Check the Ledger

A WIMS Guide to Blockchain Adoption

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Introduction

As cryptocurrency, cyber security concerns, and an overall sense of distrust have come to the national forefront of news, a significant shift towards blockchain technology is inevitable. All the ingredients for a blockchain primordial soup are present. MIT, Harvard, Duke, and a long list of other universities are including blockchain courses in their curriculum. AngelList has more than 5,000 registered blockchain startups facilitating the technology's growth. Institutional adoption has been the hesitation with blockchain, but the numbers are increasing rapidly.

More than 50% of global organizations view blockchain as a Top 5 strategic priority. Deloitte

86% of senior executives believe blockchain technology will be adopted mainstream. Deloitte

77% of executives agree their competitive advantage will be lost without blockchain adoption. Deloitte

2020 global blockchain solutions spending reached an estimated $4.3 billion. Statista

2022 global blockchain solutions spending is an estimated $12 billion. Statista

There are 5,000+ registered blockchain startups. AngelList

54% of US organizations are already hiring blockchain staff. Deloitte

84% of companies already use blockchain technology. PwC

If these numbers don't at least pique your interest, you could end up overlooking a major disruption to the status quo of how business is conducted. By now, most people have an idea of what blockchain is. In its simplest description, blockchain[5] is an encrypted digital ledger that allows for decentralized transactions of digitized assets without the need for a centralized third party. The three critical ideas of this Distributed Ledger Technology (DLT) are the following:

1) Digitized assets are distributed to all parties instead of transferred or copied.
2) The assets are decentralized, which allows for real-time access to its information.
3) Integrity and trust are preserved through a transparent running ledger.

The secure ledger contains all material terms needed for a transaction and cannot be altered once additional information is added, essentially setting the records in stone. The main purpose is to be a reliable source for all parties involved to easily reference material information instead of filtering through multiple drafts, emails, documents, etc. This enables the creation of a more trusted collaborative network not only within organizations but between firms of all shapes and sizes.

Types of Networks

There are a few different types of blockchain networks for companies to leverage – business differentiation networks, industry utility networks, and new markets networks. Which type of network to develop or use is up to each respective company, what they are willing to pay for the capabilities, and what has already been developed for industry use.

A *business differentiation network* spans across one company or partnering entities to enhance existing processes. The organization of data allows for easier scaling of operations due to the reduction of risk, near impossibility of fraud, and transparency associated with DLT technology. Smaller companies will be able to somewhat mimic the economies of scale of larger enterprises with the help of automation and tracking, making analytical metrics more accurate and effective.

An *industry utility network* allows traditional competitors within an industry to collaborate. A collaboration with competitors may sound a bit strange, but it helps optimize any shared processes between the firms and create an ecosystem of growth for the whole industry. Essentially, the network is open for participants to use services that are also needed by their competitors instead of dealing with the costs of maintaining these services in-house. This crowd sourcing or open sourcing system creates less controversy over intellectual property as well. Competitors mutually benefit from this type of system as it provides a solution for their common interests.

A *new market network* establishes an innovative platform for non-traditional partnerships to create new products or service lines. These products and services span across different companies and industries, attempting to share benefits from the processes that some industries have perfected more so than others. For example, Uber or Amazon logistical processes could be used to efficiently fulfill the rollout of newly developed vaccines. The benefits of this type of network are cost reduction, revenue growth, and a reduction in working capital.

The benefits and abilities of blockchain technology have become increasingly clear on a macro scale, but what does it look like when the emerging technology is implemented in a specific company or industry?

Real Estate

Fraud and forgery have always been an issue for industries that conduct business with paper contracts, leading 60% of American executives to believe smart contracts are highly important[1] moving forward. Blockchain enables smart contracts to link digital property ownership to the blockchain, preventing any altering of material terms once they are encrypted. Documents become impossible to forge, updates are displayed in real time, and no intermediaries are needed to verify relevant information.

An in-house business differentiation network can establish a trustworthy view of real estate transactions from the first negotiations through the escrow stage. Buyers, sellers, brokers, lawyers, and other interested parties can access the history of a property through smart contracts without compromising material terms, privacy, or confidentiality. When disputes arise, they are more easily put to rest and less likely to be taken to a litigious stage as the history of negotiations, drafts, contracts, and other relevant information is readily available in the running ledger.

The role of a lawyer would slightly shift with the introduction of blockchain to real estate. Instead of moderating disputes, lawyers would take a more dispute preventative approach by directly talking to programmers to encrypt contracts into the blockchain in addition to drafting the necessary contracts for a transaction.

Since the cost of creating this platform on a business differentiation network could be expensive for a single company, an industry utility network would better suite this scenario. Different real estate firms would invest in this blockchain technology to enable seamless transactions with the contracts only accessible to the appropriate parties involved.

