

# CWXP

BRIDGING EUROPE'S CULTURAL AND CREATIVE  
SECTORS WITH THE METAVERSE

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**POLICY RECOMMENDATIONS TO ENABLE WEB<sub>3</sub> STAGES &  
METAVERSES AS A SOURCE FOR ARTISTS INCOME AND  
NEW AUDIENCE**

**THE EUROPEAN FUNDING PROJECT "CWXP - CREATIVE  
WEB<sub>3</sub> EXPERIENCE EUROPE" AS A CASE STUDY**

## Preliminary Remarks

This document is the result of the collective efforts and contributions of the CWXP project team, its consortium members, and all participants who have engaged with the initiative across Europe and beyond. It has been jointly developed by gigmit (Germany, Music Sector), Kontentwerk (Germany, Audio Visual Sector) and Plus Render (Spain, Tech Expert for Metaverse and Web3), with valuable insights and support from cultural institutions, creative professionals, and policymakers dedicated to advancing Europe's cultural and creative sectors in the metaverse. The CWXP project acknowledges the significant role of digital technologies in fostering cultural innovation, inclusivity, and economic sustainability within the European Union and beyond. The "CWXP - Creative Web3 Experience Europe" Project ran from 03/2023-02/2025 and was funded by the European Community.

## Partners



Co-funded by  
the European Union

## Abstract / Executive Summary

The CWXP project represents a pioneering effort to integrate Europe's cultural and creative sectors into the metaverse, offering innovative solutions for artistic expression, economic sustainability, and audience engagement. By leveraging Web3 technologies, CWXP has established a framework for digital cultural spaces tailored to the film & audiovisual sector and for the musicians. Through its virtual events, such as the Movement 360 International Film Festival and Pixel Beats Music Festival, CWXP has explored new monetization models, tested audience engagement strategies, and assessed the viability of metaverse-based cultural experiences.

The consolidated lessons learned from the CWXP's initiatives provide key insights for policymakers, cultural stakeholders, and industry leaders. The challenges can be highlighted as:

- Regulatory & Legal Solutions
- Accessibility against Adoption Barriers
- Education and Training
- Infrastructure Requirements

By addressing these challenges, Europe can position itself as a global leader in the digital creative economy and unlock the potential of the Web3 innovations for the Cultural Sector.

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# Introduction

## Political and Economic Context

Web3 is a term introduced by Ethereum co-founder Gavin Wood in 2014, envisions a decentralized web that operates independently of central authorities. Built on blockchain technology, Web3 aims to enhance security, transparency, and trust in online interactions through decentralized ledgers, smart contracts, and cryptographic. The Key Features of Web3 are the following:

- **Decentralization:** Unlike traditional web systems controlled by single entities, Web3 operates on a distributed network of computers, making it more secure and resistant to censorship.
- **Blockchain & NFTs:** Web3 leverages blockchain as a secure and transparent ledger system, supporting applications such as decentralized finance (DeFi) and supply chain management. NFTs (Non-Fungible Tokens), a key blockchain application, represent ownership of unique digital assets like art and collectibles.
- **Cryptocurrencies:** Digital currencies powered by cryptography serve as units of value within Web3, enabling decentralized transactions and financial ecosystems.

The metaverse is a vast, immersive digital world where users can work, socialize, play, and trade using avatars. It relies on virtual goods, digital currencies, and user-driven experiences to create a seamless and interactive environment. By integrating Web3 technologies like NFTs, cryptocurrencies, and DAOs, the metaverse becomes an open, user-driven space free from corporate control. With interoperability and decentralized identity, users can seamlessly navigate digital worlds while maintaining privacy and ownership. Together, Web3 and the metaverse are shaping a truly connected and equitable digital future.

The metaverse represents a transformative frontier for Europe's cultural and creative sectors, offering unprecedented opportunities for innovation, economic growth, and international collaboration. As of 2024, the European metaverse market was valued at approximately €30.7

billion, with projections indicating a substantial increase to €387.5 billion by 2033, reflecting a compound annual growth rate (CAGR) of 32.5% during 2025-2033.

(<https://www.imarcgroup.com/europe-metaverse-market>)

The Metaverse Live Entertainment market in Europe is rapidly evolving, leveraging virtual and augmented reality (VR/AR) technologies to create immersive experiences for live events and performances. These include virtual concerts, theater productions, and comedy shows, offering audiences the ability to interact with performers and fellow attendees in real time. The market is projected to reach a value of €64.2 million by 2025, with a steady compound annual growth rate (CAGR 2025-2030) of 11.27%, culminating in a projected market volume of €109.5 million by 2030. In terms of market leadership, the United States is expected to generate the highest market value globally, reaching €87.8 million in 2025. Key market players, such as Fortnite's live events featuring artists like Marshmello and Travis Scott, demonstrate the potential of this growing sector. The European market anticipates a user base of 0.6 million by 2030, with an estimated average revenue per user (ARPU) of €133.9. While user penetration in 2025 is projected to be 0.1%, the adoption rate is expected to remain steady throughout the decade, signifying the increasing acceptance of metaverse-based entertainment. Germany, in particular, is emerging as a hub for such immersive experiences, driven by the rising demand from tech-savvy audiences. (<https://www.statista.com/outlook/amo/metaverse/metaverse-live-entertainment/europe?currency=EUR>)

Recognizing the metaverse's potential, the European Union has initiated policies to support digital cultural heritage and the creative industries. The European Commission emphasizes the importance of preserving cultural heritage through digital means, aiming to integrate these assets into the digital decade. (<https://digital-strategy.ec.europa.eu/en/policies/cultural-heritage>).

Additionally, the EU's industrial strategy and the Single Market Programme highlight the significance of innovative digital technologies in enhancing the competitiveness and sustainability of Europe's cultural and creative industries.

(<https://www.interregeurope.eu/sites/default/files/2024-01/Policy%20brief%20on%20Cultural%20and%20Creative%20Industries.pdf>)

To fully harness the metaverse's capabilities, it is imperative to develop robust digital infrastructures, promote digital literacy, and establish supportive policies that encourage innovation while safeguarding cultural integrity. By doing so, Europe can position itself at the forefront of this digital evolution, ensuring that its rich cultural heritage thrives within the metaverse and continues to contribute to global innovation and international relations.

## Objectives and Scope

The policy recommendations leverage insights gained from the CWXP project to shape a strategic framework that maximizes the potential of the metaverse in supporting cultural innovation, international collaboration, and sustainable economic growth. Specifically, these recommendations aim to:

- Highlight the need to enhance digital policy frameworks to fully unleash the potential of the metaverse in transforming Europe's cultural and creative sectors;
- Assist policymakers in understanding the value of metaverse investment as a driver of economic and cultural development;
- Guide future policy actions with concrete measures addressing governance, legal, and funding challenges within the metaverse ecosystem;
- Empower cultural stakeholders to engage in policy discussions and better utilize the metaverse as a tool for artistic expression, audience engagement, and economic sustainability.

The policy recommendations are directed at:

1. Policymakers, including European institutions, national, regional, and local governments, and cultural agencies responsible for digital transformation, cultural heritage, entrepreneurship, and innovation. These stakeholders play a crucial role in supporting metaverse-driven initiatives that promote cultural engagement, inclusivity, and economic growth.
2. Cultural and creative industry stakeholders, such as digital artists, musicians, filmmakers, cultural institutions, civil society organizations, and creative entrepreneurs. Their involvement is essential in shaping policies that align with the evolving needs of digital audiences and ensure the metaverse becomes an accessible, inclusive, and economically viable platform for cultural exchange.

## About CWXP

For Europe's creatives, Web3 technologies can seem impenetrable and inaccessible. While the concept of staging an audiovisual performance in the metaverse or selling a unique digital artwork is appealing, in reality it requires detailed technical knowledge and development time, access to tools and services, and exposure to security issues. Creators must currently become technical experts to exploit Web3's potential. With the rise of Web3, a power shift from the platforms to the creators and their communities is already happening, but needs to be further developed, scaled, structured and spread across all creative sectors, particularly across the audiovisual sector. Hindering factors are a lack of knowledge, data, success stories and funding.

CWXP, a collaborative initiative between gigmit (Germany), Plus Render (Spain), and Kontentwerk (Germany), was launched to establish Europe's first open cultural space for film and music in the metaverse. By offering infrastructure, education, and tools for creators, CWXP aims to democratize access to Web3 technologies. The project provides new



revenue opportunities through NFTs, blockchain co-creation, and innovative business models for events such as virtual music and film festivals. Through these efforts, CWXP tackles the current challenges faced by artists—including limited revenue streams and access to global audiences—by reimagining how creators can share, sustain, and monetize their work.

CWXP's mission aligns closely with the European Union's vision for digital transformation, cultural inclusivity, and innovation. It seeks to empower European creators to thrive in competitive global digital marketplaces while preserving cultural heritage and promoting sustainable growth. The project's emphasis on accessibility ensures that even those with limited technical expertise can benefit from its innovative offerings, making it a crucial initiative for advancing Europe's creative industries.

At its core, CWXP stands as a visionary effort to redefine how art and culture are consumed and experienced in a digital-first world. By exploring the intersection of technology and creativity, the project paves the way for future-forward cultural engagement, making art more accessible, interactive, and globally connected. As the cultural sector evolves, CWXP exemplifies the potential of the metaverse to transform not just how we consume art but how we collaborate, share, and innovate across borders.

