



**CROWDMIND**

**WHITEPAPER**

**November 2018.**

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# 1. Introduction

Today, it's very difficult to determine the boundary between the online and offline space. We can say that online space is a natural extension of our living environment, while any decision in offline regime can get its online reflection and vice versa.

The latest research confirms that more than half of the world's population uses the Internet.<sup>1</sup> These people are not only consuming content on different websites but also participate in its creation and evaluation. Instead of looking at them at the level of individual preferences or other criteria that can vary according to the platforms they are gathering, these users can also be viewed as a crowd that is capable of realizing various activities that can have a significant impact on their communities.

If they are provided with the appropriate environment, these people are capable of performing the most diverse tasks that represent the synergy of collective knowledge and creativity and which in the broader terms are described by the term crowdsourcing.

Crowdmind is a Steemit community project dedicated to finding, supporting and rewarding initiatives that harness the key of four primary crowdsourcing categories: crowd wisdom, crowd creation, crowd voting, and crowdfunding.<sup>2</sup> As the most popular application on the Steem blockchain, Steemit represents a good starting point for a project which will further grow and be developed in accordance with the community's tendencies. Steem development plans that include SMT<sup>3</sup> and Hivemind<sup>4</sup> only confirm that the overall ecosystem in the future will be even more advanced and more adapted to the creation of conditions in which collective intelligence can come to full expression.

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<sup>1</sup><https://www.internetworldstats.com/stats.htm>

<sup>2</sup>Howe, J., 2008. Crowdsourcing: How the power of the crowd is driving the future of business. Random House.

<sup>3</sup><https://smt.steem.io/>

<sup>4</sup><https://steemit.com/steem/@steemitblog/update-communities-hivemind>

## 2. Participation as a value catalyst

A certain level of participation is a basic pre-condition for creating a community that is capable of generating value. Online platforms that allow users to implement participatory activities do not imply that participation will occur. The 1% Rule in Internet Culture represents a variation of the Pareto principle that says 1% of the platform's users create content, 10% interacts with it while others consume it.<sup>5</sup> According to some sources, the categorization of active Wikipedia users in 2006 identified three user categories –*Contributors* (people who contributed at least 10 times for the whole period of their presence on the platform), *Active Contributors* (contributed at least 5 times in a month) and *Very Active Contributors* (users who contribute at least 100 times a month)<sup>6</sup>. Completely expected, the latest category was very low.

However, the data that some Steemit users regularly publish on their blogs indicates that Steemit users take a significant level of activity even though the whole platform fits into the 1% rule.

If we take a look at the statistic from one of the early Steemit users<sup>7</sup> we can draw interesting conclusions about this matter. For example, daily transacting accounts (average) from 22-29. october 2018. created 461,099 posts and comments, which is 8.78 entries per user (at Steem price of 0.80 USD). If multiplied by 4 (weeks) this means that all users (according to mentioned categorization) could be placed in a group of *Active contributors* (more than 5 contributions in a month). But for example, if we look at a data from the first week in 2018 (when the Steem had a price over the 6 USD), 53.021 active users created 1.522.844 posts and comments - which places them all in a category of *Very Active Contributors*. It is interesting to notice that even this categorization is not a mandatory one, average calculation never falls in a category of *Contributors*. This is a direct consequence of a unique Steem concept that allows users to make money by creating content on a blockchain-based rewards platform.

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<sup>5</sup><http://academyinternetmarketing.blogspot.com/2011/01/user-generated-content-11089-rule.html>

<sup>6</sup>[https://web.archive.org/web/20100511081141/http://www.churchofthecustomer.com/blog/2006/05/charting\\_wiki\\_p.html](https://web.archive.org/web/20100511081141/http://www.churchofthecustomer.com/blog/2006/05/charting_wiki_p.html)

<sup>7</sup><https://steemit.com/@penguinpablo>

### 3. Empowering The Crowd

For a better understanding of different crowdsourcing possibilities, we will try to give example for every type of crowdsourcing activities.

**Crowd wisdom** – At Crowdmind, we love to think about this as a key crowdsourcing fuel – unique crowd ability which powers every creative manifestation of its work. In his excellent book dedicated to the Wisdom of the Crowd, Surowiecki states that “under the right circumstances, groups are remarkably intelligent, and are often smarter than the smartest people in them.”<sup>8</sup> The key of this is to trigger the full potential of the crowd – by helping the individuals to use their formal and informal knowledge and skills for different problem-solving. Google search engine results are based on preferences which represent the general wisdom of the crowd. When the Challenger disaster happened, stock prices of the company which produces the faulty part were the lowest (among all companies which were included in the supply chain) – even before the official investigation was completed.<sup>9</sup> Imagine what synergy of minds can reveal around specific problems in science, business, art or any other topic.

