
EVENTOK

White Paper

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INTRODUCTION

With the rise of Internet technology that affects all aspects of our lives, the music industry went through a significant transformation. Today, emerging artists have a wide range of tools to reach and engage with their audience. Most artists are active as an independent business, based on the DIY methodology of work.

Nevertheless, when it comes to the concert booking process, not too much has changed in the course of the years. Though there are a number of services that are connecting artists with venues, SonicBids is the largest and most popular service out there, the automation part of the service typically ends after the initial communication.

Eventok has a goal to utilize the newest decentralized blockchain technology* in order to make concert booking an easier and more efficient process. It will ease the search for suitable venues and automatize contracts between venues and artists. The **Eventok** trustless** solution will minimize conflicts between both parties.

* Decentralized Blockchain Technology, based on the Ethereum platform means that the information about transactions is not saved in a single point, then on a thousand computers spread worldwide, thus the control is not centralized. This technology makes fraudulent activities near to impossible.

** Trustless Technology is based on the decentralized blockchain which means that the system is designed not to rely on any party informed. The blockchain keeps the contracts and the transactions information and makes sure that the contracts are implemented and transactions are made as agreed between sides.

CONCERTS BOOKING AND TICKETS SALES

CONCERTS BOOKING

Emerging artists are in constant quest for concerts. Depending on the size of the artist following, artists will perform in various places like pubs, coffee shops, bars, clubs, etc. We will use the term “Venue” for all places that host performances.

Also, not only solo artists are active in the music industry. When we use the term “Artists”, it refers to a wide range of performing artists, i.e. music bands, theater groups, DJs, etc.

The booking process for emerging artists will usually fit the following flow:

1. Find venues in the area the artist is interested to perform in.
2. Check every venue to make sure that:
 - a. The genre played in the venue fits
 - b. The size of venue is appropriate to the popularity of the artist
 - c. There is contact information
 - d. More of the venue offering, depending on the artist
3. If the venue fits, the artist sends all required information to the venue.
4. Most of the venues will not answer at all
5. After some venues answer, several things can happen:
 - a. There are no available dates when the artist wants to perform
 - b. The payment terms are not acceptable for the artist
 - c. The stage doesn't fit the artist needs
 - d. More issues, depending on the artist and the venue
6. If eventually, a concert is scheduled, there can be several issues before, during and after the performance. Some of them can be:
 - a. Artist or venue cancels the concert
 - b. The venue does not provide promised services or the services are not according to the standards the artist expect
 - c. The payment flow does not occur according to the agreement

The flow described above only partly covers the challenges artists and venues face in the concerts booking process. Even though it's partial, the list above makes it clear that the whole process relies on the human factor and it lacks automation.

Eventok platform aims to solve most of the booking process flaws by automating it in a trustless manner, mostly focusing on setting expectations up front and automating the payment process between artists, venues and audience.

It is important to emphasize that the challenges described above are not relevant only to emerging artists, but also to established performers.

TICKETS SALES

One of the most important aspects of concerts is, of course, ticket sales. **Eventok** platform will offer a convenient way to purchase tickets using both cryptocurrencies and fiat currencies.

The main advantage of the **Eventok** platform is the automated revenue share between all sides involved in the event. The income will be immediately shared between venue and artist according to the agreement between them and no action from either side will be required. Since **Eventok** is based on a zero-trust technology, It will significantly address the issue of artists' lack of control and minimize disputes between venues and artists regarding ticket sales and generated revenue.

In addition, the **Eventok** platform will prevent resellers from abusing the pricing artists offer. Often artists offer tickets for a reasonable price that their less financially established fans can afford, though, due to the artist's popularity, even if the price were higher, all tickets would be sold. At that point, resellers are buying the majority of tickets and selling them on the secondary market for much higher prices. The estimated volume of the secondary market today is close to 10% of the total ticket sales.

MARKET OVERVIEW

The global online ticketing market for music events is projected to reach approximately USD 34.23 billion in 2024, with an expected annual growth rate of 2.12%, leading to a market volume of about USD 37.22 billion by 2028.