This document captures the firsthand experiences and lessons learned by those directly involved in the project, providing a foundation for future iterations and improvements. CWXP aspires to contribute to the broader discourse on how digital platforms can support cultural expression, audience engagement, and sustainable economic models in the creative industries, transforming not just how we consume art but how we collaborate, share, and innovate across borders.

## Key Goals of CWXP-Project

For Europe's creatives, Web3 technologies seemed impenetrable and inaccessible. While the concept of staging an audiovisual performance in the metaverse or selling a unique digital artwork is appealing, in reality it requires detailed technical knowledge and development time, access to tools and services, and exposure to security issues. Creators must currently become technical experts to exploit Web3's potential.

In consequence the project was elaborating results on two main fields:

- Performance Challenges: Performing Film and Music on Web3 Stages handling all the required skills and technologies.
- Exploitation Challenges: Earning money in the Web3 by communicating with the target groups and activate them and by applying business models to collect revenue from Web3 users

These challenges were addressed by four key goals:

- New Stages
- New Skills
- New Audience
- New Revenue

### 1. New Stages - Web3 Cultural Space Center

**Activities: Building a Metaverse to perform Film & Music Events**

#### a) Building the CWXP Metaverse

The metaverse is an expansive and interconnected digital ecosystem that integrates augmented reality (AR), virtual reality (VR), and the internet to create a shared, immersive virtual space. It bridges the gap between digital and physical worlds, offering users an interactive environment where they can connect, explore, and engage in real time. Leveraging cutting-edge technologies, the metaverse enables hyper-realistic simulations and customizable environments. Within this digital realm, individuals—represented by avatars—can communicate, participate in

activities, and conduct transactions, replicating real-world experiences. By integrating Web3 blockchain technologies like NFTs, & cryptocurrencies the metaverse becomes an open, user-driven stage for new creation, new audience and new revenues.

Developing a proprietary Metaverse platform for CWXP Project to carry out all requirements for Film & Music Events, with full control over the user experience, optimizing retention and ensuring immediate access. This approach also facilitated seamless integration with Web3, Blockchain systems, and emerging open technologies. The implementation of WebGL/GPU technology represents a step toward the future of open and interconnected metaverses, mirroring the structure of the Internet today. Additionally, designing the system from the ground up allows for a medium specifically tailored to the needs of artists while continuously adapting to the evolving artistic and technological landscape. With the objective of creating an immediately accessible metaverse, the platform will feature five distinct experiences, categorized into three sections:

- **Stage Experience:** Artists will have access to customizable virtual stages where they can interact with their audience.
- **Cinema Experience:** A metaverse environment designed for the film industry, incorporating evolving digital objects that shape the space over time.
- **Full Music Experience:** A highly immersive and gamified music event, offering a visually engaging and sensory-rich interaction. This experience allows users to engage with music in ways not possible in the physical world.



The primary focus will be on delivering a high-quality user experience on PC, ensuring superior sound and visual fidelity through spatial sound and high-quality streaming. Additionally, significant emphasis will be placed on Virtual Reality integration, enhancing the immersive potential and allowing users to fully engage with the audiovisual experience.

## b) Running a Cultural Space as a Provider

Running the CWXP Metaverse platform showed the importance of continuous maintenance and technical support. While workflows were largely automated, the technical backend and the technical support were always in a steady mode. Maintenance was required during the artists onboarding and preparing their events as well as technical support during the event time slot. A digital stage needs a similar awareness as a real life stage. Future providers of Cultural Space must account for these ongoing service costs.

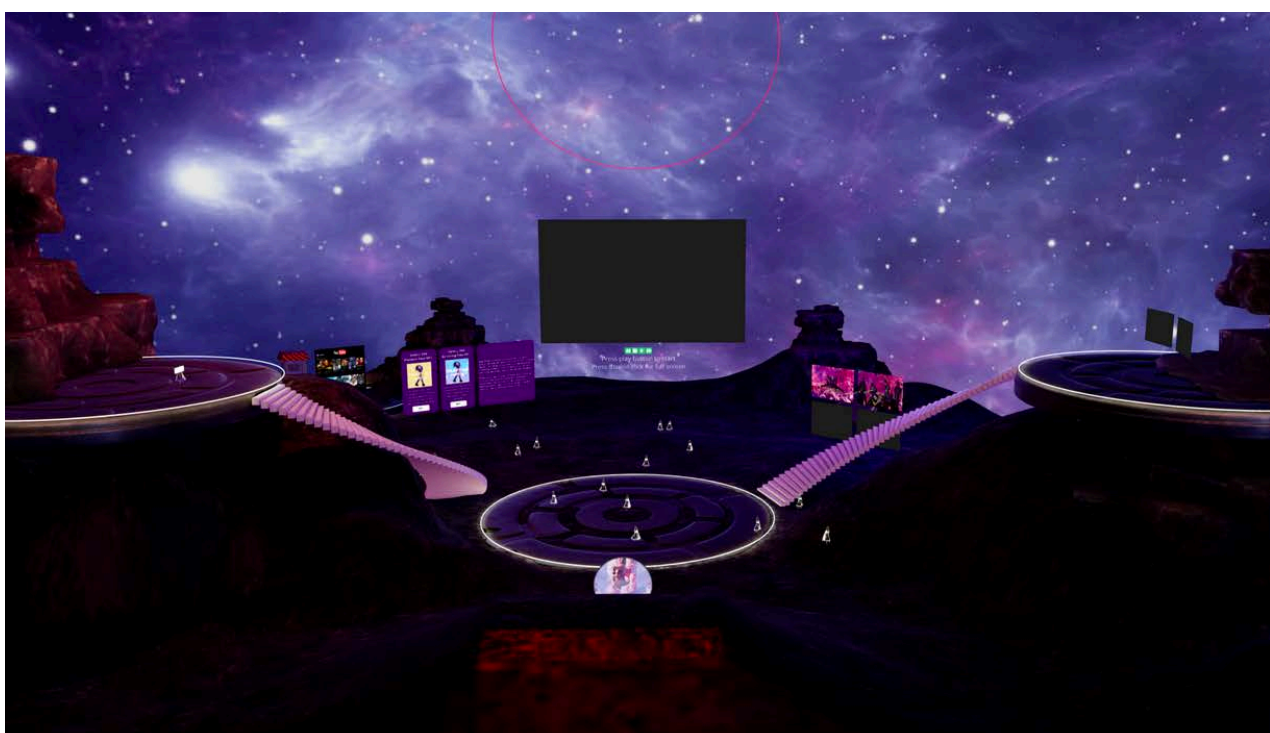


During the CWXP events, two key challenges emerged: ensuring accessibility across diverse devices and scaling performance during peak traffic. Variations in user device capabilities led to disparities in experience quality, with some participants encountering lag or reduced functionality. Additionally, scaling the platform to handle traffic surges during peak times required constant adjustments.

The technical demands of metaverse platforms require careful consideration of infrastructure requirements, particularly in maintaining smooth performance across different devices. Ensuring seamless cross-device compatibility is essential to fostering engagement and retention, as inconsistencies in accessibility can create barriers for users. Addressing these technical disparities allows for a more inclusive and reliable virtual environment where users can interact without disruptions caused by hardware limitations.

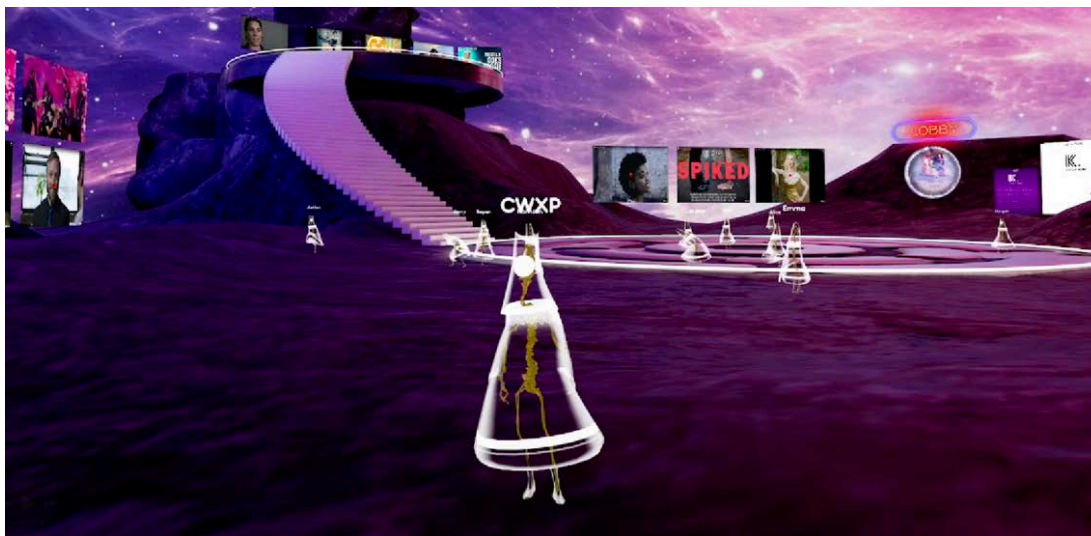
## c) Events & Festivals in the Cultural Space

The cultural events produced within the CWXP metaverse serve as a vital record of how immersive digital experiences can reach and engage audiences in meaningful ways. By bringing the metaverse to life through practical implementation, these events provided valuable insights into audience behavior, technological adoption, and monetization strategies. Due to technical and budget constraints, focus has shifted to video streamings & virtual exhibition spaces instead of live streams. Each event acted as a testing ground for innovative solutions, offering policymakers a unique perspective on how cultural and creative sectors can thrive within digital environments.

