YIELD GUILD GAMES

Guild Protocol:
The Era of Onchain Guilds

CONCEPT PAPER
SEPTEMBER 2024

Disclaimer

Executive Summary

Vision

The YGG Guild Protocol is a platform to aggregate different communities with web3 expertise, while enabling them to uncover opportunities and earn rewards. It will host a myriad of decentralized applications (dapps) to empower people from all over the world, enabling them to organize, scale, and monetize.

Thinking of games as digital economies, gaming guilds are simply people coordinating, communicating and collaborating for fun and reward. Economic incentives drive coordination, communication, and collaboration among communities of all sizes and specializations.

YGG brings this guild model onchain with groups working toward shared goals as recognized, verified users whose credentials are earned through real effort, while being able to earn and distribute rewards amongst themselves permissionlessly and trustlessly.

At YGG, we believe that anyone should be able to join a guild, discover economic opportunities, and level up their skills within a community of like-minded individuals. This vision extends to the entire web3 landscape, which we see as an inclusive space to play, work, and learn together in a new model for the gig economy.

From the Founders

Yield Guild Games (YGG) has come a long way since it started as a gaming guild in 2020. Four years have passed and the original YGG guild has transformed into a Guild Protocol that now supports many guilds through its line of modular products and programs onchain. After seeing successes (and what we think didn't quite work) with guilds, assets and activities, we decided it was time to share this Concept Paper for the Guild Protocol, and the new era of Onchain Guilds.

Through YGG's modular libraries and products, guilds can self-organize all their interactions onchain, based on an optimization standard the protocol developed for its ecosystem.

The concept paper contains the larger vision for the YGG ecosystem. Our direction opens up a multitude of opportunities, but stays true to our original mission: economic opportunities for our community.

#TogetherWePlay

Gabby, Beryl and Owl

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Background

Yield Guild Games (YGG) is a web3 Guild Protocol that enables players and gaming guilds to find their community, discover games and level up together. As a network of gaming guilds focused on web3 games, YGG provides an equal-opportunity support system so that its members can become power players in games and in life.

YGG empowers its guild community to organize onchain, providing guilds access to its infrastructure for them to scale and receive opportunities based on their specializations.

Through YGG's questing initiatives, such as Superquests and the Guild Advancement Program (GAP), members of YGG can benefit from its achievement-based reputation system and build their onchain identity.

Figure 1: YGG's 11 regional guild partners

History

YGG has evolved from a gaming guild that enabled Filipinos to earn digital rewards by playing games in 2020.[1] Fast forward to 2024, YGG's programs broadened community participation by upskilling people all over the world to move into a range of in-demand roles in one of the world's fastest-growing industries — including community moderators, esports players, game testers, and more. This led to its rapid growth of a global network of 11 regional guild partners (see Figure 1), a network reach of 7 million, and partnerships with over 100 web3 gaming-related projects (see Figure 2).

YGG also offers questing programs to support user onboarding for its partner projects, and it hosts the annual YGG Play Summit in Manila, Philippines, now in its third year, bringing communities and projects together to encourage learning.
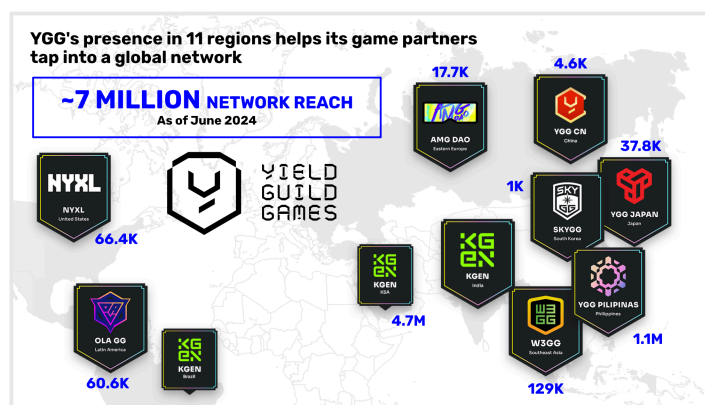

Figure 2: YGG metrics as of April 2024.

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[1] https://www.weforum.org/agenda/2022/07/gaming-pandemic-lockdowns-pwc-growth/

Market

Since 2020, YGG's primary focus has been on video gaming, a growing sector worth US$321 billion by 2026[2] according to PwC's Global Entertainment and Media Outlook 2022-26. With an average of 3.3 billion gamers who spend 2.5 hours playing games, and the Gen Z population spending even more hours on average on social media, it is no surprise social gaming takes an astounding 75% majority of the growth in the video gaming market, with nearly 260% growth (see Figure 3).

YGG's activities combine gaming with advertising where the majority of its activities are in emerging markets like the Philippines. The latter sector is classified under the entertainment and media (E&M) industry. It has a market size of US$3.4 trillion.[3]

This is an enormous market, yet the potential opportunity is even larger as the emergence of new-generation technologies[4] such as blockchain increase efficiency and introduce sovereignty of asset ownership. This opens up unexplored business models.