Taking this a step further, real estate firms can invest in new market networks to innovate the way they sell property. Partnering with an augmented or virtual reality company to sell property is one possibility. A buyer from across the state, country, or even the world could use their iPhone, computer, or a headset to tour a property without having to travel to negotiate deals. If the buyer is interested in the property, they can quickly commit, draw up contingent terms, make a deposit, and finish the whole process in hours instead of days or weeks. If the buyer is not interested, the broker can load a new property for touring. More properties can be seen, more deals can be closed, and less time will be wasted from the cross-industry combined processes.

Healthcare

The characteristic of blockchain as a confidential and trusted ledger sets it up perfectly for incorporation into the healthcare industry. HIPAA protocol and lengthy documents have made the healthcare industry, a supposedly hi-tech and innovative field, one of the slowest moving industries in terms of efficiently closing deals.

Imagine a single ledger that displays each patient's medical records, insurance information, payment details, etc. for a hospital to easily access (with the permission of a patient). Medical records would be secure, insurance information would be up-to-date, and a hospital visit would finally consist of more time receiving treatment than filling out paperwork in a crowded waiting room.

Furthermore, if this technology is paired with already revolutionary telehealth capabilities, the need to physically visit the doctor would not be as necessary. Instead of going into the doctor to have a procedure explained, one could simply pull out an iPad, laptop, or headset device and save a trip to the hospital through a virtual visit.

In addition to the business-to-consumer healthcare market, blockchain technology can be applied to the business-to-business market as well. Collaboration between different medical device manufacturers has been a trend for the last few decades. Manufacturing syndicates have created software and ancillary parts of machines to work universally no matter the original manufacturer. This hardware agnostic approach was a no brainer for all manufacturers involved in creating ultrasound, MRI, and other machines. Instead of hiring employees to train medical professionals on how to use their specific ultrasound machine, the professionals already know how to use the machine because of the cross-compatibility of software and probes of the ultrasound machines. Although this collaborative system already exists, it would be enhanced by an industry utility network that would provide an open ecosystem for shared services that save time and money for all manufacturers.

Tokenization

When people think of blockchain tokenization, they usually think of cryptocurrencies like Bitcoin and Ethereum; however, there are a multitude of other meanings and uses. Tokenization simply means that programmers have created tokens to represent any kind of digital asset, allowing ownership to be tracked and programming instructions to be executed. Tokens could be a contract or a patient's medical records as described earlier, or they could be video files or event tickets.

Whether it is a sporting event or a concert, the entertainment industry could be revolutionized by blockchain. Picture the incorporation of a digital token for ticket sales to a concert. The issuing agency could track not only the initial sale of a ticket, but subsequent resale data as well. If properly tracked and analyzed, the data could help facilitate more accurate estimations of how to price tickets, better choices of venues, and other critical revenue-generating metrics.

CRM

With the network opportunities created using blockchain, the need to track all relevant players in your system becomes increasingly important; this is where implementation of a Customer Relations Management (CRM) system in conjunction with a blockchain network becomes invaluable. Systems like Zoho and Salesforce allow a company to keep its own up-to-date information regarding leads, contacts, proposals, deals, and other company accounts. They also enable a structured and organized approach to social media, email marketing, and other lead generating campaigns. Working together to streamline marketing and sales efforts using both blockchain and CRM cannot be understated.

Other Blockchain Applications

- Legal – reduces the time needed to settle disputes and validates contracts and documents.
- Wills and Inheritances – settles estate disputes and fulfills the wishes of one who passes.
- Intellectual Property (IP) – articulates copyright, patent, and trademark rights and ownership.
- Identity Management – tokenizes personal information for safer measures that protect and verify true identities.
- Financial – secures transactions and verifies historical records for better analysis.
- Supply Chain Management – inhibits a complex transfer of goods across many different parties.
- Forecasting – allows for a reliable history of transactions to predict future needs.
- Crowdfunding – injects greater liquidity and easier funding into startups who might want to take an Initial Coin Offering (ICO) approach where they sell currency-backed tokens.
- Sports Management – allows for investment in your favorite athletes to receive a small portion of their future earnings, essentially letting athletes sell their “likeness” which fluctuates in value based on their performance.
- Charity – tracks where your donations go and how they are used.
- News and Media – creates a decentralized system to prevent any one source from controlling and censoring what reaches the public.
- Loyalty Programs – provides a history for valued customers.
- Waste Management Services – tracks the volume and location of manufacturing byproducts.
- Voting – helps with verification of identity and authentication of votes.
- Gambling – ensures that the house cannot manipulate any records and always win.

Implementation Strategies

1) **Scan for Opportunities** – Look for areas and strategies of your business that might be effectively disrupted by using a blockchain system. These areas could be found by either finding the parts of your business that you feel are holding you back or by doing some research on case studies of companies in the same or similar industries.