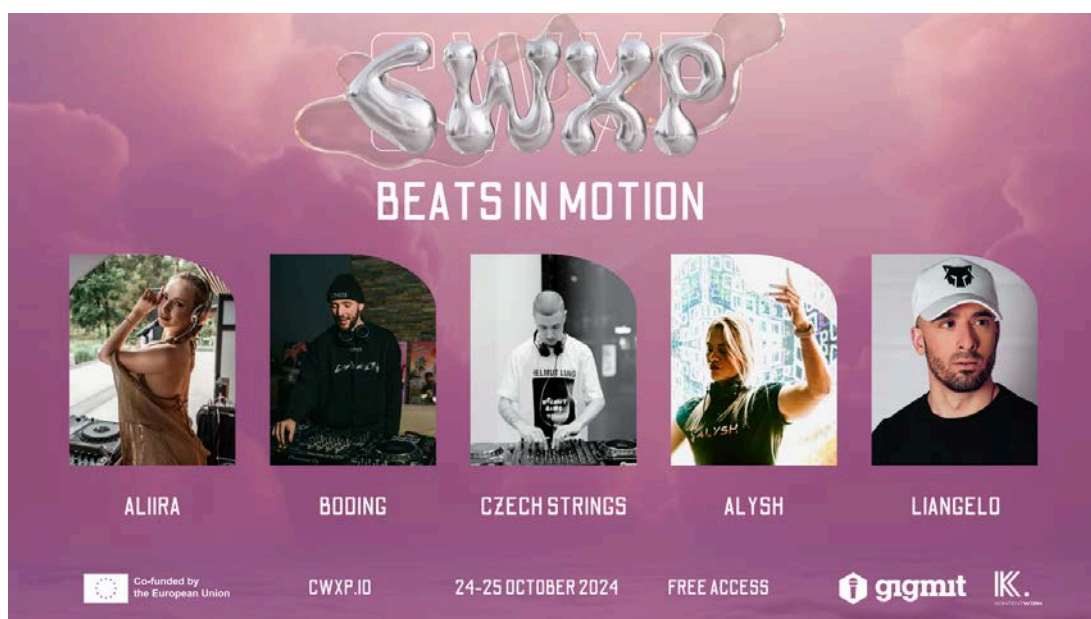


Alongside several solo events (Pieter de Graf, Qica, Blake Rave, etc.), three major festivals took place and reinforced CWXP's role in pioneering virtual cultural experiences.

1. The Movement 360 (Oct 11-13, 2024) – A fully immersive international film festival, featuring daily-changing programs, short films and animations. NFT-based ticketing facilitated new monetization strategies.



2. Beats in Motion (Oct 24-25, 2024) – A hybrid film and music festival combining live DJ performances with screenings, including the documentary Let's Keep This Quiet about HVOB. Chill-out areas showcased Johan Planefeldt's films. Over 250 attendees engaged in this mix of energy and reflection.



3. Pixel Beats (Dec 11-12, 2024) – CWXP’s first music-only festival, curated by gigmit. From 772 applicants, six acts were selected, with a “Hall of Fame” showcasing past performances. Attendance: 58 users on Day 1, 61 on Day 2.



## Insights: Usability, Scalability and Legal Restrictions

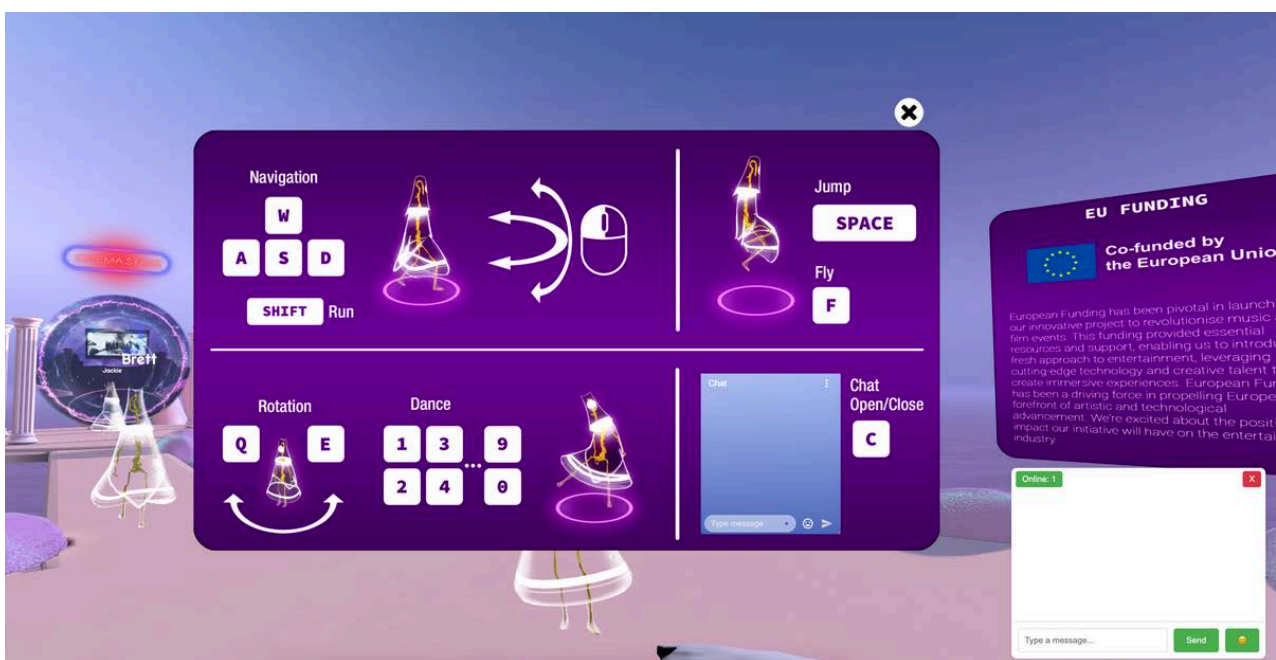
### Legal & Regulatory Challenges:

- **Lack of International Legal Framework:** No clear legal framework for metaverse distribution in the film industry, leading to territorial conflicts.
- **Protection of Minors:** Difficulty in implementing content rating and access controls in countries with strict regulations (e.g., Germany).
- **Web3 Security Risks:** Rising scams, phishing attacks, and lack of legal support make the space riskier for users.

### Technological Limitations & Usability for Film and Music:

- **Geoblocking and Distribution Issues:** Metaverse platforms cannot enforce territorial restrictions, making film distribution impractical.
- **Software and Infrastructure Challenges:** Scalability, real-time interaction, and synchronization issues hinder user engagement.

- **Lack of Personal Connection:** Current metaverse experiences do not offer deep interaction between the participants.
- **User Experience and Navigation Issues:** Metaverse environments are difficult to navigate, causing friction for users.
- **Scalability Challenges:** Hosting events & the audience size depends on the computing power of the system, its computing capacities, storage capacities
- **Providers & Hosts of Cultural Spaces:** Running a Cultural Spaces that is competitive and attractive for artists and audience means to show up a complete technical infrastructure: solving the challenges of scalability, usability and legal issues. Financial, technical and personnel resources must be available for this, before an artist can perform in the Metaverse to earn money.



## 2. New Skills - Artist Education for Web3 Performance

### Activities: Onboarding Guidance and Video-Tutorials

CWXP project underscore the critical importance of education and outreach in fostering trust and familiarity with metaverse technologies. While many participants were technically proficient, efforts to broaden the platform's appeal revealed a pressing need to enhance technological

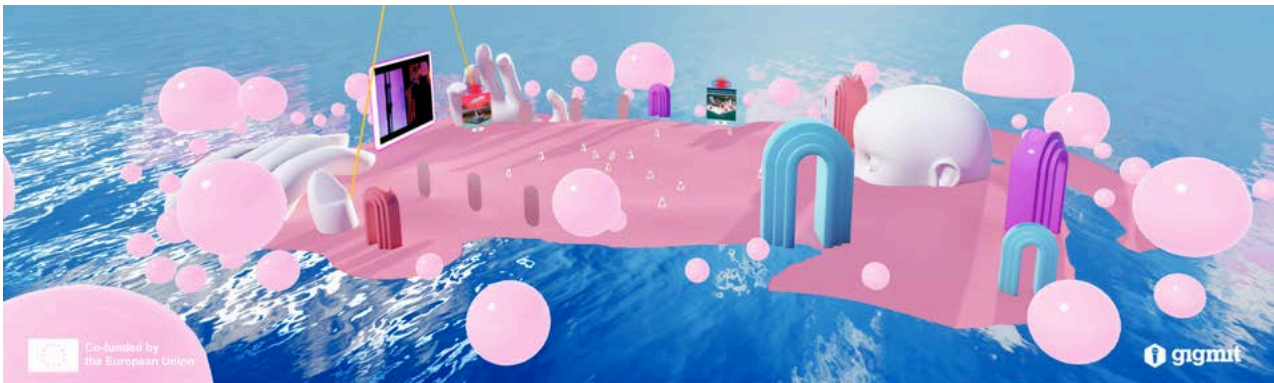


literacy among a wider audience. To ensure the metaverse becomes an inclusive and accessible space, it is essential to provide clear guidance, simplified tools, and initiatives aimed at bridging the knowledge gap. These efforts are vital to making the metaverse a platform that is achievable and reachable for everyone.