Figure 3: "$300 Billion of Video Gaming Revenue, by Segment (2017-2026F)" (Khan, 2023)

This is where YGG's web3 Guild Protocol comes in. It creates a decentralized, tamper-proof system to record transactions. The authenticity and immutability of accounts related to YGG's onchain ecosystem (guilds, assets and activities) open up social and economic opportunities for both project builders and users of the protocol. The protocol not only serves gaming but it is sector-agnostic. It has the potential to expand beyond the US$321 billion gaming and US$3.4 trillion E&M sectors.

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[2]https://www.pwc.com/gx/en/industries/entertainment-media/outlook/downloads/pwc-outlook22-v4.pdf
[3]https://www.pwc.com/gx/en/issues/business-model-reinvention/outlook/insights-and-perspectives.html
[4]Blockchain, artificial intelligence (AI), decentralized physical infrastructure networks (DePIN), and robotics as examples of emerging technologies.

Guild Protocol

Within the traditional gaming landscape, guilds have emerged as vital social structures that empower players to unite and embark on thrilling adventures together. In groundbreaking titles like EVE Online, RuneScape, and World of Warcraft, millions of players have discovered the transformative power of guilds, enhancing their gaming experiences through rich social interactions, resource sharing, and strategic collaboration. However, the current gaming ecosystem faces challenges, such as the inability to effectively coordinate guilds across different games, a lack of reliable records of group activities, and insufficient open graphs for new games to effectively target passionate players.

Enter the **YGG Guild Protocol**, a revolutionary initiative poised to redefine the future of gaming and beyond. This protocol will facilitate seamless coordination among groups. YGG partner projects will harness the power of the protocol to target specific player groups, addressing modern gaming's user acquisition challenges to cultivate high-LTV player communities through tailored quest campaigns.

The YGG Guild Protocol is a global standard for a set of guild-related interactions conducted on a blockchain. It is designed to optimize for scalable opportunities through verifiable and transparent transactions recorded onchain. Due to the protocol's open-source nature and the modularity of its libraries, people can form guilds, tap ecosystem resources, build feature sets, and run programs together.

YGG's Onchain Guilds, or OGs, are the core primitive by which the Guild Protocol enables builders to access web3 communities around aligned interests and activities. Each Onchain Guild consists of:

GUILDS	ASSETS	ACTIVITY
A guild represents a group of individuals who join together through a set of common traits or common activities. Each guild is represented by a guild badge.	The guild manages a treasury wallet to control assets for members to use. The Onchain Guild earns rewards as a collective so members can share in the guild's success.	Guild members coordinate actions across YGG's questing platforms to earn soulbound tokens (SBTs), non-transferable NFTs that build web3 reputation.

Any YGG user can permissionlessly create an Onchain Guild. As part of the Onchain Guild creation process, a treasury wallet is created that is directly controlled by that guild. Any developer can build an application that uses the Guild Protocol to target Onchain Guilds as a method of accessing and coordinating groups of web3 users at scale.

YGG's Guild Protocol maximizes social and economic outcomes while minimizing the use of resources such as time, labor and capital.

Web3 Reputation

Blockchain-based assets are recorded and can be verified. They are immutable. This is why a portfolio of non-transferable NFTs, or soulbound tokens (SBTs), that prove achievements become valuable. It proves a person's reputation efficiently, as replicating an identity is not possible. This opens up opportunities for guilds. Without a standard and a method to confirm reputation, any achievement will always be questionable. For example, a game giving out rewards to players may always face the question of whether they are rewarding genuine users or bots.

As Yield Guild Games transitioned toward becoming a Guild Protocol, onchain reputation has been at the forefront of its initiatives. Having reputation that is recorded onchain adds a layer of verifiability and validity lacking in the digital space. With this, guilds and guild members can create an immutable record of their web3 achievements, acting as a portfolio with verifiable proof-of-work. As they complete activities, they earn SBTs that serve as proof of their accomplishments. Now, anyone who wants to look for experienced guilds and guild members can look at their onchain reputation and choose those that are best suited for the job.

In the YGG ecosystem, Onchain Guilds and their members engage in a range of activities for partner games to earn rewards and build their onchain reputation, which can be used to unlock future opportunities. These include:

- Superquests
- Guild Advancement Program (GAP)
- Bounties
- AI Labeling
- Community Moderation
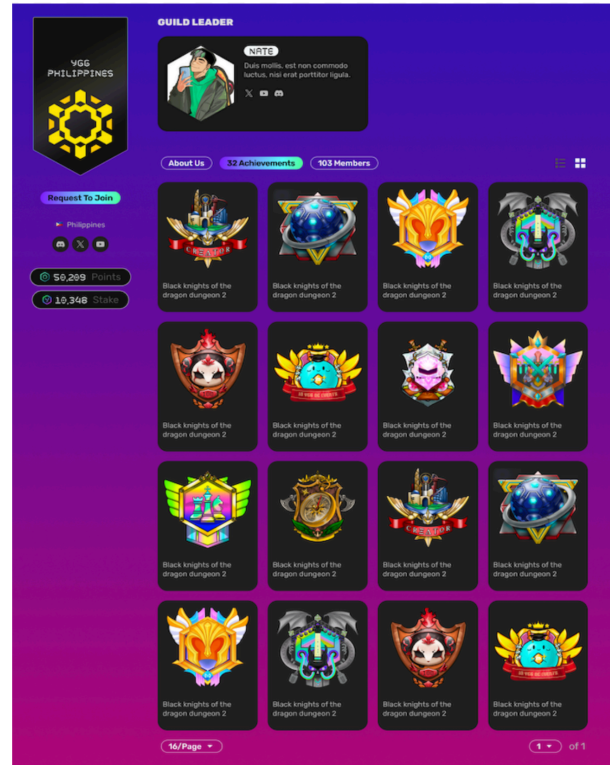
Figure 4: A guild profile showing a portfolio of NFT badge assets collected from program participation.

