold or redistributed, the original creator is compensated through automatic royalty enforcement. Unlike current NFT marketplaces, where royalties have become optional due to platform policy changes, DAFNE+ embeds royalties at the protocol level, preventing circumvention by secondary market traders (The Art Newspaper, 2023).
- **Decentralized Revenue Splitting:** For collaborative works, smart contracts distribute earnings according to predefined terms among multiple contributors, ensuring that musicians, producers, visual artists, or writers involved in a single project receive fair compensation without requiring a third-party payment processor.

4.5.3 Decentralized Storage and Content Permanence

Centralised platforms keep user files on company servers. When a service changes its terms or shuts down, creators can lose access to their work. DAFNE+ reduces that risk by storing published assets on peer-to-peer networks such as the InterPlanetary File System (IPFS). IPFS splits each file into hashed blocks and distributes them across many independent nodes; the resulting content identifier (CID) is then recorded by the smart contract so anyone can verify that the retrieved file matches the original upload (Benet, 2014).

This design provides three practical benefits:

- **Permanence.** No single operator can delete or alter a file once its CID is pinned by multiple nodes.



- Censorship resistance. Governments or hosting providers cannot remove a work unilaterally because copies are held by independent peers.
- Bandwidth efficiency. Requests are served by whichever node is closest, spreading traffic and lowering hosting costs.

During the current pilot the consortium runs its own pinning service to keep frequently accessed content online while the wider network of node operators grows. This arrangement is particularly useful for independent creators and educators who may be vulnerable to account closures or policy changes on centralised platforms.

4.5.4 Licensing Tools

Intellectual-property enforcement is often slow and costly for independent creators. DAFNE+ is prototyping smart-contract licences that let an author encode usage terms at the moment of minting, so that resale rights, permitted derivatives and royalty splits travel with the asset itself (De Filippi, 2018). The approach should make it easier to prove provenance and to automate royalty flows without relying on external collecting societies.

Current limitations are documented in Deliverable D6.1, which notes that standard legal frameworks for NFT licences are still evolving and that some rights, such as moral rights under EU law, cannot yet be embedded fully in code. As a result, the first release of DAFNE+ will launch with a small set of template licenses while the consortium continues to test more granular options with legal partners.

Through programmable licensing models, creators can specify:

- Commercial vs. Non-Commercial Use: Creators decide whether their work can be used for personal consumption, public distribution, or commercial resale, with smart contracts enforcing associated fees.



4.6 Advanced Creator Tools

DAFNE+ ships with a small set of utilities, most of them web-based, developed by consortium partners to support everyday creative tasks.

In the music domain the project maintains WebPd for running Pure Data patches in real time, RAVE for neural style transfer on audio signals, and Reality Check for testing new versions of work repositories. Each of these three tools has already been used in at least one internal pilot, so they are considered working prototypes rather than concepts on paper. More specifically, as presented in deliverable D3.2, RAVE was used during the project's timeframe by several thousand users and integrated into 3 commercial products by companies DataMind (UK), Qosmo (Japan) and IIL (Island) as described in deliverable D7.5. Notably, the business model developed by DataMind for its Combobulator product, which is based on RAVE, includes models learned from artists' audio materials, with 50% of the income being paid back to these artists.

For visual work the current toolkit includes a webcam and video based pose-estimation demo, an image-to-mesh object-reconstruction pipeline, and a style-transfer script that alters the visual appearance of an image by changing colors, applying different artistic styles—such as Cubism—and modifying its overall shape and structure. These visual utilities have only been shown in laboratory settings, therefore they remain proofs of concept while user feedback is still needed. All outputs (WAV files, OBJ meshes, PNG images) conform to open standards so that creators can refine the material in their usual desktop software before returning an updated version to the project's shared storage space.

The software architecture is deliberately simple. Files are first written to a user's local drive and can then be pinned to an IPFS node operated by the consortium, which removes the need for a central



media server. Each time a new IPFS content identifier is generated, a lightweight on-chain transaction records that hash together with the wallet address of the person who saved it, creating a public provenance trail without placing large binaries on the blockchain. This combination of open file formats, peer-to-peer storage, and minimal on-chain logging is intended to give creators a distributed workflow in which they keep full control of their source material while still benefiting from collaborative editing and transparent version history.



5 Market Analysis

Over the past decade Europe's creator scene has moved beyond small hobby groups and now forms a sector worth several billion euros. Venture funds, cultural institutions and regulators follow it closely. Growth, however, is uneven. Markets remain divided by national borders, language communities, creative disciplines and the gravitational pull of large platforms. Charting these fault lines is the first step in identifying where DAFNE+ can differentiate itself among established Web2 giants and the new wave of Web3 projects.

5.1 Size and Segmentation of the European Creator Economy

Labour-force surveys, platform disclosures, and academic estimates place the number of Europeans who earn at least part of their income from digital cultural production between thirteen and fifteen million (GIJN, 2020; Hallinan et al., 2024). Activity clusters along linguistic and sector lines: Germany and the Nordics concentrate on gaming and live streaming, France maintains robust literary and culinary scenes, the United Kingdom leads influencer marketing and podcasting, while Southern Europe shows rapid uptake among visual storytellers and independent musicians (GIJN, 2020). Gen Z and millennial adults represent the fastest-growing cohort; a majority now regard content creation as a credible career path rather than a side hobby (Hallinan et al., 2024).

Average annual growth of the overall creator population has held near twelve percent since 2019, yet income distribution remains sharply skewed. Fewer than five percent of creators capture more than half of total payouts, underscoring structural demand for models that widen access to revenue, credit, and audience insight (European Parliament, 2024). The appeal of direct fan engagement persists despite financial precarity; creators increasingly combine platform monetisation with merchandise, memberships, and philanthropic support to build resilience (Srivastava, 2019).



The European NFT market is significant and growing: according to Grand View Research, Europe's NFT market is expected to reach **USD 56.6 billion by 2030**, with a CAGR of ~34.4%.

Europe non fungible token (nft) market, 2020-2030 (US\$M)

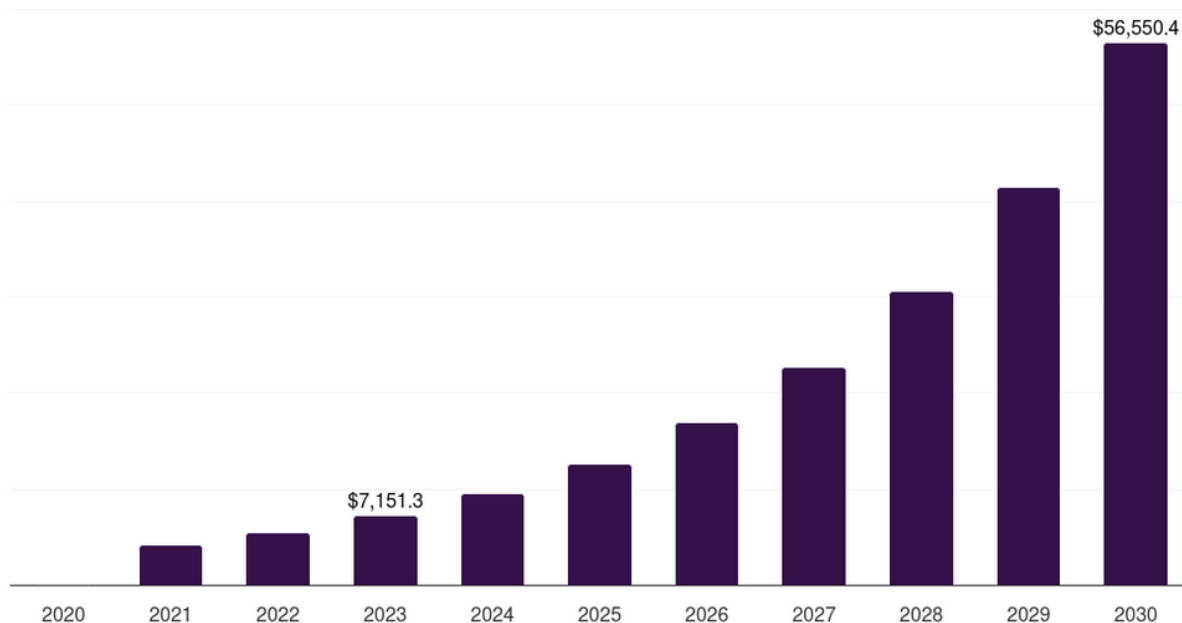


Figure 6. Europe Non-Fungible Token Market Size Outlook

The figure above suggests there's room for specialized platforms: not just for high-volume speculative trading, but for niche, community-driven, creative-economy use cases.

DAFNE+ is not competing purely on volume, but on **quality, co-creation, and shared value** – targeting creators, cultural institutions, and communities that care about provenance, control, and fair revenue sharing.



It also has potential for **educational spin-offs** (training, DAO-based collaboration) which further solidify its presence in the creative Web3 ecosystem.

5.2 Web2 Competitive Landscape

Incumbent platforms (YouTube, Instagram, Spotify, Twitch, Etsy, Patreon) define baseline expectations for reach, tooling, and analytics. DAFNE+ differentiates on licensing clarity, provenance, and community governance. Algorithmic visibility can shift without notice, a phenomenon that researchers describe as “platform whiplash” because small policy tweaks can erase a creator’s income overnight (Constine, 2020). Secondary services such as SoundCloud for music, Bandcamp for direct sales, or Behance for portfolios, offer targeted improvements but remain confined to single media formats, leaving cross-disciplinary creators to juggle multiple accounts and revenue statements. Persistent churn and low median earnings across all Web2 venues confirm a structural gap that a cross-media, low-fee alternative could address (Hallinan et al., 2024).

5.3 Web3 Competitive Landscape

First-generation NFT marketplaces solved verifiable ownership but left earnings volatile. Platforms such as OpenSea and Rarible attract the largest buyer pools, yet royalty settings are optional and recorded turnover is distorted by wash trading, the practice of moving a token between wallets controlled by the same actor to inflate volume and price (The Art Newspaper, 2023; European Blockchain Observatory & Forum, 2023). Music-centric portals such as Audius, Pianity, and Anotherblock prove that on-chain splits and fractional royalties work, but each serves only the audio niche and fails to reach the wider creative sector (Cointelegraph, 2022; Gemini, n.d.). Mirror lets



writers mint essays, while Lens Protocol experiments with user-owned social graphs; both still demand self-custodied wallets and gas fees that deter non-technical artists (CryptoForInnovation, n.d.). Usage data show that daily volumes across most single-domain Web3 sites remain too low to fund mid-tier creators, indicating that decentralisation alone cannot deliver stable income without broader market reach and enforceable royalty rules (European Blockchain Observatory & Forum, 2023).

5.4 Regulatory Climate in the European Union

The Digital Services Act, the Markets in Crypto-Assets Regulation, and the Copyright in the Digital Single Market Directive define the compliance perimeter for any creator-oriented platform. Operators must provide transparent moderation workflows, publish clear token documentation, and guarantee that licensing data is verifiable. GDPR governs any personal information linked to blockchain identifiers. Projects that embed privacy-by-design architectures, audited smart contracts, and EU-based legal wrappers will face fewer hurdles when partnering with public institutions or applying for creative-sector grants (European Blockchain Observatory & Forum, 2023).

5.5 Positioning of DAFNE+

The fee-sharing and subscription workflows described in the following sections establish DAFNE+ as a hybrid between creator-run cooperatives and commercial marketplaces. European surveys list three recurring demands from independent creators:

- clear commission ceilings,
- royalties that follow a work across formats,
- and formal voting rights on platform rules (European Parliament, 2024).



DAFNE+ meets those demands with a tiered fee schedule that begins at one/two percent for micro-sales and never exceeds ten percent on high-value trades. One smart-contract library handles music, visual art, text, and mixed-media licensing, while every royalty is encoded in EIP-2981 metadata so secondary markets cannot ignore creator splits. All major spending and policy changes pass through an on-chain proposal system that any token holder may join, giving users a documented influence over treasury allocations and feature road-maps.