CWXP has developed training materials to support artists transitioning into the Web3 space, guiding them through the process of creating and monetising their own Music NFTs: by an Onboarding Guidance for CWXP-Events and Video-Tutorials in Youtube. This initiative is part of our commitment to empowering artists with the knowledge and tools necessary for their digital evolution and financial independence.



- CWXP Workshop for Artists - How to perform inside our CWXP Metaverse and create your first Music NFT: This detailed workshop is designed to help artists understand how to perform effectively inside our CWXP Metaverse and navigate the complexities of Music NFT creation. The workshop includes practical steps and live demonstrations, ensuring artists are well-prepared for their performances and NFT launches. Watch the workshop here: <https://www.youtube.com/watch?v=gMxKISylRK4&t=12s>.



Mar 11, 2024

## YOUR ESSENTIAL GUIDE TO CREATING MUSIC NFTS

The world of Non-Fungible Tokens (NFTs) offers music artists an exciting frontier to explore new revenue streams and deepen connections with your audience. Understanding NFTs and their potential can transform your music career, enabling you to monetize your art in innovative ways.

- Your Essential Guide to Creating Music NFTs: Published by the coordinator gigmit, this guide provides a thorough breakdown of the steps involved in creating Music NFTs, from conceptualisation to the actual minting process. It serves as an invaluable resource for artists looking to explore new revenue streams through NFTs. Read the guide here: <https://blog.gigmit.com/en/create-music-nfts/> (March 11, 2024).

In addition to these resources, CWXP ensures support for artists, offering guidance for queries, confusion, or doubts that arise during the NFT creation process.

## Insights: Complex Skill Set to access Metaverse

Multilayered Requirements to achieve Metaverse-Stage-Readiness with Skills and Knowledge in Technology, Equipment, Cultural Creation, Legal Dimensions, Promotion & Web3-Literacy

- **Equipment Barriers to Entry in Web3:** Artists need wallets, crypto knowledge, and security guidance, making participation complex. This is not standard equipment, this is a new business skill with new equipment that needs to be purchased and applied by the artists.

- **Different Skillsets between Live-Streaming and Video-Streaming for Music Performances:** depending on the performance shown in the Metaverse, the technical requirements and the technical equipment and even the skills & the timing for performing the arts have big differences, including the workload of preparing a performance. The needs for Live Performances are that complex to handle, that of the shown performances were video streams. Not fulfilling the Live-Streaming skills & requirements, the format video streaming format was not significantly different from a standard YouTube stream: familiar streaming format in a new digital environment. While users were enthusiastic about participating, their skills and expectations may not have aligned with what was ultimately feasible. They may have anticipated a more innovative or immersive experience, rather than what was.



- **General Lack of Metaverse Familiarity:** One of the key learnings from the training program was the general lack of familiarity among artists with the concept of the metaverse. Many had little understanding of how their show should be structured, what to consider in their cultural creation, including technical aspects such as the appropriate recording format. As a result, they relied heavily on our team to guide them through the process and even to promote the events. In essence the training and education programme of this project discovered that the skills are more complex than expected at the beginning of the project to be “Stage-ready in the metaverse”.

## 3. New Audience - Engaging Web3 Communities for Film & Music

### Activities: Communication Campaigns & Collaborations

To actively engage the Web3 community and introduce them as a new audience to artists and their performances in the Metaverse, the CWXP project team executed a comprehensive communication strategy. This involved targeted campaigns across multiple digital platforms to reach art enthusiasts, NFT collectors, and technology-driven audiences.

### Communication Campaigns & Social Media for the Web3 Audience

- Email Campaigns. Dedicated email campaigns were planned for each event.
- Sign-Up Forms for Events. A sign-up form was created for each event to maximize engagement and participation.
- Community Contests. Giveaways were organized for each event to enhance community involvement.



**Pieter de Graaf's Limited Music Collectible Giveaway**

Pieter de Graaf has teamed up with CWXP to release his newest song "Quiet Respite" as an NFT. To celebrate, we're giving away a special Limited Edition NFT to one lucky winner!

- Blog Content. A total of 24 blog posts were published to educate and inform the Web3 community.

## CWXP Social Media Strategy for Web3 Audience

- Social Media Performance. Posts were created for every event, blog, NFT-related initiative, giveaway, and partnership announcement. Channels utilized: Twitter and Discord



- Strategic Partnerships. Established partnerships and social media collaborations with Mochi Circle and ANNA Collective to enhance outreach and community engagement and further amplify the project's presence within the Web3 ecosystem.



## Insights: Crypto Speculations vs. Ticket Sales

### Community and Engagement Challenges

- **Difficulty in Community Building:** Mobilizing niche communities required active creator involvement, but many artists and participants remained hesitant due to reputational risks, financial instability, and unfamiliarity with Web3 tools. Web3 adoption demanded extensive onboarding, education, and financial commitment, making participation more complex. Additionally, market volatility directly impacted engagement, with community activity fluctuating in response to crypto price movements, when the market was strong, participation surged, but during downturns, engagement sharply declined.
- **Misalignment of Interests:** Film/music fans (Web2) want content they can share, while Web3 users focus on investment, not art. To sell tickets to new audiences is a challenge that needs a new approach to be bridged. Otherwise the artists do not get a new audience, just shift their own grown audience the new stage in the Metaverse.
- **Web3 as a Distribution Tool, Not a Community:** Web3 users are more focused on speculation (investing their money) rather than consuming artistic content (Tickets Sales).
- **Hybrid Web 2.5 Approach:** A blended Web2-Web3 model may improve accessibility and adoption.

### Skepticism and Adoption Barriers

- **Challenges in Bridging Web2 and Web3:** Web2 users (the so called “Social Media Users”, e.g. Instagram audiences) show little interest in Web3, and vice versa.
- **Artists’ Reluctance to Join the Metaverse:** The Web3 Users have a reference for Twitter groups, security concerns, and technical barriers reduce adoption.
- **Decline in Metaverse Engagement:** Interest dropped in mid-2024 as AI overtook Web3 trends, and engagement fluctuates with the crypto market.

- **Rebranding of Web3 & Metaverse:** Branding explicitly as “Web3” deters users; technologies should be integrated in the background.

## 4. New Revenue - Applying NFTs and Blockchain for additional business

### Activities: Ticket Sales & NFT Playlists

Blockchain is a decentralized digital ledger that securely records transactions across a network of computers. Each “block” contains a list of transactions, and these blocks are linked in a “chain” through cryptographic hashes, ensuring that once data is recorded, it becomes highly resistant to modification. This structure provides transparency, security, and trust without the need for a central authority. Non-fungible tokens, often referred to as NFTs, are blockchain-based tokens that each represent a unique asset like a piece of art, digital content, or media. An NFT can be thought of as an irrevocable digital certificate of ownership and authenticity for a given asset, whether digital or physical. These NFTs can be sold, CWXP carried out artists revenue opportunities within the project.

### NFT Sales Points and Block Chain

The CWXP Platform provided NFT Sales Points, with clearly visible positioning. On May 29th, 2024, CWXP hosted a concert session featuring renowned pianist Pieter de Graaf. During this event, Pieter de Graaf introduced his first Music NFT through Sound.xyz for his song "Quiet Respite," based on the training material provided by CWXP. Attendees had the opportunity to purchase this unique Royalty NFT live during the concert, marking the first-ever NFT sale within a CWXP Metaverse event. A Royalty NFT allows artists to earn a percentage of streaming or licensing revenues every time the song is played or used, creating a continuous income stream that benefits both the artist and the NFT holder. This makes the NFT appealing not only as a collectible but also as

a potential investment. This event signified a leap towards empowering artists with new revenue streams in Web3, offering both creators and fans more tangible benefits from their mutual engagement. The integration of NFT sales during Pieter de Graaf's concert in the CWXP Metaverse marked a milestone in combining live music performances with digital asset transactions.