Learn More About Web3 Reputation

Check out the following content featuring Gabby talking about the importance of having community members' achievements and credentials stored onchain.

GG BY DECRYPT
[Axie Infinity's Biggest Guild Is Transforming Into a Protocol for Pixels and Beyond](#)

YGG SPACES
[The Future of Web3 Gaming & Onchain Reputation](#)

DECENTRALISED.CO
[Reputation Cookies: On skill-based social graphs in gaming](#)

Guilds

The protocol enables people to record and verify accomplishments onchain as a group. It is designed for any person to start a blockchain-based group (guilds) and attract members who have common interests and goals (see Figure 6). These groups have access to tools and an immutable account to present their portfolio of achievements in the form of NFTs. As they build their reputation onchain, they can pursue social and economic interests together.
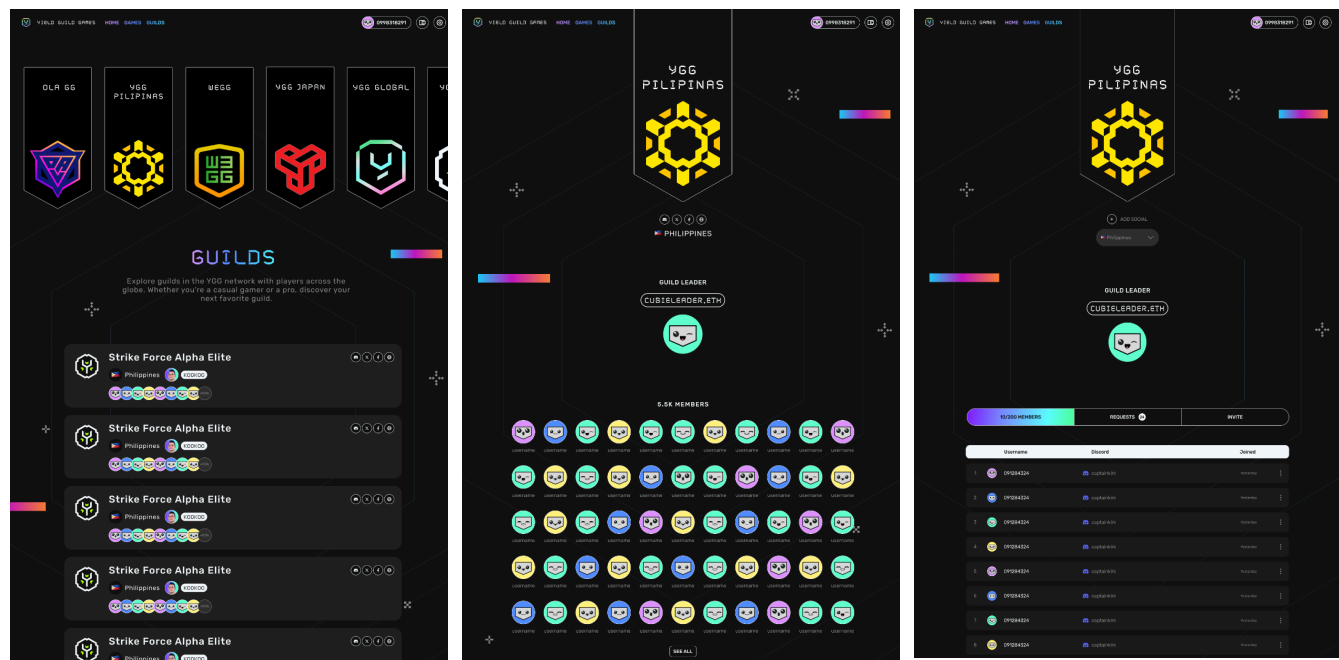
Figure 5: The Onchain Guild interface.

THE FUTURE OF ONCHAIN GUILDS

ONCHAIN GUILDS LEADING TO A WORLD OF ONCHAIN GROUPS

Onchain Guilds can be used not just to target new gaming audiences. Any group can come together to form an OG where group coordination can lead to deeper engagement and greater rewards.

Social Community	Career Community	Geographical Community
• Friend Groups	• AI Labelers	• IRL Events
• Competitive Players	• Designers/Artists	• Companies
• Content Creators/KOLs	• Game Testers	• Schools
• Educators	• Asset Creators	• Universities
• Investors	• Bug Bounty Hunters	• Regional Guilds

Figure 6: The protocol hosts guilds of any kind, not just gaming guilds.

Activities

YGG activities are composed of several kinds of programs, events, and competitions. They aim to upskill guilds, projects and the wider ecosystem. While YGG has successfully launched its first few activities, it encourages guilds to form and launch their own on the YGG protocol.