The organization that executes this business plan is ideally a not-for-profit association registered inside the European Union. Its role is to maintain the codebase, publish transparency reports, and act as data controller under the GDPR; it does not collect profit beyond the treasury share already defined in the revenue model. Locating the legal wrapper within the Union brings every token and treasury operation under the Markets in Crypto-Assets Regulation, while keeping day-to-day control in the hands of the DAO community. This combination of EU compliance, multi-media royalty enforcement, and participatory budgeting positions DAFNE+ as a potential interoperable infrastructure layer for museums, labels, design studios, and public cultural programmes, rather than as a single-purpose NFT outlet or a fee-extracting service provider.



6 Business Model & Monetization Strategy

This section presents the business and monetization strategy designed to ensure the long-term sustainability of the DAFNE+ platform. Building on user insights, technical capabilities, and validation activities conducted throughout the project, the models outlined here describe how decentralized content management, creative provenance, and community governance can support new economic opportunities for creators and institutions. The following subsections introduce a suite of complementary revenue and adoption pathways, each intended to strengthen creator autonomy, reduce reliance on intermediaries, and foster resilient digital ecosystems. While these models provide a structured foundation, their final deployment remains subject to further user testing, governance approval, and legal assessment.

6.1 Co-owned creative platform

DAFNE+ pursues a multi-dimensional revenue strategy built around four core models. Each channel has been designed to reinforce creator empowerment, foster community engagement and ensure long-term economic sustainability. Unless otherwise stated, the revenue models outlined in this section refer to planned or piloted features whose implementation depends on further testing, governance ratification, and legal review.

The definition of these four business models also satisfies KPI_20: “Short term: New business models defined and supported by DAFNE+ platform > 4”, where we take the threshold to be greater or equal to 4.

The following Business Model Canvas - Figure 7, provides a structured overview of the key elements underpinning the proposed strategy, summarising the value proposition, customer segments, revenue streams, and operational foundations of the DAFNE+ model



Co-owned Creative Platform

Key Partners Artists cooperatives, Museums, Galleries, Festivals, Commercial activities - brands interested in NFT marketing, Funders - EU innovation & education grants	Key Activities Attracting collectors, Ensuring an adequate range of services/ skills is available, Support the selling of co-created items Key Resources A mechanism that enables trading, customization, support	Value Proposition Enable artists to set rules and fees, collaborate and have transparent payments, copyright protection and control over the creative journey	Customer Relationships Co-creation, Digital community, Possibility to become a co-owner (DAO membership) Channels Specialized digital channels, Social media, Referrals and word of mouth	Customer Segments Art Enthusiasts & Collectors, Commercial clients, Investors
Cost Structure Development and Infrastructure, Operations and Support, Legal team, Marketing		Revenue Streams Transaction fees, Subscription and Token access, DAO investment, Charge personalized items		

Figure 7. Business Model Canvas

6.1.1 Transaction Fees and Revenue Sharing

DAFNE+ envisions routing every paid action through a single on-chain contract that first deducts the platform fee, then distributes the net revenue, and finally embeds a resale royalty when the transaction involves an NFT. The fee component is designed to be tiered to balance affordability with operational sustainability. Transactions under fifty euro carry a one-percent fee, sales between fifty and four hundred ninety-nine euro carry a three-percent fee, and transactions of five hundred euro or more carry a seven-percent fee. This sliding scale mirrors practices observed in other digital-asset markets and is cited in the literature as a workable compromise between inclusivity and cost recovery (Ferreira et al., 2019).



Once the fee has been removed, the contract is intended to allocate the remainder according to a default seventy–twenty–ten model: seventy percent to the primary creator, twenty percent to named collaborators, and ten percent to the DAO treasury. All parties must approve any deviation from this template before the asset goes live, which prevents later disputes and removes the need for intermediaries to manage splits. The prototype enables collaborators to be paid directly from the contract, avoiding the lengthy settlement periods that are common in traditional distribution channels (European Parliament, 2024).

For NFTs, the contract also writes an eight–percent royalty into the ERC-2981 metadata so that every subsequent resale triggers the same automated split. Creators and collaborators therefore continue to earn without renegotiating terms for each secondary trade.

The tiered–fee contract is particularly relevant for limited–edition NFT drops. A release priced at seven hundred fifty euro, for example, triggers the seven–percent fee, after which the net amount is divided in the seventy–twenty–ten ratio. If three collaborators are listed, each receives one–third of the twenty–percent pool, or six–point–six–seven percent of the net sale price. This royalty clause has the potential to guarantee that the same percentages are applied whenever the token is resold.

Market dashboards on Pianity show that independent artists earned an average of about 2200€ euro per primary drop in 2023 (Pianity, 2023). Sound.xyz reports similar results for 2024 (Sound, 2024). These figures often surpass an artist’s annual streaming income for the same catalogue. Because the buyer receives only a unique digital collectible and no claim on future cash flow, internal counsel has classified the token as outside the scope of asset–referenced or e–money tokens under the current MiCA text (European Commission, 2023).

Below is a diagram that illustrates how the transaction fee and revenue sharing model functions:



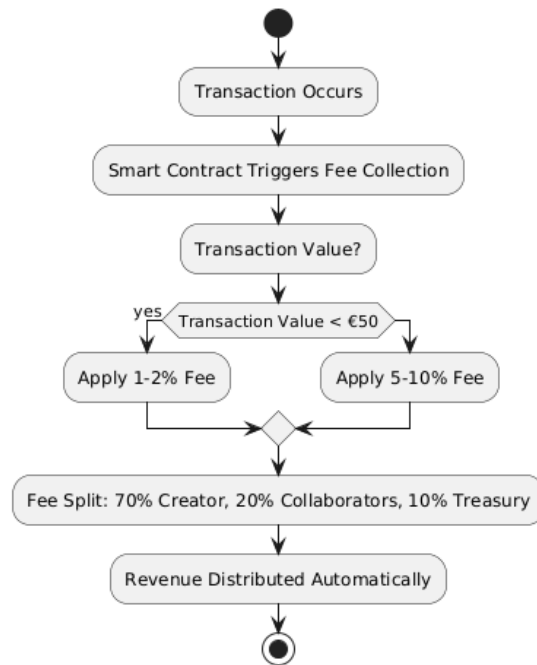


Figure 8. Automated fee collection and split for a primary NFT sale

Figure 8 illustrates the process described above. The diagram shows the gross payment entering the contract, the automatic deduction of the tiered fee, the distribution of net proceeds to creator, collaborators, and treasury, and the insertion of the resale-royalty field that preserves the same split on secondary markets.

6.1.2 Subscription and Token Access Model

DAFNE+ is designed to link its creator-side production suite to two complementary access products for audiences: a conventional euro-denominated subscription and a blockchain token that grants comparable privileges.

A planned DAFNE+ user flow envisions a creator signing in, accessing an analytics console, and adjusting release or pricing strategy while working with integrated audio-visual tools. Once the



work is published, visitors would reach a storefront and be guided through one of two checkout paths. For users with a crypto wallet, the interface would highlight an NFT membership pass or a staking option involving native platform tokens. For users preferring conventional payment methods, the interface would default to a monthly card payment of approximately €4–€5, a price range that earlier studies identify as acceptable for exclusive content subscriptions (Hallinan et al., 2024).

Regardless of rail, a non-custodial smart contract handles settlement. Ninety-three percent of each payment routes automatically to the creator wallet and seven percent to the platform account that funds hosting, moderation and user support. Any future change to that ceiling must be passed by a DAO proposal that reaches the five-percent quorum written into the governance charter. Once payment clears, the contract issues either an ERC-721 membership token or an internal access credential that unlocks gated stems, behind-the-scenes posts or private livestream links. Usage would be logged on-chain in the proposed design, so that creators can track retention and buyers can verify ongoing rights without third-party audits.

This proposed combination of software tools and recurring access revenue is intended to create a feedback loop: an envisioned analytics dashboard would inform content strategy, memberships would provide ongoing value to fans, and treasury inflows could support future open-source maintenance and creator grants. In this way, the model aims to blend the predictability of fiat-based subscriptions with the composability and secondary-market potential of tokenised access passes.



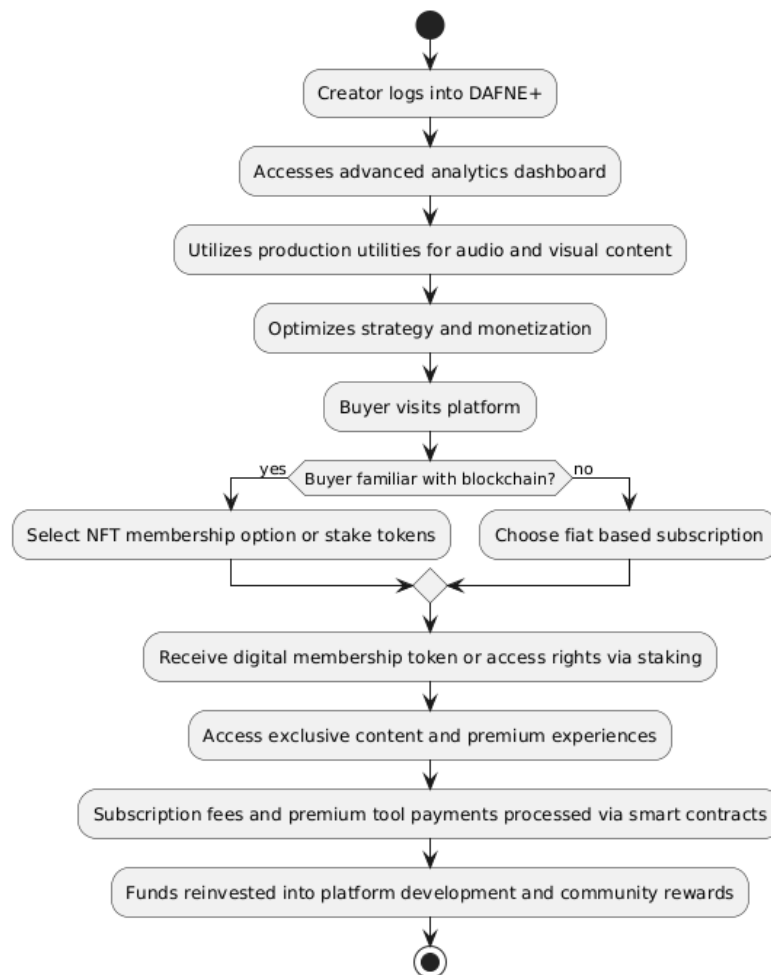


Figure 9. Access Workflow for Subscription and Token Models

The diagram shows the parallel routes a fan can take after arriving on DAFNE+. Creators first log in, review analytics and refine their release plan. When a buyer lands on the page, the system checks whether the visitor is comfortable with blockchain payments. If yes, the buyer can obtain access by (a) purchasing an NFT membership or (b) staking the platform token. If not, the visitor can choose a straightforward euro-denominated subscription. Whichever path they follow, a smart contract issues the appropriate access right, unlocks premium content and forwards the fee to the creator.



6.1.3 DAO-enabled collaborations

DAFNE+ proposes a collaboration module that allows groups of creators and supporters to pool funds, vote on project budgets, and share future income by means of smart contracts. Each collaboration is organised as a mini-DAO that operates on top of the core governance layer. Participants obtain governance tokens—earned through platform activity or purchased directly—that confer two rights: first, to table and vote on funding proposals, and second, to receive a proportional share of any future royalties that the project generates.

The model is designed to generate revenue in three ways. First, when a collaboration DAO meets its funding target and the smart contract disburses capital to the artist, three per cent of the raised amount is transferred to the DAFNE+ treasury as an administration fee. Second, the publication contract tied to every funded work divides gross earnings automatically: seventy per cent to the lead artist, twenty-five per cent to the DAO wallet, and five per cent to DAFNE+. Third, if the collaboration later issues additional governance tokens to new supporters, a one-per-cent minting surcharge flows to the platform.

The module offers several distinctive features. It enables decentralized co-creation, so artists, producers, designers, and fans can finance recording sessions, video shoots, or virtual exhibitions without relying on a central intermediary. All payouts are designed to be automated: streaming or licensing income arrives in the contract and is distributed immediately according to the on-chain ledger of contributions, removing the long settlement delays often reported in conventional label agreements (European Parliament, 2024). In addition, the collaboration treasury is controlled by token holders, who may vote to reinvest collective royalties in follow-up projects such as remixes or paid advertising.