2) **Measure Ecosystem Viability** – Identify how each member of a newly implemented blockchain network would add to and benefit the system as it grows. This is when you need to consider the tipping point when benefits of blockchain no longer outweigh the costs associated with maintaining and running the network.

3) **Calculate the Network Equations** – Determine the specific costs associated with developing or joining the blockchain system, acquiring customers, onboarding partners and clients, and operating costs.

4) **Prepare for the Future** – Establish a plan for how blockchain incorporates into your business. Do you invest a lot now and bank on future ROI or do you wait for the possibility of more perfected technologies that are less costly before implementing? Do you fully implement a system now or gradually wait? It is all up to your personal preference, but a future plan for the technology is needed past initial implementation.

5) **Keep your Options Open** – Understand the different options that exist and to what extent you feel they could help your business. You need to determine what type of system or combination of systems will work best for your business moving forward and create contingency plans given different events that could affect these systems. Adaptation is key when dealing with new technologies and being able to quickly pivot is vital in today's world.

6) **Just get Started** – Whatever you build and implement won't be perfect at first, but that's ok. As long as it has a clear path to adding additional value to your organization it will be well worth it.

ABOUT WIMS, INC.

WIMS Consulting is a full-service marketing and sales agency. We don't only do each well, but we take it a step further by helping to build a bridge between these departments that further enhances their effectiveness. To do this, our firm focuses on creating synergy by offering a fully integrated suite of services that work well together when optimized appropriately.

While we work with a variety of companies of all shapes and sizes, our niche is professional services companies. Whether you're a billion-dollar entity, a pre-revenue startup, an entrepreneur, or a traditional small business owner, we can help you grow, scale, and add value to your business.

Our philosophy of treating clients like business partners whose success is mutually beneficial is one of the guiding principles that sets WIMS apart. Whether you're looking for an "outsourced CMO" or simply some objective assistance on one of your marketing/sales projects, we're here to help.

WIMS Consulting was founded in 2014. After launching in Miami, FL, we now maintain operations in Charlotte, NC; Tampa, FL; and will soon be expanding to the west coast in Southern California. While our firm continues to grow, we are able to serve clients across the entire United States.

Approach:

Whether you need supplemental marketing and sales assistance and/or you don't yet have the resources to have these departments in house, we can help. We understand that each business is different, so our services are customized to your specific needs. We don't view you solely as our client, but rather our business partner as your success directly leads to ours as well. We provide affordable solutions that will tangibly improve sales and revenue growth. Even if the scope of your project requires components that are out of our area of expertise, we have collaborative partnerships with a variety of entrepreneurs that will ensure you get exactly what you're looking for.

Expertise:

- CRM Strategy & Implementation
- Marketing Strategy & Implementation
- Business Development & Lead Generation
- Website Development, SEO, PPC & Keyword Search
- Public Relations, Social Media, Advertising & Brand Journalism
- Business Plans & Start-Up Consulting
- Content Creation, Video Production & Distribution
- Corporate & Individual Training, and
- Events & Seminars

Fully Integrated Marketing Services:

- Strategy & Implementation – Business Plan Creation, Marketing Plan, Budgeting & Implementation, Financial Projections, ROI Calculations, Pricing Structure, Business Metrics, Research (Target Market, Competitive Analysis, Demographics).
- Business Development/Lead Generation – Target Market Research, List Creation, Sales Pipeline Management, Increase Sales, and CRM Development & Implementation.
- Web – Website Development, SEO, Keyword Search & Optimization, Targeted Paid Search & Ad-word Campaigns, Mobile Optimization, Social Integration.
- Branding – Graphic Design, Logo Development, Branding Guidelines, Digital & Print.
- Content Creation – Video, Publishing, Online.
    - Blogs, Articles, eBooks, How-To Guides, White Papers, & Podcasts.
- Social Media - Account Creation & Development, Management & Implementation.
- Advertising – Web, Mobile, Product & Service Promotion, Media Buying & Placement.
- Public Relations – Press Release Development & Distribution, Media Relations, New Product & Service Launch.

The Authors:

Mike Simmons

CEO, WIMS Consulting

msimmons@wims-consulting.com

Evan Shirreffs

Business Analyst, WIMS Consulting

eshirreffs@wims-consulting.com

Resources

1) https://www2.deloitte.com/content/dam/Deloitte/se/Documents/risk/DI_2019-global-blockchain-survey.pdf
2) https://www.pwc.com/gx/en/industries/technology/blockchain/blockchain-in-business.html
3) https://angellist.com/
4) https://www.statista.com/topics/5122/blockchain/
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6) https://www.cbinsights.com/research/industries-disrupted-blockchain/
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