In the broader context, the overall online event ticketing market, encompassing various event types, is estimated at USD 82.23 billion in 2024 and is anticipated to reach USD 99.04 billion by 2029, growing at a CAGR of 3.79% during the forecast period.

EVENTOK PLATFORM

OVERVIEW

The **Eventok** platform will provide a convenient and effective solution to artists and venues for the concerts booking process.

It will contain 3 main modules:

1. **Search Module** - will allow artists to find appropriate venues for concerts and vice versa.
2. **Booking Module** - will enable venues and artists to create secured and trustless smart contracts using the blockchain technology.
3. **Tickets Module** - will enable tickets sales, while the income will be automatically distributed between venues and artists using the blockchain technology.
4. **Affiliation Module** - will enable websites with content related to concerts to sell tickets as affiliates.

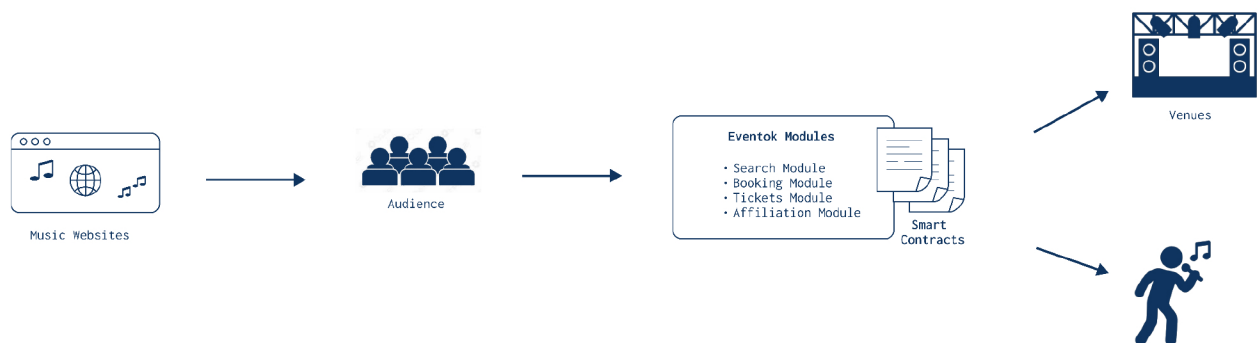


Figure 1: Eventok Platform Scheme

Within the **Eventok** ecosystem, the Eventok token will be used. Eventok token will be offered in the **Eventok** crowdfund campaign and it will be based on the ERC20 token standard.

SEARCH MODULE

Detailed profiles will be created for artists and venues. Each profile will contain the information relevant to booking, which will allow advanced search of venues and artists.

The following table partially covers the list of properties profiles will have. Some properties are mandatory for artists only, some for venues only and search filters will be available for all properties.

Property	Mandatory for Venues	Mandatory for Artists
City	Yes	Yes
Genres	Yes	Yes
Size	Yes	No
Available Dates	Yes	Yes
Merchandise Allowed	Yes	No
Bar Available	Yes	No
Type (Seats, Standing, Tables...)	Yes	No
Recording Artist	No	Yes

As mentioned above, it is only a partial list of properties. Some properties have a slightly different meaning for venues and artists. For example, while a venue has its size, when it comes to an artist, the property sets what is the minimum size of a venue that an artist is willing to perform in.

Detailed venues and artists profiles will enable advanced queries. Here are two examples, one for an artist searching for venues and another for a venue searching for artists:

Artists Query: What venues are available on 31st December 2017 AND the venue size is up to 100 people?

Venue Query: What artists from London are available on 31st December 2017?

Note that most of the properties are automatically used in the query. For example, there is no need to use genres in the query, since only artists/venues with the same genres will be returned in the results. If there is a need to be more specific, like in the case when a band plays both rock and blues music and the planned show is blues only, then “genre is blues” can be used in the query.

BOOKING MODULE

The booking module will be the most innovative module of the system. Venues and artists will be able to negotiate the terms of contracts and when agreed a smart contract will be created in the system. The blockchain technology used for smart contracts will promise the transparency and fairness of the contract implementation.