A typical use case is a music collective that issues one hundred governance tokens at ten euro each. Members propose several ideas and vote to allocate six hundred euro for a studio session with an emerging singer. When the resulting track earns streaming royalties, the contract pays



seventy per cent to the singer, twenty-five per cent back into the collaboration treasury, and five per cent to DAFNE+. The DAO can then decide to use its accumulated share to fund a video clip, keeping creative and financial control within the community. Every transaction in this process is subject to the standard platform fee schedule set out in Section 6.1.

This model aligns incentives for all parties. Smart contracts are intended to ensure that collaborators are paid transparently and promptly. Fans who finance projects gain both ownership tokens and a clear voice in creative decisions, an approach that long-term studies link to higher audience retention (De Filippi & Wright, 2018). Because treasury spending is decided by token vote, funding priorities can adapt quickly to changing audience interest, matching participation rates of twenty-eight to thirty-four per cent observed in established cultural DAOs such as Mirror and Friends With Benefits (Mirror, 2023; Friends With Benefits, 2024).



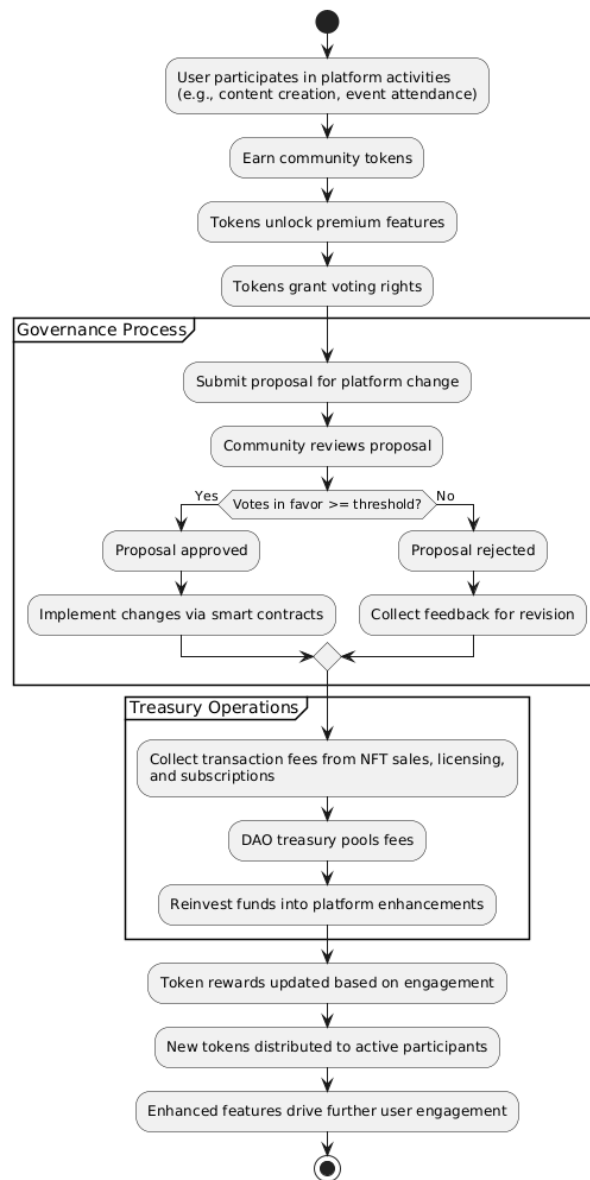


Figure 10. DAO-enabled collaboration and treasury cycle

The flow-chart illustrates the full lifecycle of a collaboration DAO. Users earn tokens for creative activity, unlock premium tools, and gain voting rights. Proposals that reach quorum release funds to



artists. Subsequent royalties flow back through the publication contract, distributing revenue to the artist, the DAO, and the DAFNE+ treasury. The refreshed treasury then finances new proposals, creating a continuous loop between creative output and community-governed reinvestment.

6.1.3.1 Community Survey Insights on Governance and Participation

To validate the DAO design, DAFNE+ conducted a community survey to better understand user expectations around platform ownership, governance incentives and voting delegation. As also mentioned in D5.2, given users did not have enough time to experiment with governance on the platform, we decided to ask precise questions to understand what form of DAO would be best suited of our domain. These questions replace the more abstract question underlying KPI_1 Increase in possibilities for media creators and composers to control own communities without external interferences ≥ 4 (in 5 points Likert scale).

Between January and June 2025 the consortium circulated an online questionnaire to users who had tested the second-release prototype. Eighteen fully completed responses were received (the User Survey questions are reported in Appendix A of this document). Although the sample is small and self-selected, the answers give a first indication of attitudes toward decentralised governance, voting incentives and delegation preferences.

- **Platform model.** Twelve respondents chose “Option A – the co-owned, voting-based version of DAFNE+”, while six preferred a professionally managed Software-as-a-Service model. This two-to-one split (≈ 67 percent in favour of the DAO option) suggests that an early-adopter audience is willing to invest time in participatory decision making if the process is clear and the software is open source.
- **Incentives to read, review and vote for proposals.** The most frequently selected motivators were “earning tokens”, “early access to resources or events” and “greater voting



power”. Respondents also valued “special badges or titles” that recognise ongoing contributions. These findings support the inclusion of non-financial reputation rewards alongside token yields in the final incentive design.

- **Delegation criteria.** When asked how they would pick a proxy in cases where time or expertise is limited, users cited personal trust, transparent track records of past votes, and verifiable skill certifications as decisive factors. This aligns with the plan to publish delegate voting histories on-chain and to let the DAO badge contributors who hold relevant domain knowledge.
- **Governance priorities.** In an open-ranking exercise, respondents placed “open-source code”, “clear, simple and transparent decision-making procedures” and “clear maintenance and infrastructural costs” at the top of the must-have list for a co-owned platform. These priorities will guide the drafting of quorum rules and budget-disclosure formats in the next governance iteration.
- **Implications for token design.** The survey confirms that utility tokens should confer both tangible perks (reduced fees, early feature access) and voting rights. It also underlines the importance of low-friction delegation tools so that members who lack technical expertise can still be represented without abandoning the DAO altogether.

6.1.4 Strategic Partnership Opportunities

The commercial programmes described in this document are expected to be executed by a DAFNE+ Operating Entity, which may take the form of a non-profit association or similar legal structure. This entity would act as data-controller, contract counter-party, and employer of the small operations team that maintains the codebase and negotiates external partnerships. The association will act as data-controller, contract counter-party, and employer of the small operations team that maintains the codebase and negotiates external partnerships. Its statutes require that major



strategic or financial decisions are ratified by the DAFNE+ DAO, so the creators who hold governance tokens remain the ultimate authority while day-to-day compliance and invoicing are handled by a legally recognised body. All references to “we” in this chapter therefore designate the Operating Entity acting under mandates approved by DAO vote.

Partnership activity is organised in four tracks. First, existing consortium members—including IRCAM, the School of Digital Arts at Manchester Metropolitan University, and Fab City Foundation—pilot institutional storefronts on the test network, contribute specialist learning modules, and co-host public demonstrations of fair-payment workflows.

Second, museums, galleries, and festivals that wish to experiment with blockchain distribution can license a white-label version of the marketplace. Standard terms allocate at least fifteen per cent of primary-sale proceeds to the host institution, ten per cent to the DAFNE+ treasury, and the balance to participating creators. Resale royalties are enforced automatically by the same ERC-2981 contract used on the core site. This arrangement mirrors earlier cultural experiments such as “Proof of Art” at the Francisco Carolinum Linz, which demonstrated audience appetite for authenticated digital editions (The Art Newspaper, 2024).

Third, technical alliances ensure that the service remains affordable and interoperable. Benchmarking carried out in Deliverable D5.1 showed that Polygon’s proof-of-stake network holds average transaction fees below €0.05, making it suitable for micro-ticketing and fan badges. The roadmap therefore schedules a Polygon integration test in Q4 2025, followed by an external security audit of the bridging contracts. Parallel talks with IPFS pinning providers will guarantee that assets minted by heritage institutions satisfy long-term preservation standards cited in their collection policies.



Fourth, brand activations provide marketing reach and external capital. DAFNE+ requires each partner activation to fund at least one public workshop alongside any commercial campaign; contracts emphasize compliance (MiCA, Copyright Directive, GDPR) and consistent reporting. Demonstrating the commercial potential of sponsored releases (The Art Newspaper, 2024). DAFNE+ will adapt this model by requiring each partner brand to fund at least one creator residency or public workshop alongside the commercial drop, linking promotion to tangible cultural output. Fees are negotiated per campaign but never fall below fifteen per cent of primary-sale revenue or a flat €5 000 integration charge, whichever is higher. All agreements include MiCA, Copyright Directive, and GDPR checklists identical to those applied to creator uploads, and a summary of each activation is filed with the Commission in the quarterly management report.

Because every partnership contract channels a share of income to the DAO-controlled treasury, creators collectively benefit from institutional and commercial collaborations while the Operating Entity carries the administrative load and regulatory liability. This separation of strategic oversight (DAO) and execution (association) responds directly to reviewers' requests for clarity about "who does what" and aligns the business plan with standard EU accountability requirements.

6.1.5 Validation

This subsection documents the qualitative validation conducted for the Co-Owned Creative Platform model prior to the definition of the Training Centre. The objective was to verify assumptions regarding shared authorship, governance participation, and revenue distribution, and to capture user requirements that informed the co-creation and DAO mechanisms presented in Section 6.1.



6.1.5.1 Method

Validation followed a semi-structured interview protocol and UVP workshops conducted with creators, researchers, collectors, and Web3 practitioners. Interviews explored: (i) expectations around authorship/attribution; (ii) incentives for contributing to shared works; (iii) comfort with governance workflows (proposal, quorum, voting, treasury); and (iv) transparency needs for licensing and resale. Sessions were recorded, transcribed, and thematically coded; outputs were triangulated with pilots observations reported in D5.1/D5.2

6.1.5.2 Participants

- User A: Digital art designer & researcher.
- User B: Digital fabrication designer & researcher.
- User C: Web3 collector/curator.
- User D: Web3 collector-investor & developer

(Additional information inputs were gathered during UVP workshops; see D5.2 Section 5.3)

6.1.5.3 Instrument (topics and prompts)

Prompts covered: authorship claims across multi-contributor workflows, visibility of credit, comfort with on-chain identity, acceptable thresholds for proposal submission and voting, expectations for royalty splits and re-licensing, dispute-resolution preferences, and minimal transparency for collectors.

6.1.5.4. Findings

1. Attribution and authorship: Creators asked for granular, human-readable credit across roles (composer, designer, editor, fabricator) and for versioned provenance suitable for iterative, networked works. This directly motivated the model's "multi-role attribution" pattern and contribution logs associated with each asset.
2. Incentives and revenue sharing: Participants preferred pre-agreed split templates (e.g., equal, role-weighted, time-weighted) selectable at project start, with the ability to adjust splits upon major



version updates. This requirement informed the DAO-mediated royalty configuration and the library of split presets included in Section 6.1.2.

3. Governance usability: Non-technical users were wary of “governance fatigue.” They requested clear thresholds for proposal creation, minimal quorum rules, and delegation options to trusted peers. As a result, the model includes progressive disclosure of governance features (view, comment, delegate, vote), default quorum settings, and optional delegation to role-based trustees.

4. Transparency for buyers/collectors: Collectors prioritised plain-language licensing (what rights are granted), visible edition constraints, and a summary of past modifications. This informed the collector-facing record: an at-a-glance provenance and license panel surfaced at purchase time and attached to each tokenised edition.

5. Dispute handling and reversibility: Users recommended a lightweight pathway for soft disputes, preferring mediated corrections over hard reversals. The model therefore embeds an off-chain mediation step with on-chain amend events that preserve history while updating attribution or splits.

6. Adoption risks and threshold: Across interviews, the most cited blockers were complex onboarding and fear of irreversible mistakes. While these findings later motivated the separate Training Centre in Section 6.2, within the co-owned platform they led to the inclusion of guided proposals, transaction previews, and safe-mode dry-runs before committing governance actions.