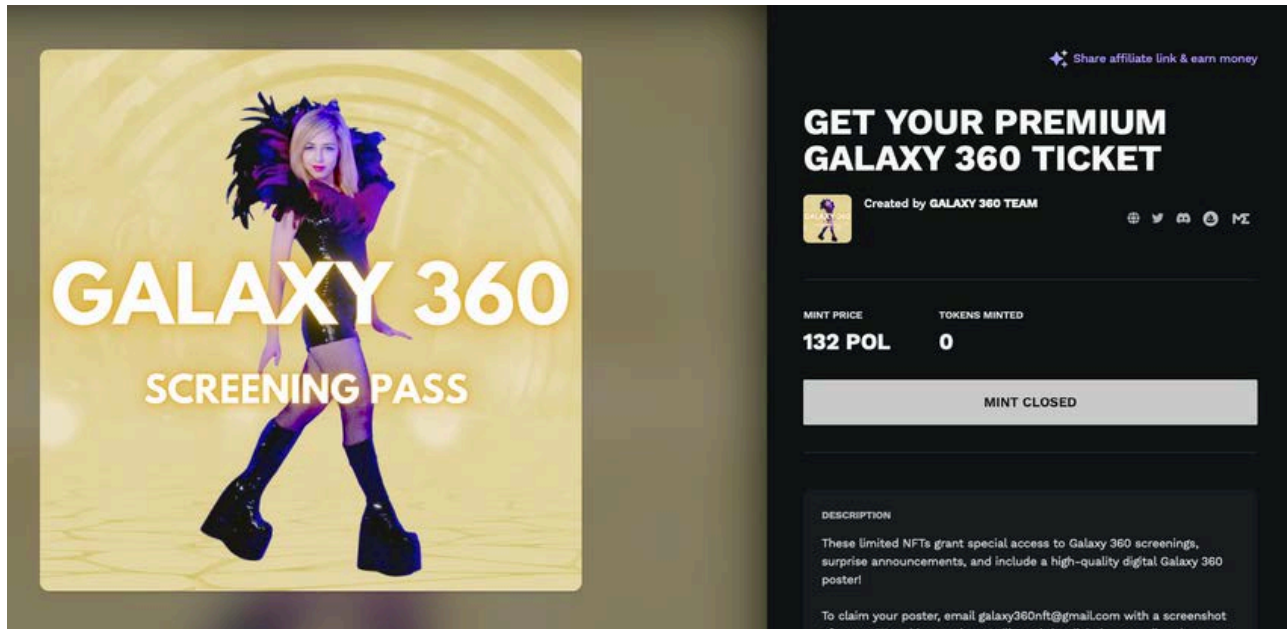


## NFT Tickets Sales

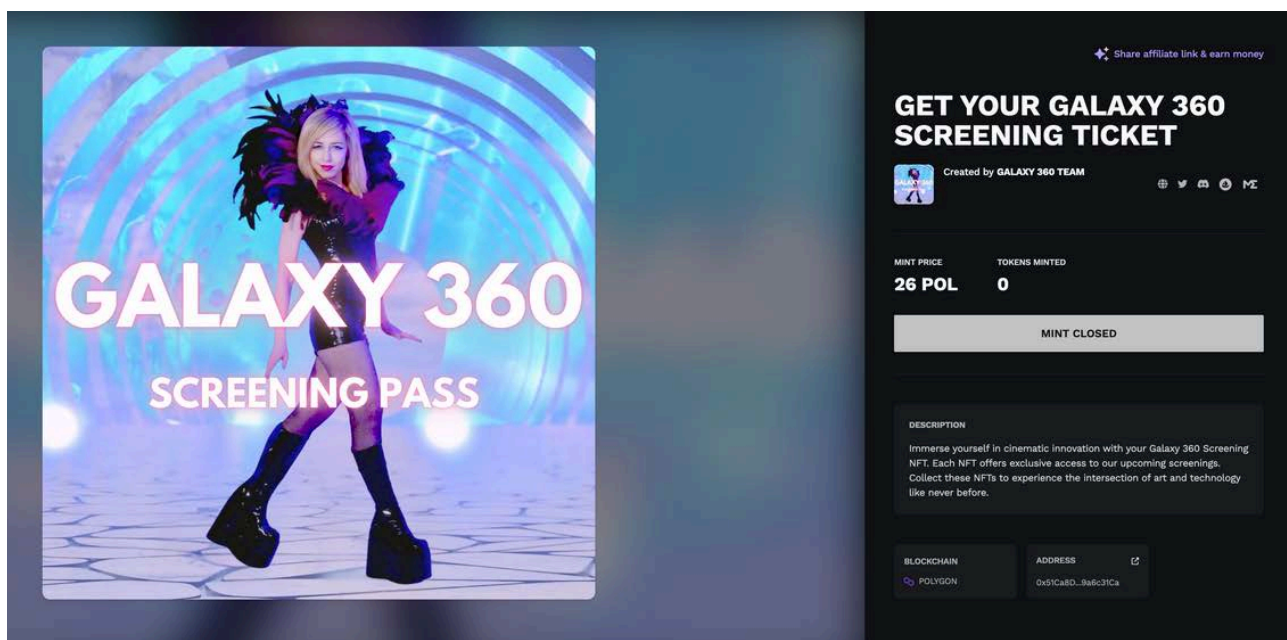
The CWXP Project provided the NFT ticketing system where NFTs serve as tickets to the festival events. The goal is to explore the interest in purchasing NFT tickets for virtual event access and collecting them in digital wallets. This approach ensures artists receive 100% of the initial ticket sale profits and can establish royalties on secondary sales, enhancing their revenue from tickets that offer prolonged or enhanced access. The Sales platforms include HeyMint, MagicEden, and OpenSea. To broaden access, purchases can be made via credit card, fiat, and crypto payments. These payment options were applied to Film NFT tickets as well. Three types of NFTs are distributed:



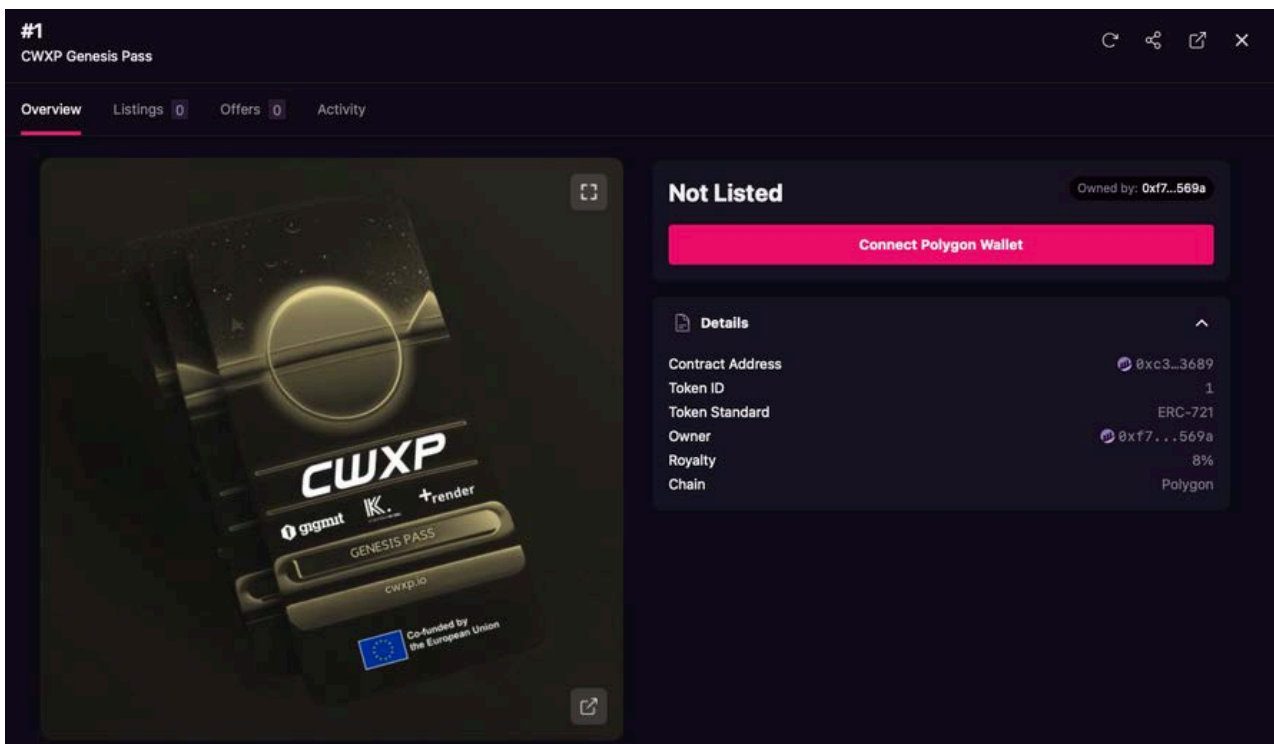
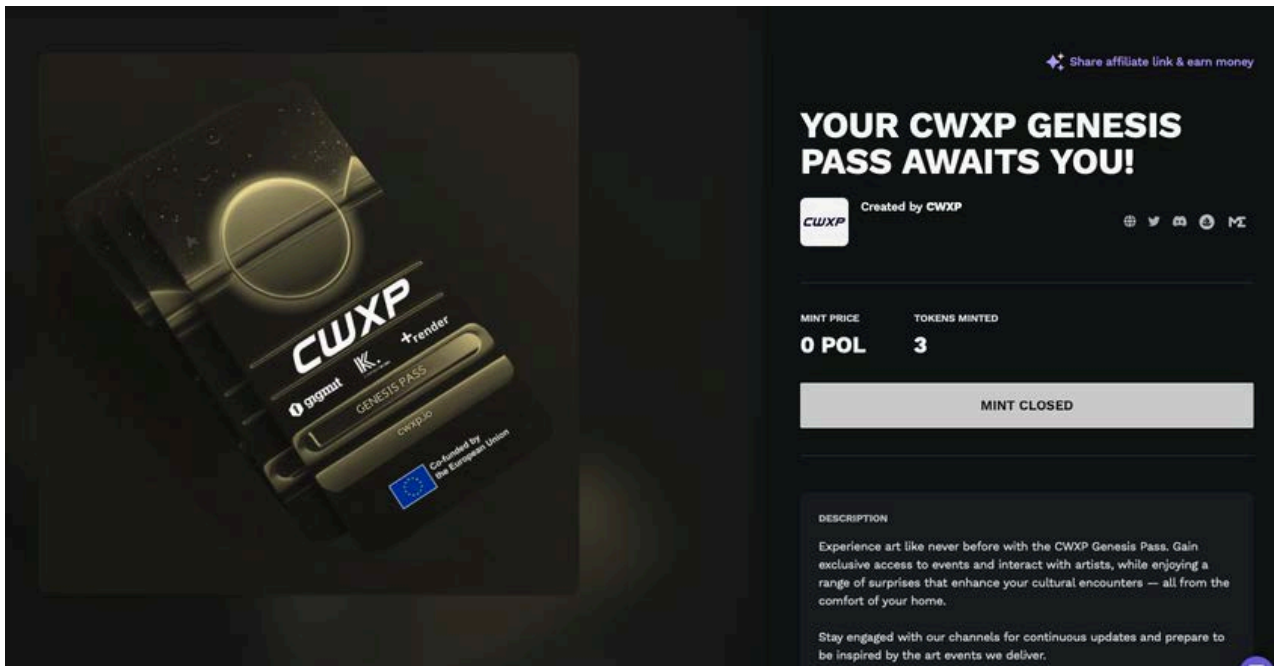
- **Premium Film Festival NFT Ticket:** Grants access to the main event and screening