Through the protocol, participants can prove which activities they joined, how well they are performing, and what future programs they may likely be interested in. All of these help ecosystem players optimize their time and capital when searching for a guild or creating one.

Activities include but are not limited to the following (see Figure 7):

- Quests
- Game Testing
- Esports
- Tournaments
- Community Moderation
- Upskilling programs
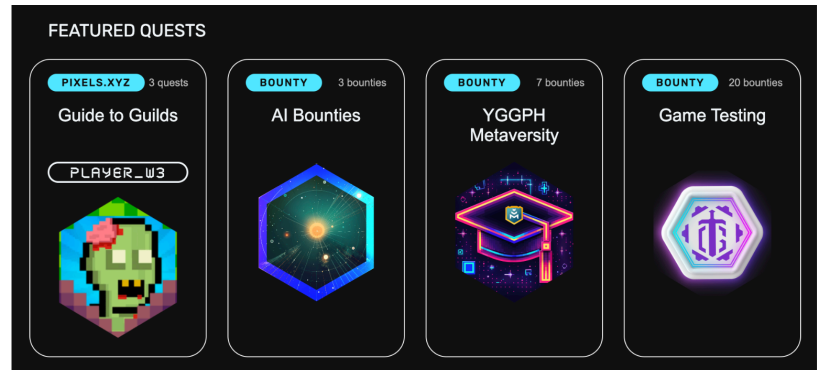
FEATURED QUESTS

Figure 7: Featured YGG GAP Quests.

With nearly 750 quests launched across 29 YGG game partners (see Figure 8), the Guild Advancement Program has rewarded over 12,250 community members for their activity across a wide range of web3 games. In addition to GAP, there are over 1,400 YGG Game Testers registered on YGG's Discord channel, supporting 13 YGG game partners.

The following is a selection of games that have issued achievement badges for activity in GAP and the YGG Game Testers Program since their inception.

Figure 8: GAP and YGG Game Testers Program partner games. Refer to YGG Quarterly Reports for other game partners.

QUEST LEVELS

Level 1: Low effort and skill. Focused on player acquisition

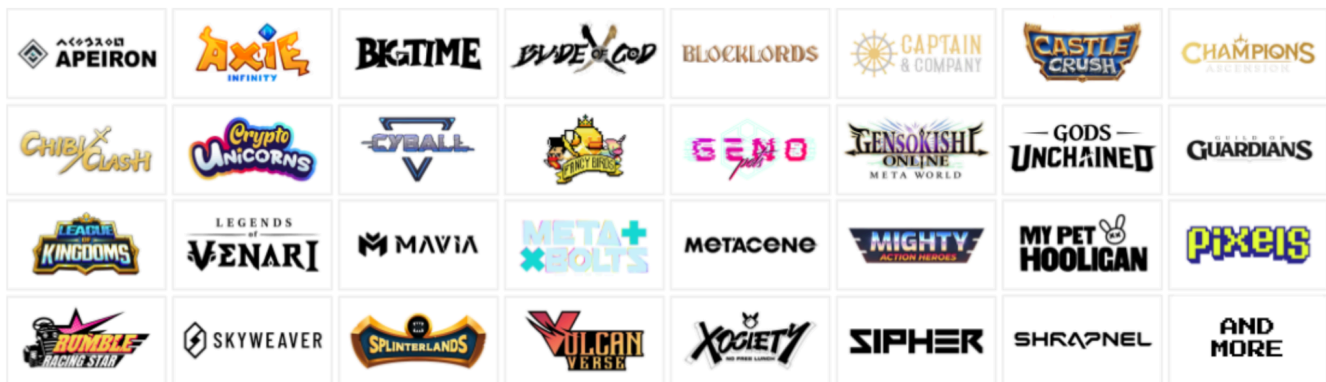|	
Onboarding	Player sign ups, referrals and introduction to game
Grinding	Requires players to spend more time exploring a game by completing certain levels
Community	Player attendance at community events and social engagement

Level 2: Active effort and skill. Focused on player engagement and cooperative tasks

Competitive	Encourages competitive and skilled play
Content Creation	Contribute quality UGC

Level 3: High effort and skill. Focused on in game transactions and revenue generation for YGG

YGG Assets	Utilizes YGG owned in-game assets
In-Game Purchase	Encourages player purchases

Figure 9: Different quest levels and their targeted results.