6.1.5.5 Implications for the model

The above themes map to concrete design elements in Section 6.1: (i) role-based multi-party attribution, (ii) selectable split templates with on-chain amendments, (iii) staged participation and



delegation, (iv) collector transparency cards, and (v) mediated correction flows. Collectively, these elements operationalize the co-ownership thesis as a governable, auditable.

6.1.5.6 Limitations

The validation set is qualitative and oriented towards early adopters, it does not substitute for longitudinal telemetry at scale. However, convergence across profiles (creators vs collectors) and triangulation with pilot reports support the external validity of the identified requirements pending larger pilots.

6.2 Training Centre for Decentralized Content Management & Creative Provenience

6.2.1 Context

The proposal for a Training Centre for Decentralized Content Management & Creative Provenance arises from the observations gathered during the DAFNE+ pilot activities and user research. Across the IAAC and MMU use cases, as well as the expert interviews conducted in WP6, creators and researchers repeatedly highlighted the need for structured education, accessible onboarding, and clear ethical frameworks when engaging with decentralized infrastructures. The analysis confirmed that while technical functionalities such as minting, licensing, and DAO participation are operational, their effective use depends on a degree of digital literacy that most creative professionals currently lack.

According to the European Commission's 2023 Digital Economy and Society Index, 42% of EU citizens lack basic digital skills, and more than 70% of cultural institutions report insufficient internal capacity to manage digital workflows ([European Commission, *Digital Economy and Society Index 2023 - Human Capital*](#)). At the same time, the European EdTech market is projected to reach



€48 billion by 2030, growing at an annual rate of approximately 14% ([HolonIQ](#), [Europe EdTech 2023-2030 Market Outlook](#)). This gap between institutional capability and technological change is driving sustained demand for structured, practice-based digital training, particularly in higher education and the cultural sector. These indicators reinforce the Training Centre as a relevant and timely model.

Operational capacity note: Running workshops, partner-delivered courses, and certification requires steady organisational capacity. At minimum, DAFNE+ maintains: (i) programme coordination (calendar, cohort ops, instructor onboarding), (ii) partner management (MoUs, delivery QA, co-branding), (iii) learner support (enrolment, communications, accessibility), and (iv) assessment integrity (content versioning, identity verification, credential issuance). These resources are treated as a standing capability, not one-off project tasks.

6.2.2 Key Learnings

1. Market volatility requires flexibility: Dependence on speculative digital markets undermines sustainability. Educational and institutional uses provide stability and public value.
2. Sandboxed environments are essential: Test-nets enable experimentation without financial or ethical risk, ensuring compliance with the “Do No Significant Harm” principle.
3. Knowledge transfer as impact: When and if commercialization is not viable, re-using project outputs for training, teaching, and open educational resources ensures continuity and legacy.

6.2.3 Monetization strategy

The Training Centre for Decentralized Content Management & Creative Provenance turns the project’s core technologies into an educational service:



- Modular online courses and labs for universities, cultural institutions, and creators
- NFT-based digital credentials verifying learning outcomes
- Testnet-based sandbox ensures safe experimentation

Delivery pacing for paid offerings depends on the Training Centre's operational capacity described in Section 6.2.1. If coordination or partner bandwidth becomes constrained, new cohorts and programmes are deferred rather than diluted.

The Business Model Canvas from Figure 11, summarizes the core components of the proposed strategy at a glance:

Training Centre

Key Partners Technical partners, Universities, Cultural organizations and FabLabs, Funders	Key Activities Bite-size courses, Hands-on labs - sandboxed with real chains or local testnets, NFT certification	Value Proposition Enabling digital content creators to build blockchain literacy in creative provenance and decentralized content management	Customer Relationships Personal service (deliver training), Co-creation (skills development), On-demand services	Customer Segments Universities and companies for skills development, Career-oriented individuals, Creative organizations for domain-specific training
	Key Resources Expertise & course content, Instructors, Use case pilots		Channels Social media, Build relations with organizations, Online content delivery	
Cost Structure Development and Testnet infrastructure, Time to deliver training Time to develop content and market the course			Revenue Streams University licensing / white-label – per-site or per-student fee + integration, B2B subscription / seat licensing – corporate teams pay per seat/month or an annual contract, B2C paid courses & bootcamps, Certification fees, Grants / public funding – for educational pilots (especially in EU cultural/education programs)	

Figure 11. Business Model Canvas



DAFNE+ Training Centre within a testnet environment offers significant advantages in both security and economic efficiency. By remaining in a controlled blockchain ecosystem, the platform ensures a safe, risk-free space for learners and institutions to experiment with smart contracts, digital asset management, and provenance tools without incurring real-world financial exposure. This controlled setting prevents accidental token losses, eliminates gas fees, and protects users from potential market or cybersecurity threats associated with live blockchain networks. Economically, the testnet mode enables cost-effective scalability, allowing the consortium to train large groups of users, simulate complex asset flows, and validate transaction logic before full deployment. It thus functions as a sandbox for innovation, ensuring that all educational and technical outcomes are securely tested and optimized before transitioning to mainnet or production environments.

The Training Centre is conceived as a hybrid educational and validation infrastructure, integrated into the DAFNE+ ecosystem. Its purpose is to strengthen user adoption through a combination of capacity building, knowledge transfer, and verifiable credentialing. Each module introduces a specific component of the DAFNE+ architecture such as decentralized storage, metadata provenance, or smart-contract licensing before guiding participants through a practical exercise on the DAFNE+ sandbox. Upon completion, participants receive a non-transferable blockchain certificate representing proof of competence.

The pedagogical framework is structured around four main thematic pillars:

1. Decentralized content management and licensing, introducing participants to token-bound licences and version control;
2. Creative provenance and authenticity, addressing verification mechanisms for digital and physical hybrid assets;



3. DAO governance and community participation, focusing on decision-making processes, treasury management, and transparency;
4. Law, ethics and sustainability covering intellectual property, GDPR compliance and environmentally responsible digital creation

The Training Centre follows a service-oriented business model that aligns with comparable European blockchain education initiatives such as B9Lab and ConsenSys Academy. Revenue will derive from three complementary streams: (1) individual course and certification fees; (2) institutional partnerships with universities, cultural foundations, and innovation hubs for the co-delivery of tailored programmes; and (3) white-label licensing of the curriculum and sandbox infrastructure to third parties under annual agreements.

A portion of generated income (target 10 %) will be redirected to the DAFNE+ DAO treasury to support open-access educational resources and community grants. Implementation will proceed in three phases:

- **Phase I (2026–2027):** pilot training sessions with consortium partners and selected creative communities;
- **Phase II (2027–2028):** expansion through collaborations with higher-education institutions and Creative Europe networks;
- **Phase III (2028 onwards):** integration into the broader European digital-skills ecosystem, enabling continued operation beyond the project's lifetime.

6.2.4 Economic Viability

The economic case for the Training Centre rests on three levers:



1. Predictable Institutional Spending: Universities and cultural institutions purchase training within fixed annual budgets. Even a small number of recurring licenses can underwrite the core operating costs of the Centre, which significantly reduces financial risk.
2. Low Marginal Cost p/Learner: Once course modules and sandbox environments are developed, the cost to onboard additional learners is modest. This creates a favourable cost curve where marginal revenue grows faster than marginal cost.
3. Balanced Revenue Mix: Institutional licenses deliver stability, while short courses and certifications add flexibility and allow the Centre to respond to emerging demand. Grant-funded pilots can subsidise early adoption and reduce pressure on earned revenue during the initial phase.

Although the Training Centre incorporates multiple revenue streams, they should not be treated as equal. The primary sustainability driver is institutional licensing, as it offers multi-year renewals, low churn, and a clear link between value delivered and budget allocation. Individual learners and certifications contribute incremental revenue, but they are more volatile and should be positioned as complementary rather than core. Structuring the model this way protects overall financial stability and aligns with the purchasing logic of the most reliable customer segments.

Capacity health is reviewed each cycle (cohort completion, support tickets, partner QA outcomes); thresholds determine whether to maintain, pause, or expand the Training Centre's catalogue.

In comparable EU-funded digital training initiatives, institutional adoption follows a predictable curve: pilot conversion rates range from 20% to 35%, and renewal rates typically exceed 65% once the program is embedded in curriculum cycles ([European Commission, *Erasmus+Microcredentials Pilot Evaluation Report*, 2023](#))



6.2.5 Feedback-Driven Alignment of DAFNE+ with Educational Sector Needs

Validation Through Pedagogical Integration and DAO-Enabled Learning

For staff and students at Manchester Metropolitan University the Dafne+ DAO model, with its community focus, democratic decision-making processes, collaborative workflows and individuated traceability, have formed an important piece of implementable research. With the precipitous crash of global NFT markets other facets of the DAFNE+ project became increasingly important in terms of longer-term utility and innovation:

- One area was the emergence of smart contracts as logistical and technical vehicles of content, instruction and remuneration for creative digital producers.
- The other area was the development of DAO structures that could be deployed with pedagogical environments.

Currently, there are no organisational structures within Manchester Metropolitan University (and in the wider educational sector) that allow for students to engage in highly collaborative Bachelors/Masters degrees and Doctoral awards (PhDs). The DAO research that emerged from DAFNE+ has furnished SODA with a working model that can be used to build a technical working environment with a conceptual driver and ways of assessing both individual and collaborative work within it. This outcome has innovative and durational importance as the DAO within educational offers new ways of thinking about collective working, educational attainment and even potential routes to monetisation of content and will be further explored in the SODA upcoming work:

- DAFNE+ case study in immersive technologies and world-building book by Toby Heys (expected publication date 2027, contracted with Routledge)



- Paper “Distributed fictions and world-building using DAO in education settings” (target journal Digital Creativity, Taylor & Francis)

This scenario validates the Training Centre concept as a framework supporting innovative collaborative learning models, assessment methodologies, and potential future monetisation of academic digital outputs.

Validation Through Structured Training, Adoption Barriers, and User Feedback

Feedback collected by Fab Lab Barcelona I IAAC revealed a notable shift in attitudes toward decentralized technologies by late 2022. Among the participants of DAFNE+ use case 3, which included designers, makers, and faculty members, the collapse of several high-profile crypto projects and the broader downturn in NFT markets had generated widespread skepticism, leading many to question the value of investing time and effort in learning new platforms and tools during a period of uncertainty. At the same time, being part of a European Union-funded project was perceived as a reassuring factor, providing a sense of safety and trust that encouraged engagement despite the broader market volatility.

Within this context, the structured support offered through the DAFNE+ educational approach became especially important. The activities were deliberately designed to educate and engage participants through different formats, generating direct qualitative feedback to capture both the positive aspects and the challenges of the platform:

Pros: Participants emphasized the value of hands-on, guided experiences that helped demystify complex technical processes such as content minting, licensing, and participation in DAOs, allowing them to explore these infrastructures in a safe and controlled environment.



Cons: Despite the overall enthusiasm for experimentation and learning, practical challenges emerged as a recurring theme in the feedback. In particular, the creation and management of digital wallets was frequently cited as a barrier to engagement, with many participants feeling apprehensive about the technical and security aspects involved. This concern underscores the necessity of clear, accessible onboarding processes, as well as ongoing guidance and support, to enable participants to navigate decentralized platforms confidently.

Fab Lab Barcelona | IAAC's observations suggest that, while skepticism toward the broader market persists, structured educational interventions can effectively bridge the gap between curiosity and competence. The feedback collected provides strong validation that carefully designed training, hands-on facilitation, and step-by-step guidance are essential for enabling students and community members to engage meaningfully with decentralized content management and DAO-based infrastructures. These findings demonstrate that a dedicated educational framework, that combine practical experimentation, structured facilitation, and accessible onboarding, can not only mitigate barriers to adoption but also generate measurable learning outcomes, support critical engagement, and provide new competencies for a wider audience, which could first be implemented in creative and educational contexts.

This scenario confirms the Training Centre's potential to support capacity-building, technical onboarding, and early-stage adoption across creative and educational communities.