- **Standard Film Festival NFT Ticket:** Grants access to the main event and screening

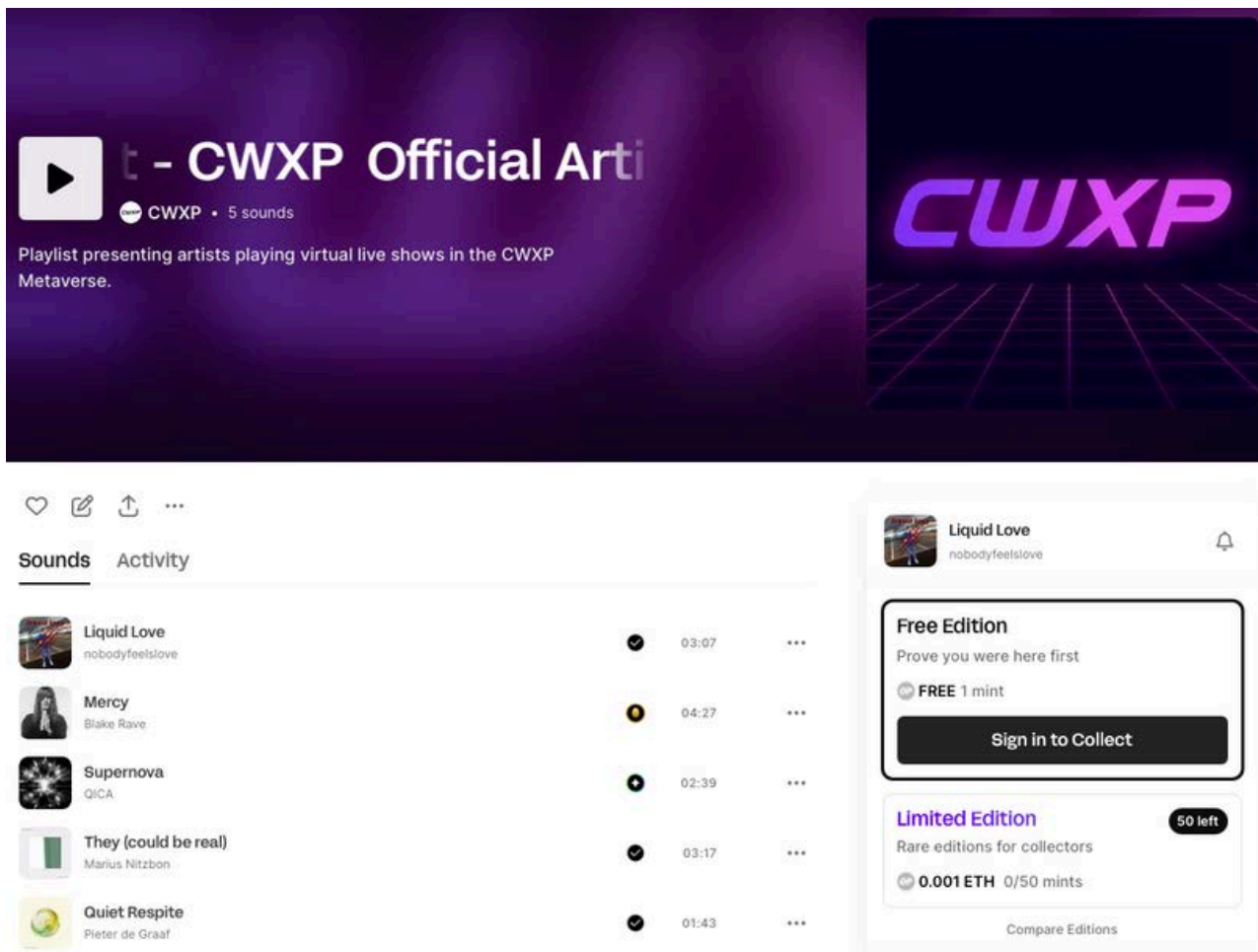


- **CWXP Genesis Pass:** Provides holders with access to exclusive gated events and additional surprise utilities, it is not bound to one specific event.



## NFT Playlist

Additionally to the events within the project, another creator's opportunity was started and explored: the Curated NFT Playlist. A curated NFT playlist offers the benefits of combining artistic expression and innovative revenue streams. The curated NFT playlist was started additionally to the events within the project, exploring being a playlist curator.



OFFICIAL CWXP PLAYLIST ON SOUND.XYZ:

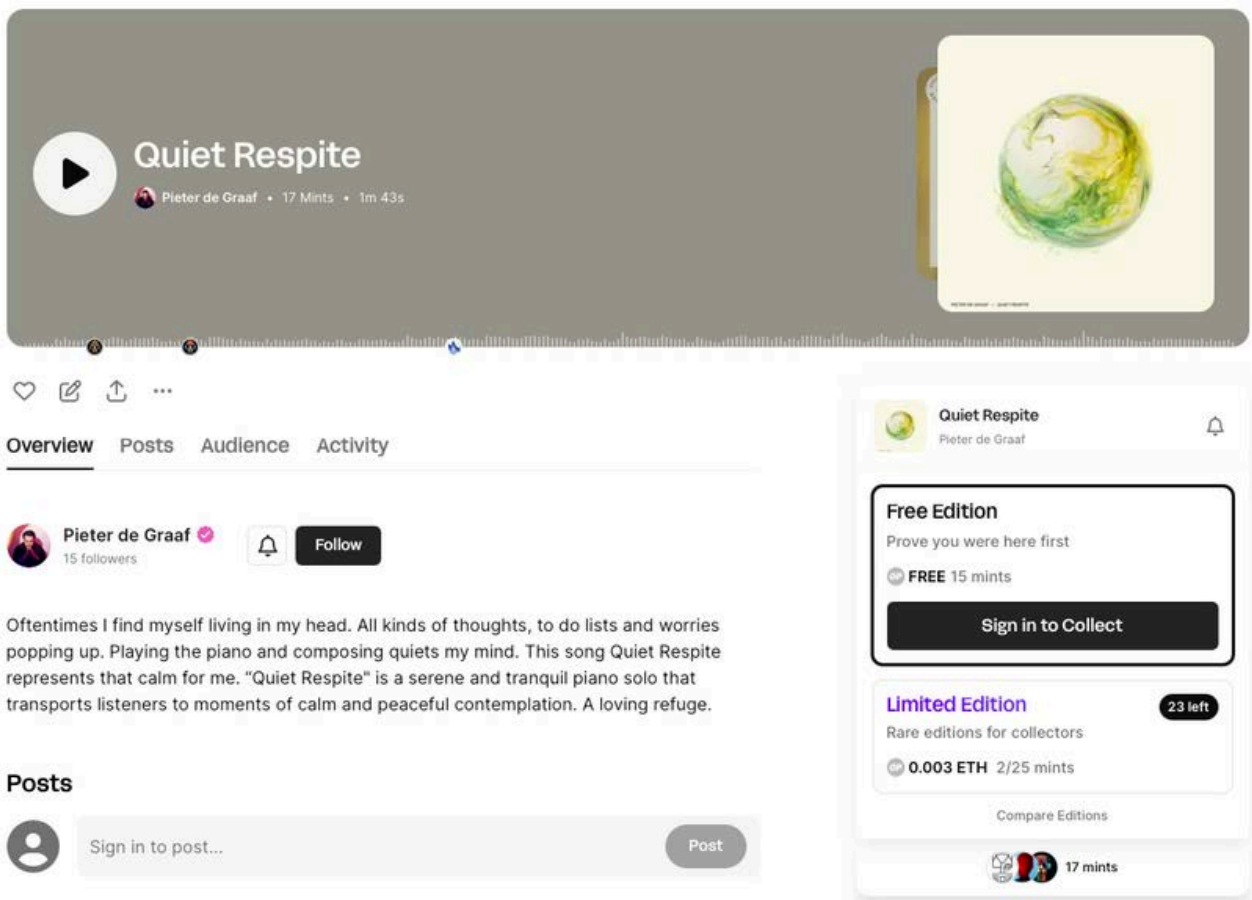
<https://www.sound.xyz/playlist/b86fa2a2-a281-492f-97f4-20968833f9fa>