PROGRAM DETAILS

	Program	Description	Goals	Activity	Duration	Cadence	Capacity	Reward	Revenue Model
QUEST	Guild Advancement Program (GAP):	Seasonal quests for individuals and guilds featuring top games	Grow YGG's global community, identify quality games and drive active engagement	All Level Game Quests	8 Weeks	Quarterly	8-12	YGG Points	Rewards Budget
QUEST	Offer Campaign:	A one off quest with a single partner and unique landing page focused on user acquisition	Revenue generation for YGG and additional earning opportunities for community	Offer Quest	1-3 Months	Ad-hoc	4	YGG Tokens or Partner Rewards	CPA
QUEST	Superquest:	Premium quest experiences for established, later stage games	Drive behavior based game engagement and revenue generation for YGG	L2 & L3 Game Quests	Bespoke	Quarterly	1	YGG Tokens or Partner Rewards	Revenue Share
BOUNTY	Future of Work:	Task based earning opportunities outside of gaming	Facilitate new, decentralized earning opportunities in web3	Bounties	Bespoke	TBC	TBC	Partner Tokens	Revenue Share
BOUNTY	Game Testing:	Playtesting bounties to provide user feedback and bug identification for early stage games	Validate new games within the YGG community and support development efforts with direct user feedback	Bounties Side Quests	2 Weeks	Monthly	6	YGG Tokens or Native Game Assets	N/A Rewards Budget Encouraged
CONTRIBUTION	Global Creator:	Organic marketing and community development through regular livesteams, group play and content generation	Develop and support organic marketing capabilities within YGG	Contributor Quests	Continuous	Weekly	1	YGG Points or Tokens	Community Investment Partner Marketing Budget
CONTRIBUTION	Global Community Ops:	Community led ops and support for YGG activities	Crowdsource operations support from within the YGG community	Contributor Quests	Continuous	Weekly	TBC	YGG Points or Tokens	Community Investment

Figure 10: Categories of programs offered on the YGG website.

Assets

The Onchain Guild controls a treasury wallet, which may contain assets that the guild members can use and benefit from. Rewards earned as a collective accrue to the Onchain Guild wallet so that members can share in the guild's success.

This concept was the foundation of YGG's core offering, making assets available to its community to play games and earn rewards together. The Onchain Guilds offered by YGG enable this model for all guilds.

Onchain Guilds of any size can now more easily purchase assets that they believe will increase the amount of rewards their members can earn from playing certain games. Such assets may be land within games that are required for certain farming operations or in-game items such as vehicles or weapons for players to use.

When an Onchain Guild receives rewards in its treasury wallet after its guild members complete guild-specific quests or bounties, the guild members can decide how those rewards are used. Some guilds may choose to share those rewards straight back to members, while others may opt to use them to acquire additional assets and continue generating rewards.

AxU: A YGG Case Study
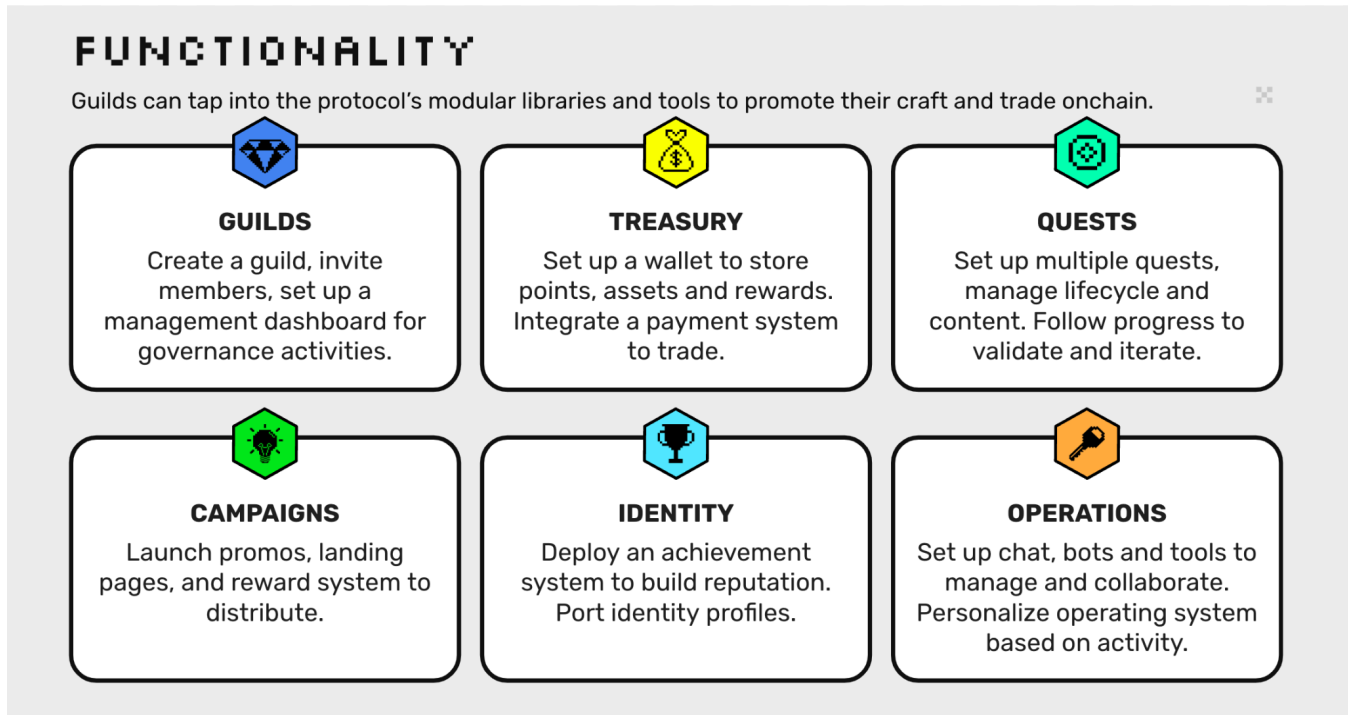### John Carlos aka Spraky
Founder, Axie University (AxU)

Bringing Axie University (AxU) into the YGG ecosystem allowed us to go from being a small guild put together by a few friends to a proper small business. Because of this, I was able to quit my old job as an engineer and pursue my passion for web3 gaming full-time.