Validation Through Expert Consultation and Sector-Wide Educational Needs

An expert interview with a professor from the Hellenic Open University, conducted by the Intrisoft team as part of the Cross-Sectoral Potential task (D7.5 DAFNE+ exploitation report), highlighted a



strong unmet need for collaborative content production and shared learning resources across educational sectors—primary, secondary, tertiary, and vocational.

After the platform presentation, a discussion on adopting DAFNE+ concept in the educational sector started and different ways/scenarios to exploit it were identified. The overall feedback can be summarised in the following:

In education, there is a need for sharing and for collaborating to produce learning materials, learning paths, assessment, personalisation methods, and much more. Today, each teacher/professor/tutor is left on their own to produce or the select among the available materials. Depending on the sub-sector of education, the collaboration may happen on an organised conscious and systematic manner or on a more ad-hoc basis. For example, in primary and secondary education, it happens on a voluntary basis with few pioneers creating amazing materials which can be re-used from some open minded early adopters with the majority of teachers lacking behind. In tertiary education, things are more complicated. Professors may offer in an open manner their materials for gain recognition or keep them close to give them to their privileged students. Moreover, in vocational training things are quite different with large numbers of employees that need to be trained in new concepts and technologies (like digital tools and AI) and employees that need to be trained in specific tools in specific sector (e.g. in the automotive or textile sector). Having led the Educational Content, Methodology and Technology Laboratory of Hellenic Open University and being involved in XR2Learn EU-funded project which also recognizes the need to collaborative learning content creation and revenue sharing in the manufacturing domain, my feeling is that a platform like DAFNE+ which offers first a marketplace that supports from open content (allowing volunteers to reach more peers) to content that can be merchandised would significantly boost the innovation potential and the creativeness of the sector. Nowadays, many times the tutors are limiting their creativity as they know that the content they create will only reach a very limited audience and they will not have the chance to gain any



revenues. Offering them the chance to monetise their work, they will most probably adopt technology more and more to fit the needs of the students/trainees. This will decrease the time needed to develop the content significantly (say 30%) and the quality of the materials at the same time. The winners will in the end be the society as all pupils/students/trainees will have access to more attractive learning content making education and training less mundane and a significantly better experience.

The expert questionnaire further validated DAFNE+ by confirming:

- Strong potential for **internationalisation** of content and audiences.
- Increased **citizen and educator engagement** with media and content industries.
- Clear support for expanding the **user-generated content market** in the EU.
- Enhanced **innovation capacities** for creators through decentralized licensing and monetisation models.

This scenario validates the Training Centre as an enabler of sectoral innovation, incentive-aligned content creation, and scalable collaborative ecosystems.

6.3 Other potential Monetisation strategies

This section outlines additional business and adoption models for DAFNE+, complementing the more extensive analysis of spill-overs and cross-sectoral opportunities presented in the D7.5 Exploitation Report (Section 3.2.3 – Expert Roundtable on Cross-Sectoral Potential).

One promising direction emerged from the user requirements sessions organised during the first year of the project and presented in deliverable D2.2. This scenario relates to Use case 2 and is entitled 'Scenario 2.3 – Creation and use of works/private spaces'. The purpose of this scenario is to



promote and enable community crowdfunding of ongoing artistic production projects based on NFTs. Various forms of private counterpart are identified, such as access to the production process, sessions with the artists, and VIP access to the premiere of the artwork. There is even the possibility of official artwork sponsorship registration. This scenario could not be tested within the project timeframe as it required real financial transactions; however, its potential was confirmed by the experts consulted during the final evaluation phase of the project.

Until now, private support for artistic creation has mainly come from foundations and companies whose leaders wanted to engage in patronage while benefiting from tax advantages. However, the technical possibilities offered by NFTs enable a new form of community-based artistic patronage, bringing creators and their fans closer together. Studies need to be conducted to confirm the possibility of tax benefits based on the acquisition of NFTs in one or more target countries, in order to reinforce their interest



7 Go-to-Market Strategy

Research during DAFNE+ foresees a phased go-to-market strategy that reflects the platform's hybrid role as creator infrastructure, cultural tool, and Web3 experiment. The goal is to build early traction among digital artists, generate legitimacy in the cultural sector, and cultivate long-term engagement through education, partnerships, and community support.

7.1 Early Adoption and Community Onboarding

Initial user acquisition focuses on digital artists and musicians who are open to new distribution models. Outreach is conducted through local workshops, university talks, and small demo events hosted by DAFNE+ ambassadors, many of whom were involved during the development phase. These trusted peer networks help translate abstract features such as smart contracts and token access into clear creative use cases. To incentivize participation, early adopters may receive founder badges or governance tokens, encouraging them to help shape the platform from the beginning.

Onboarding prioritizes ease of use. Dedicated Discord channels, step-by-step guides, and optional one-on-one support help new users navigate key setup steps such as wallet creation, profile



registration, and content uploads. This direct and personal approach is especially important for creators with no prior Web3 experience.

7.2 Strategic Positioning Across Sectors

DAFNE+ adapts its positioning depending on the audience. For digital creators, the message centres on fair compensation, transparent ownership, and autonomy from extractive intermediaries. Artists are offered a more direct and equitable path to monetize their work, with built-in tools for royalties and licensing.

Within Web3 communities, the platform is framed as a research-driven alternative to speculative NFT marketplaces. Its value lies in protocol-level royalty enforcement, collaborative monetization features, and DAO-based governance. These tools appeal to artists, developers, and DAO members looking for sustainable and community-focused infrastructure.

In the cultural sector, DAFNE+ is positioned as a responsible and interoperable platform that enables museums, galleries, and cultural institutions to explore blockchain-based formats without sacrificing artistic integrity or compliance. Its licensing logic, attribution records, and EU-based legal wrapper make it well suited for digital exhibitions, authenticated editions, and public-interest experiments.

7.3 Events, Media, and Outreach

Adoption is supported by a multi-channel outreach strategy that includes live events, press engagement, and targeted partnerships. Hands-on activities such as residencies, hackathons, and launch events allow creators to experiment directly with DAFNE+ tools. Participation in festivals like



[Sonar+D](#), [Distributed Design Events](#), and [NFC](#) will expand visibility across both art and tech audiences.

Media outreach spans both creative and technological publications. Storytelling focuses on pilot projects, early user wins, and institutional collaborations. Strategic partnerships with organizations such as Fab Labs, design schools, and online creative communities will embed DAFNE+ in trusted spaces where creators already work and connect.

8 Platform Governance & Scalability

DAFNE+ is governed by a Decentralized Autonomous Organization (DAO) that empowers creators, collectors, and contributors through token-based voting rights. The governance framework is designed to balance simplicity, inclusivity, and resilience as the community grows.

8.1 Decentralized Governance Model

DAFNE+ uses a soulbound NFT model to assign governance rights to creators and contributors. These non-transferable tokens act as proof of participation and cannot be sold or traded, reducing the risk of power concentration through financial speculation. All token holders may propose changes to platform policies, revenue structures, and feature roadmaps. Proposals are first discussed informally on public channels such as Discord, refined through community input, and then submitted via the on-chain governance portal.

Voting follows a one-token-one-vote model, with quorum and majority thresholds ensuring that decisions reflect broad consensus. The soulbound approach emphasizes identity and reputation over capital stake, though it introduces other challenges such as wallet recovery and long-term participation tracking. Future adjustments to the voting mechanism—such as adding delegated or quadratic voting—may be considered by the community if they enhance inclusiveness or decision



quality. Any shift toward stake-based governance would require a separate proposal and approval process.

Participation rates typically decline as communities scale; turnout will be monitored over time and the incentive design may evolve (e.g., recognition, delegation norms) to sustain healthy, inclusive participation.

8.2 Governance Flows and Roles

The governance lifecycle consists of four stages: idea incubation, formal proposal, voting, and execution. During incubation, community members develop and refine ideas through public discussion before reaching the threshold for formal submission. Once live, proposals enter a fixed voting period. If quorum and approval thresholds are met, execution is carried out either automatically through smart contracts or via multisignature wallets, depending on the proposal type.

DAFNE+ operates with a dual-token system. Governance tokens are earned through platform activity, including content uploads, sales, moderation work, and development contributions. These tokens carry voting rights and may be transferable, depending on the final implementation. Their purpose is to reflect ongoing engagement and contribution to the ecosystem.

In parallel, DAFNE+ uses non-transferable reputation tokens in the form of soulbound NFTs. These are awarded to founding members and users with sustained or high-impact contributions. Soulbound NFTs may grant additional governance privileges, such as the ability to submit proposals, increased voting weight, or eligibility to act as delegates. This structure allows DAFNE+ to recognize long-term commitment while maintaining an open and participatory governance system for all users.



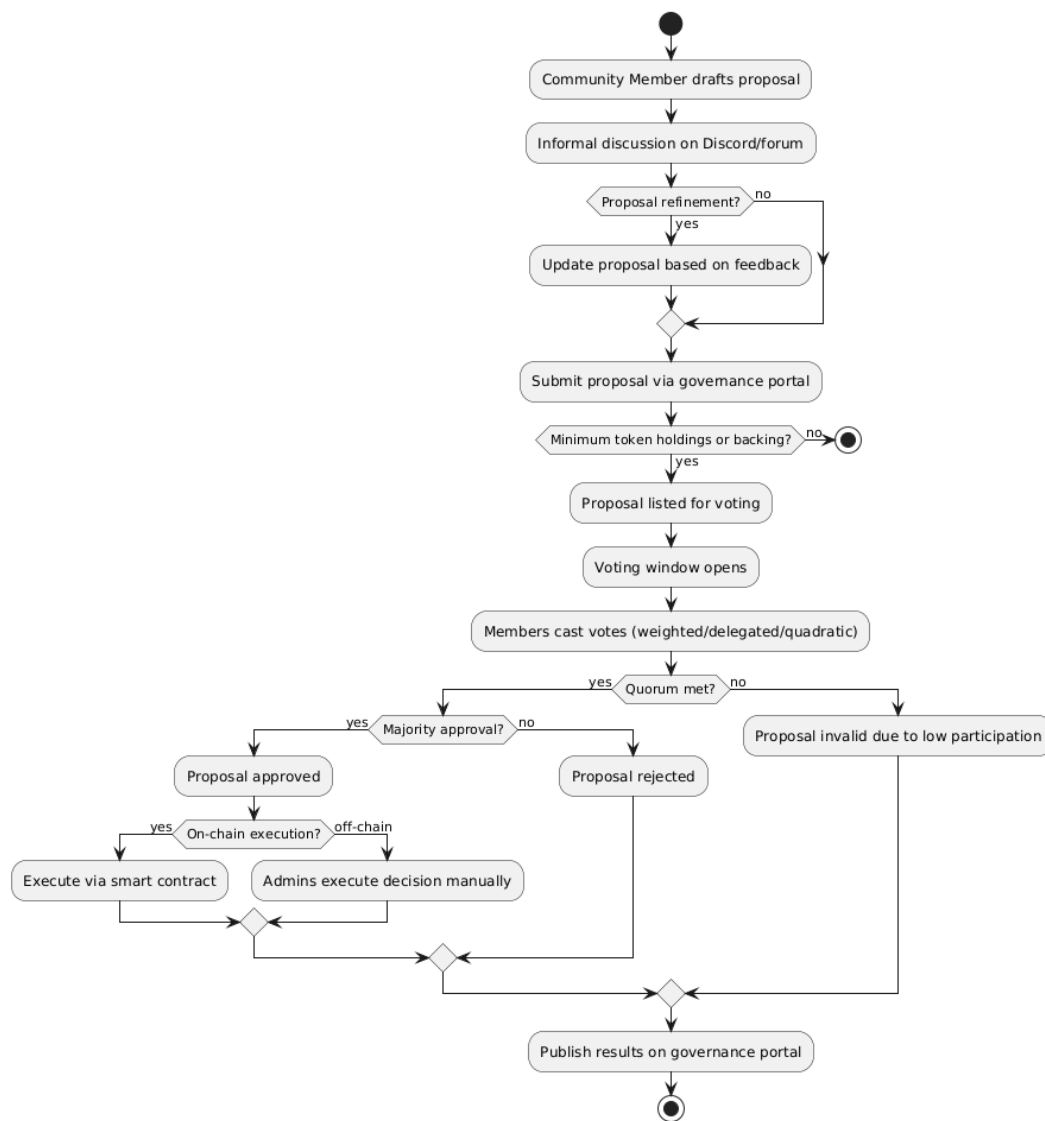


Figure 12. Governance Proposal Lifecycle

This flowchart illustrates the end-to-end process for submitting, voting on, and executing governance proposals within the DAFNE+ platform. Community members begin by drafting a proposal and initiating discussion in public channels such as Discord or the governance forum.