The potential of being a playlist curator is the Business Model to earn money by:

1. Building a popular playlist.
2. Getting paid for promoting songs.

NFTs (Non-Fungible Tokens) provide musicians a way to sell unique digital content. By curating a playlist and minting it as an NFT, you can directly monetize your music or curated selections. Unlike traditional streaming platforms that pay minimal royalties, NFT sales can give artists a larger share of the revenue, and royalties can be set to generate income from future resales. Reasons to use NFTs:

- **Ownership:** NFTs make it possible for people to truly "own" the songs on a playlist.
- **Collectibles:** Some fans or collectors love owning rare digital items, and a unique playlist with their own Music NFTs could be such an item.
- **Earning Potential:** Royalties mean you can keep earning money from future sales of the playlist NFT. While supporting your favorite artists, you're also able to profit from sharing their music.



## Insights: Crypto Bubble, Wallets & Virtual Goods

The integration of Non-Fungible Tokens (NFTs) within the CWXP project encountered notable challenges, primarily due to audience hesitancy and accessibility barriers, which adversely affected ticket sales. Despite initiatives aimed at simplifying the purchasing process and providing educational resources, a significant portion of users remained inclined towards traditional methods of content access. This reluctance highlights the necessity for more streamlined Web3 tools and targeted educational efforts to build trust and encourage broader adoption.

A report by the EU Blockchain Observatory and Forum emphasizes that while NFTs offer innovative avenues for digital ownership and monetization, their complexity can deter mainstream audiences. The report suggests that "user-friendly interfaces and clear educational materials are essential to demystify NFTs and promote their widespread use" (<https://digital-strategy.ec.europa.eu/en/library/eu-blockchain-observatory-and-forum-publishes-report-non-fungible-tokens-nfts>). This aligns with CWXP's experience, where the intricate nature of NFT transactions posed a barrier to user engagement.

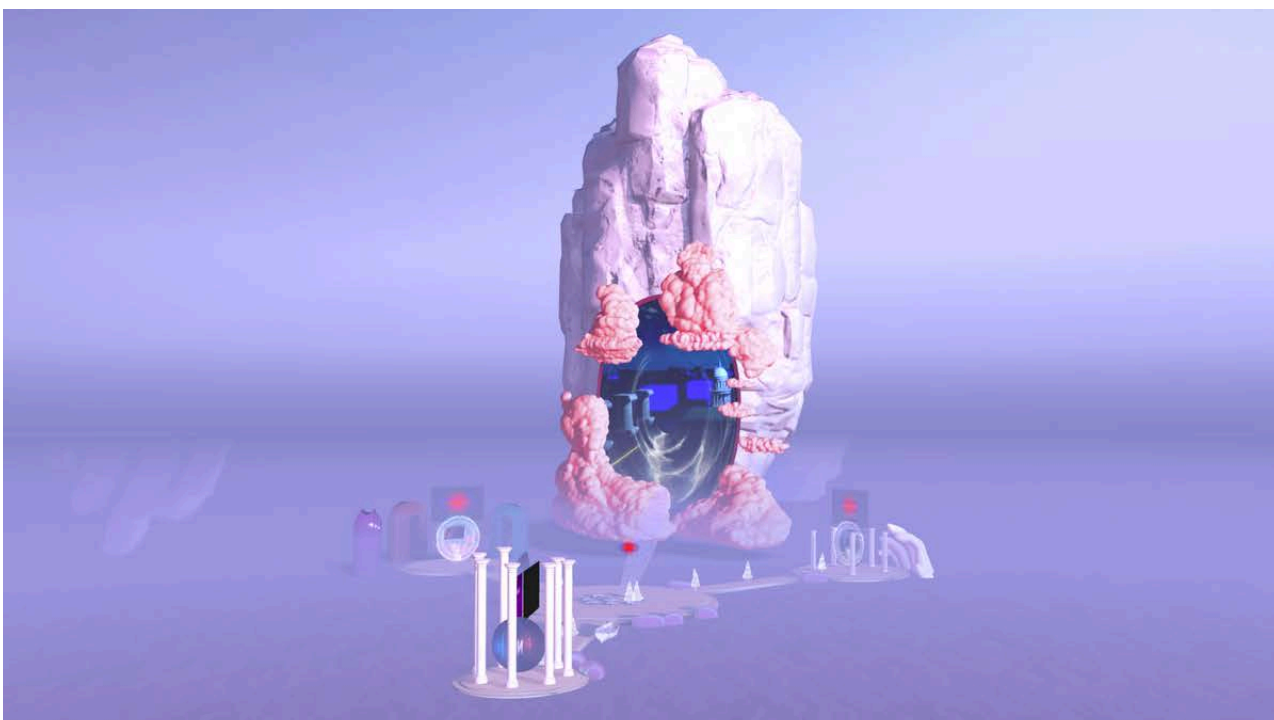
Furthermore, the European NFT market, despite its rapid growth still faces challenges in user adoption

**(<https://www.businesswire.com/news/home/20221108005953/en/European-NFT-Market-and-Future-Growth-Opportunities-2022-2028-UK-Sees-NFT-Platform-Allowing-Social-Media-Users-to-Connect-Profiles-to-Blockchain-and-Create-NFTs---ResearchAndMarkets.com>).**

This paradox of high market growth yet persistent user hesitancy underscores the importance of addressing accessibility issues. CWXP's findings suggest that overcoming these barriers requires not only technological solutions but also comprehensive educational initiatives to familiarize users with NFT functionalities and benefits.

## Monetization and Sustainability Issues

- **Distrust Toward Metaverse and NFTs:** NFTs lost credibility after speculative bubble bursts, and the metaverse is associated with corporate giants like Meta.
- **Barriers to Entry in Web3:** Artists need wallets, crypto knowledge, and security guidance, making participation complex.
- **Event Promotion Challenges:** Small-scale artists struggle to promote metaverse events, while larger artists succeed due to existing fan bases.
- **Web3 Market Volatility:** Engagement fluctuates based on crypto prices, making financial sustainability uncertain.
- **Challenges for Artists:** Web3 demands additional responsibilities (e.g., NFT management, community engagement) that divert from artistic work.
- **Metaverse-Based Performances Failed:** Audiences were unwilling to pay for virtual experiences.
- **Rebranding of Web3 & Metaverse:** Branding explicitly as “Web3” deters users; technologies should be integrated in the background.



## Policy Recommendations

In conclusion, the Project “Creative Web3 Experience Europe” provides a bundle of Policy Recommendations for the European Union as well for National Governments & Regional Initiatives to Grow the Cultural Sector.

Lots of expectations in the Web3 Business and a lot of Market Signals arose in 2021 and 2022, but they do not jump automatically into the artist revenues. The CWXP is a good case study for this, and the reasons are explained in the previous chapters. Nevertheless: This field is not lost! There are some regulatory and supporting steps by the policy makers to be taken to reveal the revenue opportunities for the cultural sector.

### 1.Objective - Legal and Regulatory Web3-Solutions

Navigating the regulatory and legal landscape of the metaverse presented significant challenges for CWXP, particularly concerning intellectual property (IP) rights and copyright issues. This was especially evident during film-related events, where ensuring compliance with existing laws in a digital-first setting posed unique obstacles. Addressing these complexities required extensive consultation with legal experts and the development of clear guidelines for creators and organizers.

The metaverse introduces novel scenarios where traditional IP laws may not directly apply, leading to uncertainties in rights enforcement and protection. For instance, the **European Union Intellectual Property Office (EUIPO)** has highlighted that within the metaverse, users can create original content or share content that may be protected by copyright. This raises questions about ownership, distribution rights, and the applicability of existing IP frameworks in virtual environments.

Moreover, enforcing IP rights in the metaverse is complex, with issues ranging from identifying anonymous infringers to determining applicable jurisdictions and laws. The **EUIPO** notes that the unauthorized use of digital assets, replication of virtual environments, and theft of virtual

goods are prevalent forms of infringement in these spaces. These challenges necessitate a reevaluation of current legal frameworks to effectively address IP violations in virtual contexts.

## Policy Recommendations

### Legal and Regulatory Framework

- Establish clear international legal guidelines for film distribution in the metaverse, addressing territorial rights and licensing.
- Implement content protection measures, including geoblocking and age restrictions, to comply with national regulations (e.g., Germany's rating system).
- Strengthen legal protections against scams, fraud, and security risks in Web3 environments.