There will be several aspects available for contracts. Here is a partial list:

1. **Revenue Share** – for example 30% to the venue, 70% to the artist
2. **Minimum income for venue** – for example, first USD\$100 will be transferred to the venue account
3. **Payment to the artist** – for example, artists will get USD\$500 for the concert, with no relation to the amount of sold tickets.

Smart contracts can have complicated structure, just as it happens in the real life. For example, a venue and an artist can agree that first USD\$100 of the income goes to the venue and then the revenue share will be 30/70, up to the venue income amount of USD\$400, i.e. total income of USD\$1,100. From that point on, all the income goes to the artist.

If an agreement assumes possibility of direct payments between venues and artists, for example, guaranteed payment to artists of USD\$500, the required amount (its maximum) will be deposited up front within the smart contract. To extend the previous example, if tickets sales were USD\$400, while the guaranteed payment is USD\$500, all income from ticket sales will go to the artist and another USD\$100 from the USD\$500 deposited up front will be transferred to the artist. The remaining USD\$400 will be refunded to the venue.

EVENT TICKETS MODULE

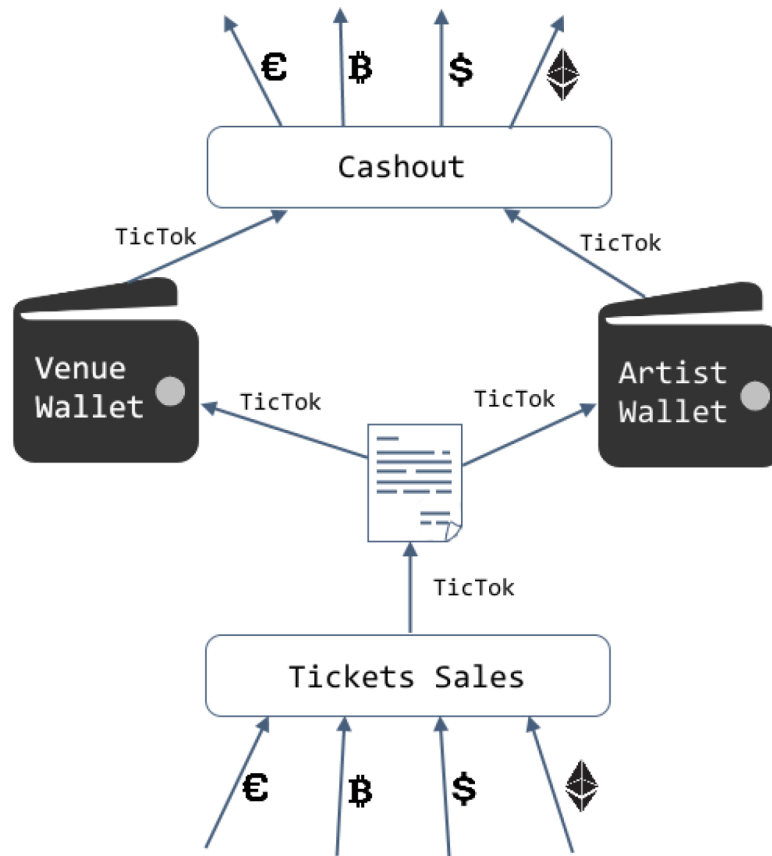


Figure 2: Tickets Sales Flow

The **Eventok** Event Tickets Module will enable artists and venues to sell tickets for the event, while the implementation of the smart contract is performed immediately and automatically with each ticket sale. Also, each ticket sale will create a ticket smart contract, which will protect both the audience, the artist and the venue from resale and fraudulent activity.

The Event Tickets Module will support the main payment methods, like credit cards, PayPal and more and also the cryptocurrencies like Bitcoin and Ethereum. The final list of the supported payment methods will be finalized during the development process.

All payments will be automatically converted to the Eventok token, which will be the main currency in the **Eventok** ecosystem. All income will be dispersed to venues and artists Eventok wallets, according to the specific event smart contract.