Proposals are refined with input from others before being formally submitted through the governance portal.

To qualify for listing, a proposal must meet minimum criteria, such as a threshold of token holdings or endorsements. Once listed, the proposal enters a defined voting period. Members vote using one of several supported mechanisms, including simple weighted voting, delegated voting, or quadratic voting, depending on the system in place. If quorum is reached and a majority is in favor, the proposal moves to execution.

Execution may be handled automatically through a smart contract or manually through a multisignature wallet, depending on the nature of the change. Proposals that do not reach quorum or fail to gain majority support are either rejected or marked invalid due to low participation. All outcomes are recorded and published on the governance portal for transparency.

8.3 Treasury Management

As presented in section 6 of this document, a portion of every transaction fee, secondary sale royalty, and initial grant allocation is directed to a DAO-controlled treasury. Treasury funds are governed by community voting on budget proposals, which are submitted on a recurring basis. These proposals outline how funds should be allocated across key areas such as platform development, infrastructure maintenance, security audits, creator grants, marketing campaigns, and ecosystem partnerships.

All disbursements are recorded on-chain and visible in real time. To protect the treasury, large transfers are secured using multisignature wallets and timelocks. A multisignature wallet requires approval from multiple designated signers before a transaction can be executed, preventing any single individual or entity from moving funds alone. Timelocks introduce a delay between the



approval and the actual execution of a transaction, creating a buffer period during which the community can review, flag, or halt any suspicious activity before funds are released.

This setup is designed to balance flexibility with accountability. Funds can be distributed efficiently, but larger transfers require approval from multiple trusted parties and are delayed long enough for the community to intervene if needed. This reduces the risk of rushed decisions or misuse.

Information on initial thresholds, signers, and treasury rules is available in Deliverable D2.3.

8.4 Scalability Considerations

Technical: DAFNE+ leverages Layer-1 blockchains for low-cost, high-throughput transactions, combined with decentralized storage (IPFS) to host large media assets. The smart contract layer is designed for upgradeability and gas efficiency, with bridges enabling multi-chain support as adoption grows.

Governance: To accommodate a growing voter base, off-chain vote aggregation (e.g., Snapshot) will be used for routine decisions, with on-chain execution reserved for binding changes. Proposal filtering, delegate representation, and working groups (sub-DAOs) ensure governance remains manageable and responsive. Quorum thresholds and voting delays safeguard against Sybil attacks and malicious proposals.

Community & Operations: Regional chapters, mentorship programs, and decentralized moderation based on reputation scores foster a healthy, inclusive community. Open bounties and contributor programs decentralize development and support, allowing DAFNE+ to scale operational capacity in line with user growth.



9 Economic Viability and Funding Strategy

This chapter sets out how DAFNE+ can be economically viable under standard, low-volume conditions typical of early-stage cultural-tech platforms. It aligns monetization with the product roadmap and governance model, sequences growth carefully, and avoids dependence on speculative market cycles.

9.1. Economic Viability

This section describes how DAFNE+ earns revenue and stays economically viable. It aligns monetization with the product and governance roadmap, user peer-tested models, and keeps growth levers sequenced so quality, compliance, and community trust come first.

9.1.1. Market Position

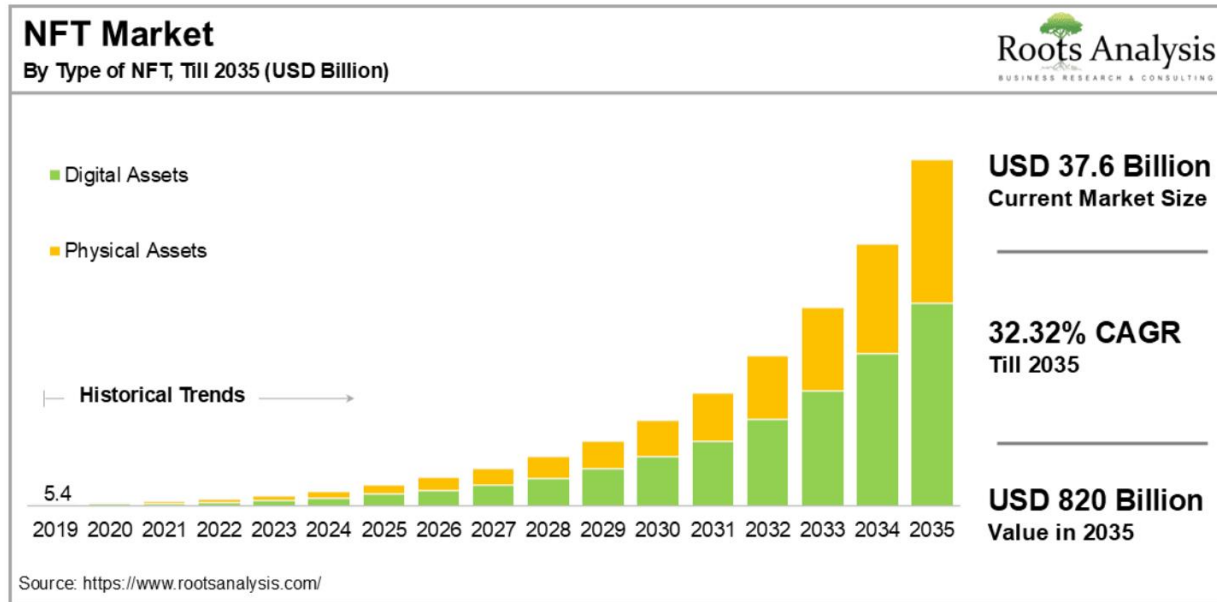


Figure 13. NFT Market size forecast



The figure above provides context only. Recent marketplace policy shifts (e.g., fee and royalty changes) and uneven trading cycles make any single take-rate or royalty assumption fragile.

The following table provides a structured comparison of key NFT marketplaces, highlighting their fee models, trading volumes, royalty policies, and governance characteristics to contextualise DAFNE+ within the broader market landscape.



Platform	Ownership / Model	Fees	Revenue	Royalty model	Gov. & Transparency
Magic Eden	Centralised marketplace (Web3-focused)	2% transaction fee reported	~\$756.5M trading volume (Mar 2023)	Standard on-chain royalties	Company policy decisions
OpenSea	Centralised marketplace (largest incumbent)	~2.5% marketplace fee, plus other revenue streams	~\$5.6M NFT trading revenue + \$25M token trading revenue (reported)	Royalties supported but enforcement/aggregation subject to policy shifts	Company policy decisions
Blur	Marketplace oriented to active traders	0% marketplace fee; hypothetical models examine 1%	Max. reported trading volume ~\$439M for a month	Enforced minimum 0.5% creator royalty	Governance via token incentives and community signals

Table 2. Marketplace comparison - selected competitors



The overall market trend reflects a dynamic and somewhat fragile ecosystem, characterized by a mix of centralized marketplaces and emerging business models. This environment exhibits high policy churn and rapid experimentation, leading to volatile fees where several platforms have experimented with zero or reduced rates. Consequently, the sector experiences significant volume volatility—with a specific example showing a monthly volume drop from approximately \$500 million in early 2024 to \$84.7 million by August 2024 in some datasets—and inconsistent royalty enforcement across different platforms. This inherent fragility demonstrates that revenue assumptions tied to speculative volume are unstable, ultimately supporting a more conservative financial approach, such as the one proposed by DAFNE+

Takeaway for DAFNE+

- **Market reality:** Large platforms continue to command significant volume, but fee/royalty policies are unstable and have been subject to abrupt changes (zero-fee trails, royalty bypasses) that undermine assumptions based on mid-range peer fees.
- **Strategic implication:** The data support DAFNE+'s low-end take-rate approach, diversified revenue pillars, and cautious sequencing (activation gates). Competing directly on volume is risky; differentiation should be on provenance, licensing clarity, governance transparency, and steady creator value rather than speculative liquidity.
- **Operational lesson:** Watch incentive-driven competitor moves (e.g., zero-fee strategies) that temporarily distort market signals. Build the platform to function under ordinary, low-volume conditions and rely on partnerships, training, and niche vertical traction to grow sustainably.



DAFNE+ is therefore designed to operate under ordinary conditions: modest, predictable fees, clearly licensed small-ticket transactions, and phased activation of subscriptions, tools, partnerships, and the Training Centre—rather than rely on up-market dynamics.

9.1.2 Revenue Architecture

1. Transaction fees on licensed digital assets:
 - a. Predictable fees on primary sales and permitted resales of clearly licensed works, kept near the low end of peer ranges to favor adoption and repeat usage
2. Creator subscriptions
 - a. Recurring access to gated content/utilities offered by creators. Expanded only after healthy retention and manageable moderation load; pricing within familiar creator-platform norms.
3. Premium tools
 - a. A narrow set of paid utilities. Tools are introduced where they remove friction in proven creator workflows and show repeat use. They support, rather than distract from, the marketplace's main loop.
4. Partnerships & pilots
 - a. Tightly scoped white-label licenses and cultural programmes with measurable outcomes and easy off-ramps.

9.1.3 Activation gates

DAFNE+ activates revenue levers only when preceding steps demonstrate durable performance and operational readiness. Gates are reviewed on a regular cadence, documented in short decision memos, and include explicit rollback criteria.



- Retention & quality – Advance only when creators return, buyers repeat, and disputes/moderation remain manageable; otherwise pause or revert.
- Provenance & licensing trust – Listings expand only when templates are clear, auditable, and enforced; ambiguities trigger temporary freezes.
- Capacity & delivery readiness – Scale to what governance, support, and partner channels can reliably handle; defer if backlogs or missed milestones appear.

Building on these gates, a **sequential deployment** could enable DAFNE+ to scale its four revenue pillars in a controlled and sustainable manner. During the first two years, focus would remain on the foundational verticals—transaction fees on licensed digital assets and a limited set of creator subscriptions—allowing onboarding, governance, licensing, and moderation processes to stabilise. Once adoption, retention, and operational readiness are demonstrated, the model could progressively introduce premium tools addressing verified creator needs, followed by institutional partnerships and funded pilots. This phased approach helps ensure each revenue stream enters a trusted, validated ecosystem, reducing operational, compliance, and reputational risk while supporting sustainable long-term growth.

9.1.4 Operating Principles

Spend follows proof (team/infra/marketing scale with observed usage and willingness-to-pay), reversible moves (small rollouts with clear exit criteria), contract discipline (narrow scope, short renewal cycles), and quality first (pause if dispute/moderation load or user satisfaction degrades).

9.1.5 Revenue Forecast

This section presents a revenue forecast for DAFNE+ that is grounded in conservative assumptions and a modest user growth trajectory. It reflects the current market downturn in NFTs/Web3 and



prioritizes realistic, risk-aware projections over aspirational targets. Between late 2024 and mid-2025, the team gathered extensive benchmarks from the creator economy, SaaS/product-led growth (PLG) models, and Web3 platforms to validate pricing, conversion rates, and typical user transaction behavior. These external benchmarks were cross-checked with real usage signals from DAFNE+ pilot activities in WP5, ensuring forecasts are anchored in observed creator engagement rather than speculative upside. The result is a revenue model that remains viable even under low-volume conditions and does not rely on generous fees or unrealistically high user spending.

9.1.5.1. Methodology

The model combines:

- External benchmarks for:
 - Early-stage Web3 creator platforms and co-ops (orders of magnitude for active users, typical fee levels, and adoption rates).
 - Creator-economy tools (conversion from free to paid, subscription pricing bands).
 - Education-oriented digital platforms.
- Internal DAFNE+ evidence:
 - Expert interviews and exploitation workshops summarised in D7.5.
 - Pilot users.
 - Interest from higher-education partners using DAFNE+ as a teaching platform.