With YGG, AxU has scaled its membership to onboard so many more new players than we could have done on our own. YGG also gives us early access to upcoming games and we get to use some of their best assets, like Pixels land. Our guild generates yield from that land, but more importantly, it is our meeting place, or our clubhouse. It's our metaverse home.

Implementation

The product team at YGG designed the Guild Protocol as the basis for a modular dapp system. The libraries and tools allow people to self-organize as guilds onchain. This makes it easy to set up accounts, search for and participate in activities, and trade or distribute assets. Anyone can easily combine these modules to build feature sets (see Figure 12) and become builders and traders of their own craft, turning activities on the protocol into social and economic opportunities for others.

FUNCTIONALITY

Guilds can tap into the protocol's modular libraries and tools to promote their craft and trade onchain.

GUILDS
Create a guild, invite members, set up a management dashboard for governance activities.

TREASURY
Set up a wallet to store points, assets and rewards. Integrate a payment system to trade.

QUESTS
Set up multiple quests, manage lifecycle and content. Follow progress to validate and iterate.

CAMPAIGNS
Launch promos, landing pages, and reward system to distribute.

IDENTITY
Deploy an achievement system to build reputation. Port identity profiles.

OPERATIONS
Set up chat, bots and tools to manage and collaborate. Personalize operating system based on activity.

FEATURES	DETAIL
Wallet	• A multiparty signature (multi-sig) wallet serves as a bank account. • The wallet is an ERC-20 smart contract. It will have a user-friendly interface. • Anyone can create a wallet with YGG tokens on the YGG website. • Onchain assets are hosted inside the wallet. • Owners, signatories and administrators can be assigned upon creation.
Guild and Membership Badges	• A unique, non-transferable NFT will be issued upon the creation of a guild. • Each member of a guild will have a non-transferable NFT Membership Badge to represent the relationship between a guild and its members.
NFT Issuance	• Achievement badges act as certificates of completion. • These badges can also be used to set up gated quests.
Management Dashboard	• Governance-related voting can be set up to approve decision-making. • Administrators can remove or add members, require payment to the guild, and set up chat or collaboration tools.
Work Management	• Guilds can launch tasks in the form of a quest. • Quests can be targeted for game testing, user acquisition, educational quizzes, or bottom-of-funnel transactions such as task-specific data labeling.

Figure 12: A non-exhaustive list of features to support Onchain Guild activities.

The Guild Protocol enables gaming partners to focus their rewards on cohorts that are most likely to deliver long-term value to their game based on verifiable attributes. This allows partners to easily target, coordinate, and reward guilds at scale to drive adoption and usage.
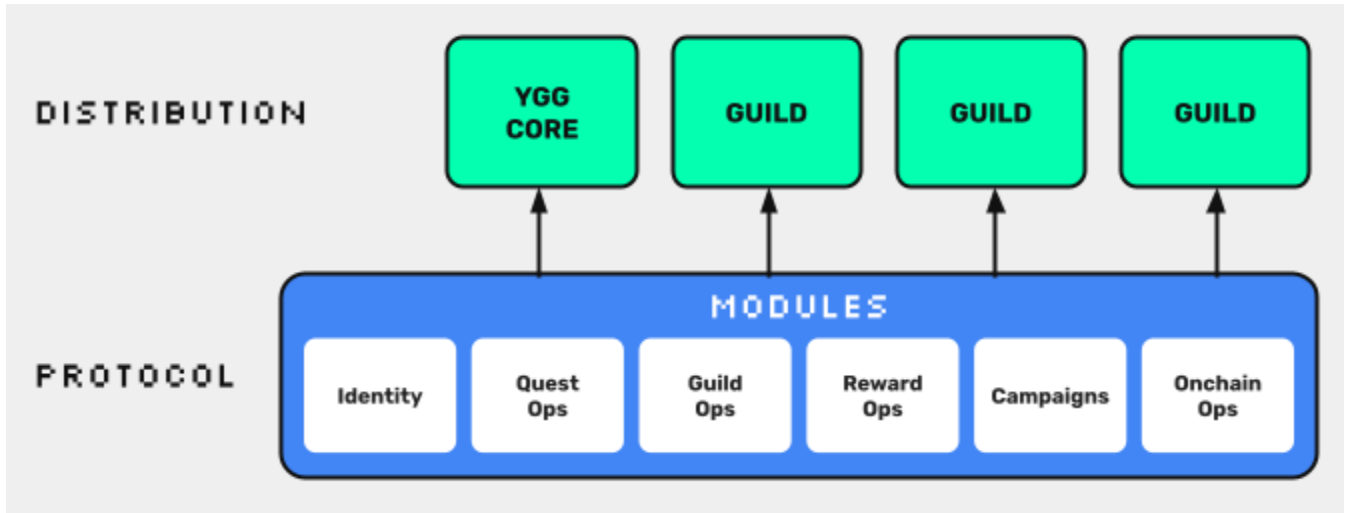

Figure 13: YGG Guild Protocol's modular dapp system.