Venues and artists will be able to choose the cash out currency and the payment method. Due to the usage of the blockchain technology, the conversion and cash out fees will be significantly lower the fees charged by a traditional tickets agencies.

AUDIENCE WALLETS AND TICKETS OWNERSHIP

From the audience side, tickets purchase will be performed using the audience wallet. One will be able to buy Eventok tokens using supported payment methods and use those tokens for tickets purchase.

When a ticket is sold, a ticket smart contract will be created. It will contain the information about the event and the ticket ownership.

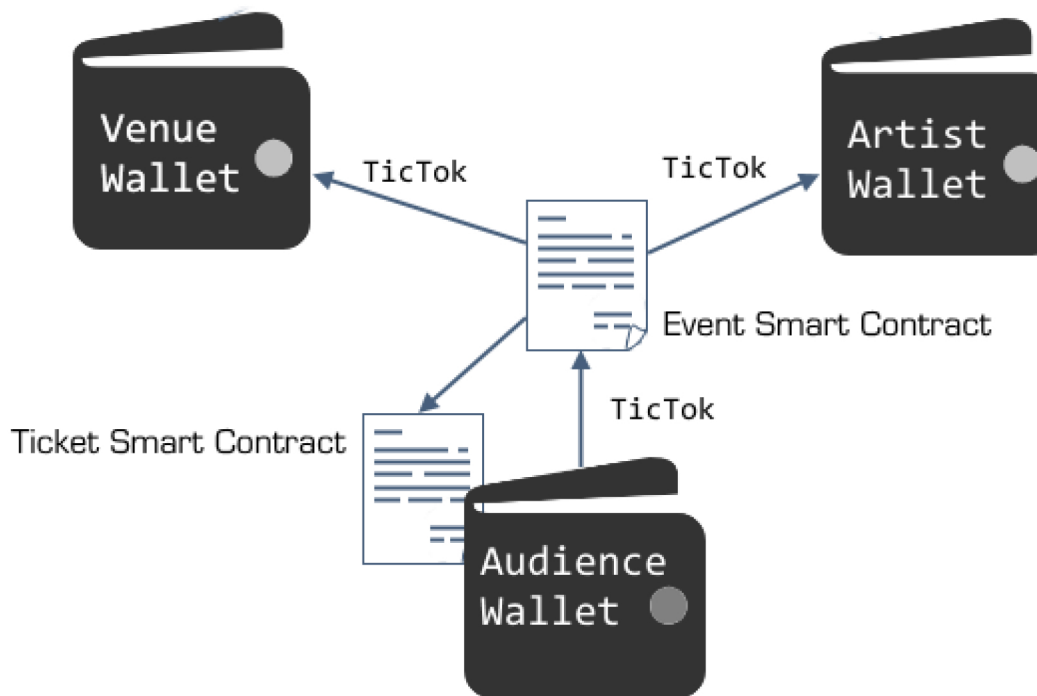


Figure 2: Ticket Smart Contract Creation

If an event is refundable, tokens can be returned to the audience wallet upon request and the ticket will become available again. A fee, predefined by the event owner (venue and/or artist) will be charged. In addition, the **Eventok** platform will charge a small fee for handling the transaction.

In case that the ticket owner asks to resell the ticket, it will be possible only using audience wallets. There will be:

- a cap for the ticket price (original price + 15%)

- 10% of the price will be transferred to the venue and artist, according to the event smart contract
- 5% handling fee will be charged by the **Eventok** platform

AFFILIATION MODULE

In addition to artists and venues data that is available in the search module, events are also searchable. It enables a wide range of websites to act as an affiliate, but offering tickets for relevant events.

The following list partially covers the properties events will have. Search will be available for all properties.

- Event Name
- Event Description
- Event Date
- City
- Venue
- Artist
- Genre
- Price
- Affiliation Fee

Using this data, websites can present to their visitors relevant events. For example, all jazz events in Hong Kong during this month, where the price ranges between 1,000 HKD and 5,000 HKD and the affiliate fee is more than 5%.

REFERENCES

<https://www.iq-mag.net/2017/02/concert-ticket-market-top-24bn-2021-technavio/#.WdcUGuugPIU>