1. Monthly Active Users (MAUs)

- Cooperative and niche creative platforms often stay in the low thousands of users for several years. For example, Resonate, a European music-streaming cooperative, reported



“almost 5,000 total members, 1,000 of whom are listeners” after several years of operation ([Morrison, 2018](#)).

- Early Web3 publishing tools have also stayed small in their first year. For example, Mirror’s own development update reports that its invite-based “\$WRITE Race” onboarding process brought in 380 new members over 38 rounds in 2021 ([Mirror Development, 2022](#)).
- At the opposite end, large creator platforms like Substack operate at much bigger scales (20M+ monthly active readers and ~5M paid subscriptions), but they also benefit from years of funding, mainstream brand visibility, and broad markets ([Andersson, n.d.](#)).

2. Transaction fees:

To estimate transaction-fee revenue, we benchmark against other platforms’ revenue shares:

- Web3 NFT marketplaces such as OpenSea typically charge around 2.5% marketplace fees on trades, sometimes temporarily reducing them but generally maintaining this order of magnitude ([OpenSea, n.d.](#))
- Rarible applies protocol/service fees of around 1%–2.5% per side, with higher percentages for very small-ticket items (up to 7.5% per side in the lowest price band) ([Rarible, 2024](#)).
- Creator-economy platforms on the Web2 side often take more: Bandcamp’s share is 10–15% of sales ([Bandcamp, n.d.](#)), and Patreon’s cut is generally in the 5–12% range of creator earnings, before payment processing (Patreon, n.d.),
- OnlyFans keeps about 20% of creator earnings, far above the levels we assume for DAFNE+ ([Influencer Marketing Hub, 2024](#)).

Given these benchmarks, we set DAFNE+’s effective platform fee at 5% of GMV (gross merchandise volume). This is:



- Higher than the most aggressive NFT-only marketplaces ($\approx 2.5\%$)
- Lower than typical Web2 creator platforms (10–20%)
- Still at the low end of the overall creator-licensing range, especially for small or mid-sized licences

This 5% fee is assumed constant over 2026–2030.

3. Transaction-Fee Revenue

Rather than assume every user pays, we explicitly model:

- A minority of MAUs making at least one purchase per year
- A small number of transactions per buyer per year
- Average order values in the tens to low hundreds of euros, consistent with small licences or bundles, not high-end art sales
- The 5% DAFNE+ fee applied on GMV

Fan and customer spending on creator platforms often clusters in the €5–€20 range per item or per month, but when content is sold in bundles or as licences (e.g. albums, multi-track packs, project licences), the effective transaction size moves into the €30–€100 range. Bandcamp, for instance, has processed hundreds of millions of dollars across tens of millions of digital and physical items, implying average ticket sizes in the low tens of dollars per purchase.

For DAFNE+, we assume:

- 30% of MAUs make at least one paid purchase per year
- Each buyer makes 4 paid transactions per year



- Average order value (AOV) = €100 (representing bundled content or licensing packages)
- Effective platform fee = 5% of GMV

For 2026 (500 MAUs), this gives:

- Buyers = $500 \times 30\% = 150$
- Transactions = $150 \times 4 = 600$
- GMV = $600 \times €100 = €60,000$
- Transaction-fee revenue = $€60,000 \times 5\% = €3,000$

We hold these behavioural parameters constant over time. As MAUs grow, GMV and transaction-fee revenue scale linearly.

4. Subscription Revenue (Paid Creators)

Creator SaaS benchmarks often treat 3–5% free-to-paid conversion as a good outcome, with higher rates only for top creators or highly optimised funnels. Substack, for example, reports millions of paid subscriptions out of tens of millions of active readers, implying low-single-digit conversion for the overall user base even though top performers do much better.

To stay conservative, we fix a 3% free-to-paid conversion rate for DAFNE+ across all years:

Paying creators per year = MAUs $\times$ 3%

Pricing



Professional creator tools (e.g. newsletter, membership, or digital-product platforms) commonly price their “pro” tiers around €20–€40 per month. We use a €25/month premium membership for DAFNE+ as a modest mid-range price.

Subscription revenue per year =

$$\text{MAUs} \times 3\% \times \text{€}25 \times 12$$

This yields, for example:

- 2026: 500 MAUs → 15 paying creators → $15 \times \text{€}25 \times 12 \approx \text{€}4,500$
- 2030: 10,000 MAUs → 300 paying creators → $300 \times \text{€}25 \times 12 \approx \text{€}90,000$

5. Premium Tools & Services

Premium tools (advanced analytics, featured placement, promotional boosts, etc.) are treated as a small additional revenue stream:

- Only 1% of MAUs purchase at least one premium add-on in a given year
- Average premium add-on price = €40 (one-off or micro-subscription)
 - Premium tools revenue per year =

$$\text{MAUs} \times 1\% \times \text{€}40$$

For 2026:

- 500 MAUs → 5 buyers → $5 \times \text{€}40 = \text{€}200$

Premium tools thus contribute very little in early years and only a few thousand euros by 2030, consistent with a cautionary assumption that most creators stick to the core offering.

6. Partnerships and B2B Pilots



Partnership revenue (e.g. small B2B pilots, institutional experiments, or co-funded integrations) is modelled as occasional, modest deals that are not strictly proportional to MAUs but become easier to secure as the platform matures.

- 2026: €0 (no partnerships assumed in the first full year post-pilot)
- 2027: €15,000 (e.g. one small institutional pilot)
- 2028: €25,000
- 2029: €35,000
- 2030: €50,000

These amounts stay in the “tens of thousands per year” range, reflecting one or two modest agreements rather than large enterprise contracts.

7. Formulas Used

For each year y :

- Transaction fees (R_{tx_y})

$$R_{tx_y} = MAU_y \times \%buyers \times transactions_per_buyer \times AOV \times platform_fee$$
- Subscription revenue (R_{sub_y})

$$R_{sub_y} = MAU_y \times subscription_conversion_rate \times monthly_subscription_price \times 12$$
- Premium tools (R_{tools_y})

$$R_{tools_y} = MAU_y \times premium_adoption_rate \times premium_tool_price$$
- Partnerships (R_{part_y})

$$R_{part_y} = \text{sum of expected partnership deal values in year } y$$
- Total revenue (R_{total_y})

$$R_{total_y} = R_{tx_y} + R_{sub_y} + R_{tools_y} + R_{part_y}$$

Following, the updated figures of the revenue forecast up until 2030:



Year	Monthly					Total Revenue (€)
	Active	Transaction	Subscriptions	Premium	Partnerships	
	Users (MAU)	Fees (€)	(€)	Tools (€)	(€)	
2026	500	3,000	4,500	200	0	7,700
2027	1,500	9,000	13,500	600	15,000	38,100
2028	3,000	18,000	27,000	1,200	25,000	71,200
2029	6,000	36,000	54,000	2,400	35,000	127,400
2030	10,000	60,000	90,000	4,000	50,000	204,000

Table 3. Forecast figures projection

Using the parameters and formulas described above, Table 3 presents the revenue forecast for 2026–2030. Revenue scales primarily with the growth in MAUs: transaction fees grow in proportion to the size of the active buyer base and their small number of annual purchases; subscription income grows with the count of paying creators at a conservative 3% conversion and a modest €25/month price; premium tools contribute only marginally, reflecting low adoption of optional add-ons; and partnerships add a gradual, non-recurring component in the tens-of-thousands range. Even by 2030, with around 10,000 monthly active users, DAFNE+ reaches about €200k in annual revenue, which is consistent with a niche but viable platform that monetises gently and remains competitive on fees and pricing.



9.2 Funding Strategy

The early-stage development of DAFNE+ is supported by Horizon Europe funding. To maintain operations and product development beyond the pilot phase, the project adopts a blended funding model designed to reduce reliance on commercial income in its formative years.

This approach prioritizes public-interest alignment and minimizes risk exposure while allowing for gradual growth of earned revenue.

9.2.1 Primary Funding Sources (2025–2027)

Source	Description
EU & National Grants	Continued applications to Creative Europe, NGI, and other cultural R&D funds. These may support platform maintenance, accessibility features, and creator training programs.
Philanthropic Funding	Engagement with digital rights foundations, arts funders, and cultural tech initiatives (e.g., Mozilla, Ford Foundation, Civitates) for core funding and mission-aligned experiments.
Institutional Partnerships	Co-funded pilots with universities, museums, and public broadcasters. These partnerships contribute both technical validation and financial support through service agreements.
DAO Reserve	A portion of the treasury from transaction fees and token launches is ring-fenced for reinvestment in community-approved initiatives and maintenance costs.



9.2.2 Secondary Funding Sources (2027 Onwards)

Source	Description
B2B and Cultural Licensing	Licensing of white-label solutions to galleries, festivals, and educational institutions under fixed-fee or revenue-sharing agreements.
Sponsored Activations	Co-branded drops or campaigns with commercial sponsors, where revenue partially funds platform operations or creator residencies.
Tooling and Support Packages	Paid access to advanced publishing tools, analytics dashboards, or IP verification services offered to professional creators.

10 Risk Analysis & Contingency Plan

The long-term sustainability of DAFNE+ depends on a set of interrelated technical, legal, and community-based conditions. Insights from the use cases (as documented in D5.2) highlight key risks that must be addressed to ensure a viable post-project trajectory. This section outlines the



primary risks and proposes corresponding mitigation strategies aligned with the project's design principles and operational goals.

10.1 Strategic Risks

10.1.1 Lack of a Bootstrapping Community

A core risk identified across use cases is the absence of a committed early user base capable of engaging with governance mechanisms and sustaining the platform beyond its initial development phase. While interest in decentralised control was expressed by creators, long-term participation remains low due to limited incentives, unclear value propositions, and insufficient onboarding.

10.1.2 Licensing and Legal Ambiguity

The current lack of interoperable, blockchain-compatible copyright licenses poses a structural risk to adoption. Use cases stressed the need for clear licensing models that are enforceable within distributed ledger systems, particularly in collaborative or remixable contexts. Without appropriate legal frameworks, content creators face uncertainty regarding rights protection and revenue-sharing.

10.1.3 Governance and Onboarding Complexity

The implementation of DAO-based governance requires users to understand new concepts and interfaces. Findings from the pilots indicate that most creators are unfamiliar with these structures, resulting in limited engagement and potential centralisation. This affects both legitimacy and resilience of governance models.

10.1.4 Technical Integration and Interoperability Constraints

Platform lock-in and limited integration with existing tools may deter adoption. Several use cases highlighted the need for compatibility with Web2 workflows, standard content formats, and third-party services. Lack of interoperability could hinder creator workflows and reduce overall usability.



10.2 Mitigation Measures

10.2.1 Community Activation and Incentivisation

- Extend pilot activities with targeted outreach to creator groups, focusing on use-case-specific value delivery and participatory co-design.
- Launch a transitional governance phase with platform stewards and structured pathways toward creator-led decision-making bodies.
- Introduce incentive mechanisms such as token rewards, content featuring, and grant access for active participants in governance and onboarding.

10.2.2 Legal Framework Development

- Collaborate with legal experts to develop modular, blockchain-compatible licenses tailored to the needs of creators in the cultural and creative sectors.
- Integrate license selection and configuration tools into the platform, offering guidance on jurisdictional compatibility and collaborative usage.
- Explore the creation of a legal advisory sub-group within the governance structure to handle licensing updates and disputes.

10.2.3 Progressive Onboarding and Governance Literacy

- Implement phased onboarding interfaces that introduce core concepts and tools incrementally.
- Offer guided tutorials, peer support, and access to community moderators to lower entry barriers and encourage informed participation.
- Document and share best practices from the use cases to create replicable onboarding pathways.



10.2.4 Enhancing Interoperability and Workflow Flexibility

- Ensure compatibility with widely used tools, protocols, and platforms to enable hybrid Web2/Web3 content creation and management.
- Adopt open standards for data portability, DAO client integration, and smart contract deployment.



11 Conclusion

This deliverable outlines the strategic, governance, and financial frameworks designed to support the long-term development and sustainability of the DAFNE+ platform. Together, these models address key challenges faced by European creators, including high platform commissions, opaque revenue flows, and limited opportunities to participate in decision-making processes. By diversifying pathways for value creation, the work presented here contributes to more equitable and resilient digital ecosystems for creative production.

