



### **Marketing an ICO Amidst a Declining Crypto Market**

Following a strong bull run in 2017, the crypto market has been declining in 2018. Bitcoin, the largest digital currency by market cap, will complete a decade of existence in 2019, but celebrations don't seem to be in order right now. Its price is down 80% since December 2017, when Bitcoin was trading at the US\$19k mark on December 16, 2017. If we do a year-on-year comparison of Bitcoin prices, we find that as of December 5, 2017, the cryptocurrency was trading at \$11.8K and exactly a year later, it was down to just \$3K. This is the first time in a year that price levels have plunged to this degree, surprising for a coin that was expected to touch the \$20K levels by the end of 2018.

### **Falling Currency Prices but Stable Blockchain Growth**

While crypto prices might be bearish, it is important to note that the overall growth of blockchain technology has been stable. The sector is developing and adoption rates are improving. Coinbase has launched its OTC trading service, which shows that institutional investors are still interested in the crypto asset class. The second largest stock exchange in the world, NASDAQ, is moving ahead with its plans to launch Bitcoin futures, despite a decline in market value.

Starbucks might soon start accepting payments in digital currencies and, in a major boost to the industry, the US state of Ohio intends to start accepting business taxes in BTC. All this indicates a positive future for cryptocurrencies. The current crash is not the end of the crypto world, it offers some important lessons, especially for ICO marketers.

### **Concentrating on Token Utility, Not the ICO**

At the recently held BlockShow Asia 2018, in Singapore, experts have come to the conclusion that the decline in the value of Ethereum can be contributed to the growing number of scams. Investors have become skeptical about token launches, and the low volume of good ICOs in the industry is not helping matters either.

Building a solid blockchain project is one of the only ways to grab eyeballs now. It is imperative that ICO creators and marketers develop a token that has important utility. Startups interested in the ICO route of fund raising need to concentrate on developing a working prototype of their product, with good customer numbers.

A great marketing campaign, good social media engagement rates and a fantastic website cannot unless you are able to identify a clear path to demonstrating fungibility. Fungibility comes from token utility.

## **Building a Community for the Long-Term**

Once you have built a robust product, you can showcase it to the crypto community. Content based on facts and numbers has the ability to convince investors like little else can. Even the skeptics can be won over if you can establish credibility for your team and your product, demonstrating its viability, sustainability and value add.

## **Team Power and Detachment from Trouble-Makers**

A working prototype of a product scores high on another aspect. It shows that you already have a competent team that is ready to take on challenges. It also attracts the right kind of investors. Major investors will look at your team composition. For this, the team needs people with good track records, those who are highly qualified and those who bring specific strengths to the table. Create teams that are proactive and can respond to the crypto community promptly.

Another key aspect of maintaining a good image is not to get associated with influencers or public personalities with bad press histories. It would do more harm than good. Lately, social media influencers have been tagged as paid promoters, not investment experts, bringing in the wrath of the US SEC. Celebrities like DJ Khaled and Floyd Mayweather have been slapped with SEC charges recently. It is the first time that individuals have been targeted, as opposed to the company. Your project doesn't need that kind of negative publicity.

The key then is to choose influencers strategically, those who are trusted names and have great networking skills. They will have a huge social following on account of their positive media image and expertise in their respective fields.

## **Targeting Generation Y**

Millennials and Gen Z are the largest adult segment for any industry today. By 2020, the aggregated net worth of global millennials will reach \$24 trillion, according to a report by Deloitte. Right now, they are in their prime earning years, and in the next several years, they will have built their liquid assets. This is also the population that favours technological solutions to existing problems and seek innovation. These digital natives are then the primary target audience for blockchain growth. And, they have different needs from those of their preceding generations.

From financial advice to food recipes, millennials today are dependent on social media for every answer. They tend to take peer recommendations very seriously, as opposed to traditional news platforms and advertisements. They don't like being sold to.

While a Nielsen study says that 83% consumers trust peer recommendations over advertising, a survey by Forbes has concluded that 43% of millennials trust authenticity of a medium before interacting with the content.

If we want blockchain technology to grow, we have to produce good content on popular channels. For this, ICO teams have to engage high ranking tech journalists and publications. Smaller sites will automatically pick up stories from these channels. Rather than pitching ICOs on all social media sites, creators can take the liberty to talk about issues that plague the industry that they cater to. That will establish them as thought leaders in the industry. Regular articles with good information on platforms like Medium, Hackernoon, Techcrunch and others will attract new age investors.

Experts are claiming that the 2018 crypto crash is only a blip, and not the bursting of the crypto bubble. If more good projects foray into the scene, the stance of regulatory bodies and investors will change. For that, ICO marketing has to adapt to the changing market dynamics, focusing more on the tech and less on hype building.

**Tags: bitcoin, blockchain, coin, crypto, crypto currency, cryptocurrency, declining, ico, icos, market, marketing**