VERIFIABLE ATTRIBUTES

Figure 14: Guild Protocol example targeting three attributes.

EXAMPLE:
A new game that wants to onboard a large number of players known to spend in turn-based card games could easily leverage the YGG Guild Protocol to target Onchain Guilds with an offer (see Figure 14), where the Onchain Guild has:

● More than 500 members
  AND
● US$1,000+ in their active wallet
  AND
● 3+ achievement badges for turn-based card games in GP

Token Utilization

The YGG token is designed to be used by its community directly for participation, the tokens are to be utilized in the following ways within the YGG network:

Figure 15: Premium Season Pass for GAP available for purchase with YGG tokens.

- **Guild Creation:** When a guild is forming, the guild founder must burn YGG tokens in order to create the Onchain Guild and access the management features.
- **Activity/Program Access:** In order for community members to participate in selected activities, YGG tokens must be burned to mint an access pass.
- **Staking:** The YGG community can turbocharge their efforts by staking a portion of their YGG tokens to access rewards in different forms. Active Staking will be publicly available in Q4 2024.
- **Community Growth and Engagement:** With 45% of the total token supply allocated to the community, YGG tokens are used as an incentive to attract and engage players participating in YGG's activities and programs. The community allocation is also used to reward contributors to the ecosystem.
- **Liquidity and Fundraising:** YGG lends its tokens from the treasury supply to market makers for a duration. Their activities ensure liquidity on many exchanges. In addition, it has raised funds in previous rounds and its public sale in 2021 to fund its operations, assigning more than 25% of its tokens to investors.
- **Partnerships:** YGG utilizes its tokens to align partnerships with projects and guilds. This involves swapping YGG tokens for community assets. All partnerships need to benefit the community.
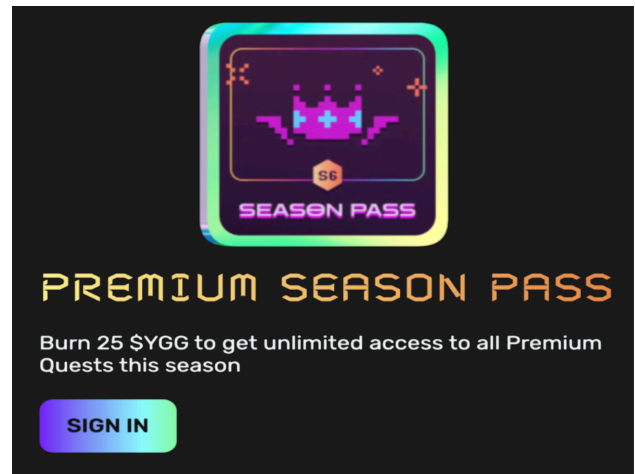
As the Guild Protocol increases in adoption throughout the ecosystem, the YGG token utility will continue to be integrated in order to create long-term value across the ecosystem.

CASE STUDY 1: PIXELS

The Pixels Superquest was an in-game event where players had to finish video tutorials in order to earn an achievement badge and reputation points.

The program recorded a 95.7% completion rate, making it an effective tool for onboarding players into Pixels and its guild system as it initiates players into the game's expansive world and vibrant community. Additionally, the Superquest helps unlock further gameplay and has become one of the first in-game quests that most players recommend to Pixels newcomers.

The three levels of the Pixels Superquest have seen the following results:
1. What Are Guilds: 74,764 completions
2. Creating a Guild: 71,680 completions
3. Joining a Guild: 71,519 completions

Over 156,000 YGG members signed up to play Pixels within a two-month period, These qualified players drawn into the game have been a crucial element in its enduring success and growth.

CASE STUDY 2: AXIE INFINITY

The Axie Infinity Superquests featured two of YGG's key opinion leaders (KOLs), Kookoo and Spamandrice, to target new users and lapsed players of Axie Infinity: Origins.

Kookoo, a prominent Filipino crypto educator, crafted content and quests that would enable a player to go from zero Axie knowledge to Axie confidence. Spamandrice, a world-renowned Axie champion and one of YGG Esports' star players, designed a curriculum that would enable an experienced player (those returning to Axie after lapsing) to transition into more competitive gameplay via high-value game mechanics such as crafting.

These initial Superquests evolved into an "Axie Trainer" program managed by YGG within the Axie Origins game interface. The in-game trainer was released alongside a follow-up Superquest featuring Spamandrice, which walked players through new mechanics in Axie Origins at the launch of Season 7.

The key results achieved by these campaigns were:
- 69.4K YGG wallets transacted with Axie Infinity as part of the Superquests.
- During the same period, YGG accounted for 8.3% of all Axie Infinity revenue in USD terms.
- 8.5x ROI for Sky Mavis within four months based on the cost of the campaigns.

Sky Mavis was able to achieve their goals, increasing the value of individual players through Superquests.