### Economic and Market Stability

- Regulate speculative NFT markets to ensure long-term sustainability for artists rather than short-term financial gains.
- Encourage hybrid payment models (crypto and fiat currency) to increase accessibility for mainstream audiences.
- Shift Web3 branding from speculation-driven narratives to functional tools supporting creative industries.

## 2. Objective - Fostering Accessibility

The integration of Web3 technologies into Europe's cultural and creative industries presents significant opportunities for growth, innovation, and inclusivity. However, the adoption of these technologies remains limited due to barriers such as complex onboarding processes, unfamiliarity with blockchain systems, and financial constraints. To fully realize the potential of Web3 and metaverse-based cultural experiences, EU policymakers must prioritize accessibility by ensuring that digital innovation is inclusive and user-friendly.



## Policy Recommendations

### Promote Inclusive Digital Policies

- Establish regulatory frameworks that mandate accessibility standards for Web3 platforms, ensuring they cater to diverse user needs and comply with digital rights principles.
- Encourage collaboration between technology developers, cultural institutions, and accessibility advocacy groups to develop Web3 experiences that accommodate individuals with disabilities and different digital literacy levels.

### Develop Public Awareness Campaigns

- Launch awareness initiatives that demystify Web3 concepts, targeting both creators and consumers, especially those unfamiliar with blockchain technology.
- Utilize broadcasting networks, social media, and community outreach programs to increase understanding of the metaverse and its potential economic and cultural benefits.

## 3. Objective - Education and Training

Lessons learned from the CWXP project underscore the importance of education and outreach in fostering trust and familiarity with metaverse technologies. While many participants were technically proficient, efforts to broaden the platform's appeal revealed a pressing need to enhance technological literacy among a wider audience. To ensure the metaverse becomes an inclusive and accessible space, it is essential to provide clear guidance, simplified tools, and initiatives aimed at bridging the knowledge gap. These efforts are vital to making the metaverse a platform that is achievable and reachable for everyone.

The **European Union's Digital Education Action Plan (2021-2027)** emphasizes the necessity of fostering a high-performing digital

digital education ecosystem. It advocates for enhancing digital skills and competences for the digital transformation, highlighting the importance of accessible and inclusive digital education to ensure that all citizens can participate fully in the digital age. This aligns with CWXP's findings, suggesting that targeted educational initiatives are crucial for broadening metaverse engagement.

Similarly, the **Organisation for Economic Co-operation and Development (OECD)** underscores the role of digital education in promoting equity and inclusion. Their report, *Digital Equity and Inclusion in Education*, discusses how strategic incorporation of digital technologies can make education more equitable and inclusive, particularly for disadvantaged students. This perspective reinforces the need for comprehensive outreach and education strategies to ensure diverse populations can effectively engage with metaverse technologies. By prioritizing education and outreach, stakeholders can foster a more inclusive metaverse that empowers all users to participate fully, regardless of their initial level of technological literacy. Clear guidance, simplified tools, and targeted educational programs are key components in achieving this goal, ensuring that the metaverse becomes a universally accessible platform.

Dedicated programs to educate creators and audiences about blockchain, NFTs, and metaverse tools will build trust and familiarity, ensuring more robust participation. Collaborations with cultural institutions and educational organizations can amplify these efforts and drive awareness.

## Policy Recommendations

### **Support Cultural Institutions in Digital Literacy**

- Provide funding and policy support for the cultural sector to develop digital literacy programs tailored to their audiences.
- Develop interactive and immersive learning experiences that use metaverse environments to engage the public with Web3 concepts in a tangible way.

- Foster partnerships between cultural institutions and tech companies to create accessible, easy-to-use learning materials that bridge the knowledge gap in blockchain and NFTs.

## **Create EU-Funded Web3 Training Programs**

- Launch publicly funded workshops and online courses that cater to different expertise levels, from beginners to advanced users, ensuring that cultural professionals and artists can navigate Web3 effectively.
- Support tailored educational programs for marginalized and underrepresented groups, ensuring equitable access to opportunities in the digital economy.
- Incentivize participation in training programs by providing certifications and grants for those who successfully complete Web3 education initiatives.

## **Foster Industry-Academic Collaborations**

- Encourage research initiatives that explore the cultural and economic impact of Web3 technologies and develop strategies for ethical and sustainable adoption.
- Partner with universities, vocational training centers, and digital innovation hubs to create specialized Web3 learning modules for students and professionals in the cultural and creative industries.
- Support initiatives that connect academic institutions with creative businesses to facilitate real-world applications of Web3 knowledge and skills.

## **Ensure Continuous Knowledge Exchange**

- Organize EU-wide Web3 conferences, hackathons, and forums where policymakers, developers, and creatives can collaborate and share insights.
- Develop long-term partnerships with international Web3 communities to ensure that European creators have access to the latest trends and technological developments.

- Encourage mentorship programs where experienced Web3 professionals guide new entrants into the ecosystem, fostering skill development and professional networking.

## 4. Objective - Funding and Infrastructure

Public funding and support frameworks should be established to encourage experimentation and innovation in metaverse applications, particularly for small-to-medium-sized creators and organizations. This includes investments in digital infrastructure and resources to support scalable projects like CWXP.

### Policy Recommendations

#### Technological and Infrastructure Development

- Encourage interoperability between Web2 and Web3 platforms to improve user experience and reduce technical barriers.
- Invest in metaverse infrastructure to enhance scalability, real-time interaction, and content synchronization.
- Support the development of accessible VR/AR tools to increase engagement and adoption.
- Provide funding and technical support for open-source accessibility tools that help Web3 platforms cater to diverse audiences.

#### Establish Dedicated Web3 Grant Programs

- Develop EU funding schemes specifically for cultural and creative Web3 projects, ensuring fair access for independent creators and small enterprises.
- Support experimental and early-stage projects that explore innovative applications of blockchain and metaverse technologies in the creative sector.
- Provide dedicated funding for cross-sector research and development projects exploring how Web3 technologies can be leveraged for public accessibility and inclusivity.

## Enhance Public-Private Investment Models

- Encourage venture capital, philanthropic funding, and corporate sponsorships to complement public funding and sustain long-term innovation.
- Develop tax incentives and investment-friendly policies that attract private sector contributions to Web3-driven cultural initiatives.
- Establish EU-backed investment funds that focus on digital culture and emerging technologies.

## Support Experimentation and Prototyping

- Establish innovation labs and incubators where creators can test and refine new Web3 applications in controlled environments.
- Provide regulatory sandboxes that allow developers and cultural entrepreneurs to experiment with new business models without immediate regulatory burdens.
- Encourage cross-industry collaborations that drive innovation in creative economy applications of blockchain and NFTs.

# Thank you!

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# CWXP

## Bridging Culture & Technology: Web3 for the Creative Industry

The CWXP - Creative Web3 Experience Europe project explores how Web3 can transform the cultural and creative sectors. Over two years, CWXP has tested new digital frameworks, developed virtual event spaces, and analyzed how Web3 tools can be integrated to create a more accessible and sustainable environment for artists, musicians, and filmmakers.

Developed through a collaboration of:



gigmit (Germany, Music Sector)



Kontentwerk (Germany, Audiovisual Sector)



Plus Render (Spain, Tech & Metaverse Experts)



Co-funded by the European Union

Funded by the European Creative (03/2023-02/2025)

## Key Insights from the CWXP Project



### Expanding Digital Access & Monetization

- Virtual event spaces remove geographic barriers, enabling global reach.
- The metaverse offers new ways to showcase performances, screenings, and interactive art.
- NFT ticketing and blockchain royalties present potential new income streams for creators.



### Challenges in Adoption

- High technical complexity and lack of Web3 knowledge limit adoption.
- The cost of integrating Web3 tools and creating digital assets is a barrier for many artists.
- Web3 adoption is slowed by market volatility and audience skepticism.



### Building a Sustainable Infrastructure

- A clear legal framework for metaverse-based performances and content licensing is needed.
- Web3 platforms must be user-friendly, accessible, and scalable for creative professionals.
- Cross-platform interoperability is essential for long-term industry adoption.

## Four Pillars of Industry Transformation

### NEW STAGES



#### Establishing Web3 Cultural Spaces

- Developed and tested interactive metaverse environments for performances, screenings, and networking.
- Demonstrated how digital spaces can serve as creative hubs for showcasing art and engaging audiences.

### NEW SKILLS



#### Empowering Artists for Web3

- Created accessible training materials and onboarding guides for cultural professionals.
- Provided practical resources on NFT ticketing, blockchain monetization, and digital storytelling.

### NEW AUDIENCES



#### Expanding Audience Engagement

- Tested digital audience behaviors through social media campaigns, Web3 community events, and interactive platforms.
- Built connections between traditional creative industries and Web3-native audiences.

### NEW REVENUE



#### Monetizing Creativity in Digital Spaces

- Implemented real-world experiments with NFT ticketing, blockchain-based revenue models, and virtual performance sales.
- Evaluated revenue potential, identifying key opportunities and challenges in digital ownership and audience-driven income.

## What Comes Next?

If you want to explore the potential of Web3 for creative industries or apply these findings to your own initiatives, we encourage you to continue the conversation, experiment with emerging technologies, and advocate for policies that support artists in the digital economy.



Contact us at:

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