**Crowd Creation** – Here we talk about creative calls for specific end products – and yes, this is the most common crowdsourcing type. For people who use the Steemit on a regular basis, different contests could be a good example. But this doesn't mean that simple ad-hoc contest is recognized by Crowdmind as valuable. For example – the photo contest rules could create an easy condition of participating with the existing photo, with little or none collaboration among fellow platform users. On the other hand, short story contest may crowdsource the central writing subject, and motivate the participation and interaction between writers and readers through comment rewarding. After the comments were considered and eventually implemented, finally contest winners are rewarded – and maybe the hard copy book is printed after some time (if all parties agree). In this way, we connected online and offline space, with the specific end product which can reach the readers who never heard about the platform. In the next section, dedicated to crowd voting, you will be introduced with another crowd creation project dedicated to a specific urban environment topic. And after all, we can launch and support micro

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<sup>8</sup> Surowiecki, J., 2005. The wisdom of crowds. Anchor.

<sup>9</sup> Maloney, M.T. and Mulherin, J.H., 1998. The Stock Price Reaction to the Challenger Crash: Information Disclosure in an Efficient Market.

projects and open calls which tends to solve complex scientific problems. This is the world of open possibilities, and we have almost no limitations for its application.

**Crowd voting** – Howe does the great job describing it as „using the crowd’s judgments to organize vast quantities of information.“. Steemit is an example of the intended implementation of this concept in order to organize and reward user-generated content. David C. Brabham is writing about the brilliant project – a crowdsourced call for Bus Stop design proposals in Utah.<sup>10</sup> People around the world were asked to deliver their proposals for Bus Station design, and after that – crowd had the ability to evaluate and vote for best entries. Although this project is very outdated – it represents a good example of different crowdsourcing approach applications. What started as an open call, become crowd creation and after all crowd voting. There is archived web page which you can see [here](#), and if you do it you will realize how much is easier to run similar initiatives and accomplish much greater results on blockchain based platforms today.

**Crowdfunding** – This is a well-known model, thanks to the platforms like Kickstarter or Indiegogo. But on blockchain based platforms there is no middleman or third party services, so every good idea can be funded directly from the community or individuals. The best crowdfunding practice also includes another crowdsourcing models, and Steem based platforms like Steemit are an excellent example of their absolute integration. This means that if you have the right idea you may raise the funds from early stages – and continue to grow support for your project in all stages of its development. And best of all is that you can do it through your blog – without the need for any special permits, approvals, fees or similar procedures common in traditional crowdfunding platforms.

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<sup>10</sup> Brabham, D.C., Sanchez, T.W. and Bartholomew, K., 2010, January. Crowdsourcing public participation in transit planning: preliminary results from the next stop design case. In TRB 89th Annual Meeting Compendium.

## 4. Why we do this?

We strongly believe in the future of Steem and its related applications. What started as a platform for content rewarding could easily become a place for the development of global participative tools which can impact the lives of people and communities around the world. We want to support people who are ready to contribute to the crowd and take part in crowdsourced initiatives – regardless if it is a simple contest or fundraising for the urban environment changes.

On the other hand, we are sure that strengthening the individual users and raising the power of the crowd will not only strengthen specific communities but also be an example of good practice which in the future could attract brands and other investors to the platform. Every year companies are spending millions on CSR projects, and this money could be used for micro-donations and generate even more value on blockchain (without being actually spent). But this is not the only possible scenario. Connecting the people around the world is an excellent basis for exchanging the good practice without central authorities who are acting as a middleman. This is just a few of many examples which could trigger the domino effect and motivate stakeholders to join the platform.

## 5. How we do this?

With Steem based platforms, what we earlier knew as tools available to the crowd, now becomes the natural ability of the crowd, unrestricted by rules of the middleman. However, participation itself cannot be a guarantee of value creation. This is precisely why the crowdsourcing activities must be encouraged and supported by helping the users to liberate full potentials and reach not only individual results, but also the results which will benefit their organizations, communities, and even society as a whole.

According to that, Crowdmind as Steemit community project will support all users who recognize crowdsourcing potential and create content or take actions which could be described as:

- Raising the awareness about theoretical aspects and importance of crowdsourcing and related topics.

- Crowd creation initiatives, crowdsourcing creative tasks and all other activities that encourage the crowd creativity.
- Crowdfunding projects which are aimed at community problem solving, supporting the local initiatives around the world or any other topic which could benefit people and the quality of their lives.
- Crowdvoting in any way which motivates the deeper involvement of the crowd. Although this crowdsourcing manifestation is directly present through the voting on the platform it is important to connect this practice with as much activism as possible.
- Crowd Wisdom in its widest sense. Given that this is the most important principle without which crowdsourcing is not possible, the project will endeavor to reward as many initiatives that engage the masses in carrying out the most diverse tasks. Special attention will be paid to content which contributes to science debates, problem-solving in local environments and promotion of the platform in communities that have not yet been introduced to it.

The project official account is @crowdmind. The main communication channels are an official Steemit blog and Discord Server. Crowdmind will fund its operations through following activities:

- Running its own witnesses or cooperating with existing Steem witnesses
- Helping the witnesses recognize touchpoints between their knowledge, skills and specific needs of the community, through cooperation with users who are experts in the field of public relations, strategic planning, and advertising.
- Raising the Steem delegations and donations
- Running a voting trail for its supporters

Project representatives will communicate with the community and report about its specific initiatives and results on the official blog, while also encouraging involvement and support for different community topics on its discord server and other channels.

For more information, please visit:

Website: [www.crowdmind.io](http://www.crowdmind.io)

Steemit: <https://steemit.com/@crowdmind>