CASE STUDY 3: SAPIEN
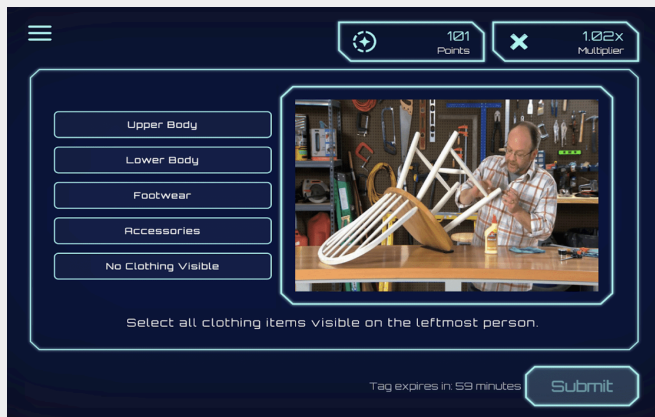
YGG's partnership with Sapien offers rewards upon completion of AI data labeling tasks.

Sapien is a leading data labeling company that leverages the YGG community to add human validation to labeling items. This improves the performance of their large language models (LLMs).

The AI tasks are introduced in a gamified format. It enriches the experience of work and play and provides rewards upon completion.

Future State

The YGG Guild Protocol is not only about targeting new gaming audiences. Any group can come together to form an Onchain Guild, where group coordination can lead to deeper engagement and greater rewards.

While gaming guilds have been the logical starting point for YGG, the Onchain Guild primitive has the potential to evolve to allow the coordination of any group of individuals in web3 that have united to undertake tasks. A user may start as a member of a gaming guild, but after building up their onchain reputation over time, they may be invited to join other Onchain Guilds based on their skills, interests or geographic location.

The YGG Guild Protocol provides the infrastructure to facilitate more meaningful collaboration, where community contributions can be preserved onchain and rewards and royalties can easily be shared among guild members.

As an example, Onchain Guilds can provide game testers with a better way to organize their assignments and provide feedback to developers as a unit. Guilds of content creators can leverage their collective expertise to execute larger-scale creative projects.

As more parts of our world move to the open metaverse, IRL groups across diverse sectors, institutions and professions can register as Onchain Guilds to work together more extensively and efficiently while sharing rewards.

With the growth of groups coming together onchain, the Guild Protocol becomes the coordination layer to aggregate guilds of the world, facilitating new economic opportunities for all members based on the reputation that they have developed through community-based activities.
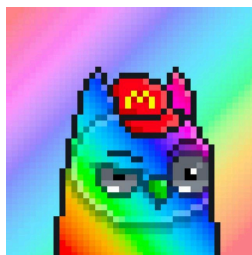
Team

YGG is a team with diverse backgrounds from all over the world. There are over 50 contributors in YGG including three founders, six executives, and a strong leadership team.
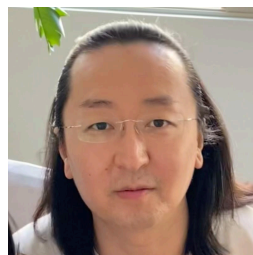
Gabby Dizon
Co-founder
LinkedIn | X

Beryl Li
Co-founder
LinkedIn | X

Owl of Moistness
Co-founder
X

Y.G. Sun
Head of Product
LinkedIn | X

Nam Le
Head of Development
LinkedIn

Jen Yu
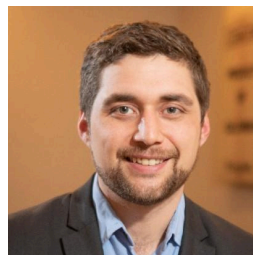Head of Design
LinkedIn

Andy Chou
Head of EcoDev|Finance
LinkedIn

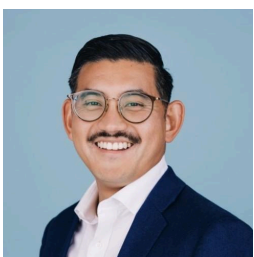**Trish Rosal**
Head of Future of Work
LinkedIn | X

Kurt Watkins
Head of Legal
LinkedIn | X

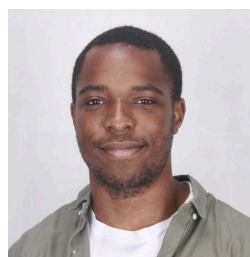**Marielle Noble**
Head of Programs

John Min
Head of Data
LinkedIn

Sam Cruz
Community Co-Lead
LinkedIn | X

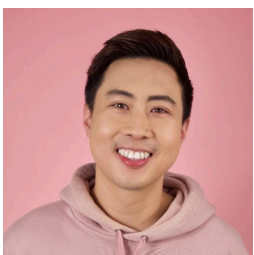**Landphil**
Community Co-Lead
X

Mike Ovecka
Head of Esports
LinkedIn | X

Serge Nzabandora
EcoDev Senior Associate
LinkedIn | X

Ernest Pang
Finance - Assets Lead
LinkedIn

Kazuo
Head of Asset Operations
X

Pierre Ta
Marketing Manager
LinkedIn

Mae-zing
Sr. Game Ops Lead
X

Mark Tan
Product Manager
X

YIELD GUILD GAMES

ALL THE GAMES
AND ALL THE PEOPLE

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Ⓜ yieldguild.medium.com

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