Looking ahead, several areas of action can further enhance the impact and uptake of decentralized creative infrastructures across Europe:

Support educational reuse of research outputs: Encourage R&I projects to translate technical outcomes into training, certification, and capacity-building programmes to ensure long-term value creation.

Foster cross-sector partnerships: Strengthen collaborations among creative industries, cultural institutions, universities, maker spaces, and innovation hubs to pilot and scale decentralized content management and learning environments.

Advance legal and ethical clarity: Promote the development of EU-wide guidance on provenance, authorship, and tokenized rights management to support responsible and transparent digital creative economies.

Together, these steps can help ensure that the foundations laid by DAFNE+ continue to evolve, empowering creators and institutions to engage confidently with emerging decentralized technologies.



DAFNE+ demonstrates that even when commercial markets collapse, research outcomes can continue to generate value through learning and public knowledge. Transforming innovation into education is a practical, ethical, and resilient pathway for the European creative ecosystem.



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- [Distributed Design Events](#) focus on the intersection of design, making, and digital fabrication, often exploring open-source principles, collaborative practices, and the role of makers in a digitized world
- The Non-Fungible Conference (NFC) is an annual event held in Lisbon, Portugal, focused on Web3 [NFC](#)
- EVM tool [Ethereum Blockchain Explorer](#)
- Blockchain and Ethereum Training [ConsenSys Academy](#)
- Web3 Adoption Strategies <https://b9lab.com/>
- Europe Non Fungible Token Market Size Outlook [Grand View Research](#).



Appendix A

DAO questions in the User Survey

20. Decentralised Autonomous Organisation: Option A - The DAFNE+ platform is co-owned by its users. Decisions on rules, fees, and profit sharing are made collectively through transparent voting, with each user holding 1 vote. This model requires an investment of your time to participate in governance and decision-making.

Option B - The DAFNE+ platform operates as a standard Software as a Service. This means that it's managed by a dedicated team to ensure updates, support, and stability. The users benefit from a reliable, user-friendly experience with pricing, commissions and/or premium features, without the complexities of governance.

Which platform model would you prefer?

- Option A - I prefer decentralized model with the complexities of governance
- Option B - I prefer the professionally managed SaaS model without the complexities of governance

Decentralised Autonomous Organisation

21. What would be the must-have characteristics of this co-owned platform? Enumerate based on importance from the most important to the last

- Open source software
- Blockchain anchored
- Technical partners as co-owners
- Clear maintenance and infrastructural costs



- Clear, simple and transparent decision-making process
- Other...

22. This platform model requires members to read, give feedback, and vote on new proposals, which can take a lot of effort/time. What incentives would motivate you to participate in these activities?

- Earning tokens
- Special badges or titles
- Early access to resources or events
- Special privileges within the platform
- Greater voting power
- Other...

23. In certain situations, as a Dafne+ member you may need to delegate your vote, usually for lack of expertise (for exp for new technical features) or lack of time. How would you choose the person to delegate your vote to?

- Personal connection (Knowing the person)
- Reinforcement from the community (Super user badges, activity history tracking)
- Proven skills certifications on the topic
- Transparent track record
- Other...



Appendix B

This appendix anchors the financial analysis presented in earlier versions of this document by grounding it in empirical project data and publicly available benchmarks from the NFT, Web3, and creator-economy sectors. It incorporates a clearly conservative user-growth trajectory—aligned with current market downturn conditions—and outlines a more realistic revenue forecast for the platform.

Data collection methodology for the initial forecast

The initial revenue forecast outlined how DAFNE+ could generate income over a multi-year horizon through several complementary channels. The model combined projected user growth with conservative assumptions about creator activity, transaction behaviour, and subscription uptake. It also incorporated gradually expanding revenue from premium tools, institutional partnerships, and pilot collaborations.

The analysis derived from a combination of publicly available benchmarks from the creator-economy, SaaS and Web3 sectors. Between Oct 2024 and June 2025, our team conducted research to identify realistic parameters for each component of the DAFNE+ business model such as conversion rates, pricing, transaction fees, and average order values.

The starting point for the revenue forecast came from aggregated data on NFT marketplace activity and DAO participation. We used data from [Chainalysis](#)'s NFT Market Report, quarterly NFT market reports from [NonFungible.com](#), and dashboards such as [Cryptoslam](#), [The Block](#), and [CoinGecko](#) which provided updated figures for annual transaction volumes, median sale values, and active wallet counts. These datasets were used as the quantitative basis for DAFNE's low, medium, and



high adoption scenarios. Transaction-fee structures were cross-checked against leading major NFT and digital-asset platforms like [Rarible](#), [Foundation](#), [Superrare](#) and [OpenSea OS2](#).

Because NFT markets experienced very strong volatility during 2023 and most of the trustworthy data came from before then, we obtained additional validation from adjacent digital-creator and subscription platform ecosystems whose revenue mechanisms are structurally similar but more mature. Product led growth studies compiled by [Openview Partners](#) show typical free to paid conversion rates between 3 and 8%, which were used to then model adoption curves for paid tiers within DAFNE. The subscription price levels were aligned with prevailing creator platform standards such as [Substack](#) which lists a 10% platform fee with median newsletter prices of 10-15€ per month, and [Patreon](#) which has a 10% standard plan and average pledges of 5-15€.

To estimate average transaction value for user to creator exchanges, we gave priority to lower ticket creator economy metrics rather than speculative NFT-art auction prices. Public data from [Graphtron](#) show that typically monthly contributions in Web2 creator platforms range between 5€ and 20€. Web3's interactions on the other hand include minting, purchasing, and licensing tokenised content and occur as one-off, higher-value transactions that capture a longer time span of supporter value in a single exchange. In order to equate these different payment contexts, the DAFNE model multiplies the monthly pledge range by an engagement factor of 6x which accounts for the cumulative value of multi-month patronage and additional blockchain related costs such as gas fees, royalties and provenance certifications. The result is a 50-100€ transaction range [which is consistent with small-scale NFT sales and digital asset purchases reported by mainstream marketplaces](#).

User adoption forecasts explanation for the previous document version



The user-base projection was grounded in empirical data from the project's pilot activities under WP5 and cross-validated against comparable Web3 and creative-education platforms. The forecasts were constructed using a bottom-up approach, beginning with the number of registered users and participants documented in the use case reports (D5.1 & D5.2) and then applying adoption and growth multipliers derived from external benchmarks

1. Pilot participants

According to the final use case report D5.2 prepared by IRCAM, DAFNE+ achieved 322 registered users across its three pilot use cases which exceeded the KPI 12 target of 200 participants. This total comprised approximately 101 users for the Music and Audiovisual pilot, 97 users for the Cultural Heritage pilot, and 124 users for the Design and Maker pilot.

Complementary data from the intermediary report D5.1 show that during early deployment the platform recorded 88 registered users, 43 uploaded assets, 29 marketplace posts, and 638 visits. These two datasets demonstrate clear and measurable growth from initial testing to the final pilot phase. By the project's end, around 15-25% of users were considered active creators based on content uploads or marketplace interactions. This figure served as the empirical baseline for the Year 1 forecast.

2. Benchmarking adoption growth

Because the final D6.2 model extends beyond the pilot phase, user-growth projections were benchmarked against both niche creator platforms and large-scale Web3 ecosystems for a realistic but scalable trajectory

At the lower end, open analytics illustrate the typical 2x-3x annual growth pattern of emerging, domain-specific platforms:



- Foundation (~40,000 collectors / 6,000 creators after 3 years)
- Zora (~10,000 creators)
- [Mirror.xyz](#) (~4,000 active writers after 18 months)

At the upper end, data from leading marketplaces such as OpenSea and Solana NFT show how network effects can accelerate adoption exponentially once liquidity and community incentives align. OpenSea for example surpassed 2 million active wallets [within its first 3 years](#), while the Solana NFT market has seen substantial growth, [with monthly trading volume reaching \\$1.8 billion in 2025, a 500% increase from 2024](#). Community-driven DAOs such as Friends with Benefits and PleasrDAO also show early-stage Web3 communities growing from a few hundred to tens of thousands of token-holding members within 12-18 months.

Drawn from this spectrum, the DAFNE model positioned its growth between the niche-platform curve and the marketplace/DAO acceleration curve, selecting a 5x multiplier for the moderate scenario. The optimistic scenario doubles this rate, representing the upper bound achievable if DAFNE+ successfully leverages institutional onboarding and DAO-driven community growth.

3. Conversion and activity ratios

Monthly active users were assumed to equal 10-15% of total registered accounts, which is consistent with PLG engagement benchmarks published by Openview Partner's 2023 SaaS Benchmarks Report. Within this cohort, 5-15% were expected to execute at least one paid transaction per month. This figure is drawn from average conversion rates on Foundation, or SuperRare.

Cost structure methodology within previous document version



The cost model for DAFNE was developed using a bottom-up approach anchored in verifiable market data and cross-checked against comparable EU Horizon projects co-led by the Fab City Foundation such as [Centrinno](#), [Reflow](#) and [Pop-machina](#). The model distinguishes four principal categories of expenditure which are: development, operations, legal, and marketing. Each is derived from publicly available datasets, supplier quotes, or previously declared EU project costs.

1. Development

Baseline personnel costs were sourced from the [EUROSTAT ICT sector salary dataset](#) and [Glassdoor](#) averages for software engineers, designers, and project managers in Spain, the Netherlands, and Belgium. These values were cross-checked against [Horizon Europe Personnel Cost Tables](#) and [CORDIS' financial data](#) used to validate similar projects.

2. Cloud Infrastructure and Tooling

Technical infrastructure costs were benchmarked using the [AWS Europe Pricing Calculator](#) for EC2, S3, and CloudFront services validated against [Statista's European SaaS cost index](#) which averages 45-60€ per active users per year. Complementary SaaS subscriptions such as GitHub and Figma were priced directly from the vendor rate cards. The figures represent the per-user cost of hosting, storage, and collaboration tools.

3. Legal and Compliance

Budget allocations for legal and compliance support were defined through research on typical [GDPR and intellectual-property advisory costs](#) in the EU, combined with [standard ethics and data-protection guidance](#) provided by the European Commission for Horizon Projects.

4. Operations and Community Management



Operational and CM costs were established through research on typical operating ratios for digital-platform organisations and public salary benchmarks for community-facing roles in the EU. Industry analyses of SaaS and product led growth companies, including the Openview SaaS benchmark report show that customer support, moderation, and community-management functions typically represent 10-15% of total operating expenditure in early-stage online platforms

5. Marketing and Dissemination

M&D costs were defined through communication-budget norms in Horizon Europe projects and benchmark ratios from digital platform marketing studies. Analysis of publicly available CORDIS data for Horizon 2020 and Horizon Europe projects show that dissemination and communication activities typically represent 10-15% of total project expenditure, with 12% as the median value across innovation and creative-industry actions.

Key differences between forecast figures

What Changed vs the June Submission

For the revisited figures (D6.2 CH9.1.5) We have lowered inputs and simplified sequencing so the model remains viable under ordinary, low-volume conditions and does not rely on generous royalties or speculative trading.

Methodological differences (June-now)

- Take-rate: from mid-range peer assumptions to a lower-bound effective take-rate to favour adoption and repeat use.
- Conversion: from mid-range free-to-paid expectations to bottom-of-range caps, with no step-function jumps.



- Average ticket size (AOV): from blended small/medium to small-ticket only, with outliers excluded.
- Sequencing: from implicit parallel activation to activation gates with go/hold/rollback decisions based on retention, provenance/licensing clarity, and delivery capacity.

Why the new figures are more realistic

- Peer fee and royalty schedules justify a low-end take-rate; policy changes at large marketplaces increase uncertainty, so we avoid relying on rich secondary royalties.
- Creator-platform and PLG benchmarks are treated as ceilings (not targets) for conversion and pricing.
- Market reviews show uneven, post-peak volumes; the plan is calibrated to ordinary conditions.
- Compliance posture (fraud/AML risks in NFT markets) reinforces the need for provenance/licensing controls before scaling fee-bearing activity.

