Press Release

BlockParty by SeatGeek: Tickets You Can Trust

Integrating blockchain into ticketing to build confidence in our resale tickets and provide peace of mind at events

Summary
BlockParty integrates blockchain with SeatGeek to ensure tickets are verified, secure, and traceable from initial sale through each resale. It fights fraud by tracking ticket ownership to confirm authenticity. This added transparency will give the confidence to attend events knowing their tickets are 100% guaranteed.

Problem
Despite ticketing buyer guarantees, fans face uncertainty that comes when buying secondhand tickets, and the frustration that counterfeit tickets bring. These concerns result in financial losses for customers, as well as disappointing experiences that leave a bad taste. For the business, fraud leads to costly chargebacks, customer service demands, and damage to reputation. This has eroded trust in resale platforms, discouraging users from engaging with them in favor of verified tickets.

Solution
SeatGeek is excited to introduce BlockParty, a new way to make secondhand ticketing more transparent. BlockParty uses blockchain technology to create a secure system for ticket verification. At ticket creation, a NFT is created on the blockchain that securely encodes ticket data, ownership, and transaction history. Every ticket is uniquely registered, ensuring it is authentic and transparent. Beyond improving the customer experience, long term savings can be achieved through the reduction of fraud related expenses, lower customer service costs, and retained retention. With BlockParty buyers can ensure validity from a ticket's creation to purchase, so they can get back to enjoying the moments that matter most!

Getting started
With BlockParty, your SeatGeek experience stays exactly the same. When tickets are listed by event organizers, they are registered onto the blockchain. Buying and selling tickets is just as easy as before, the process happens seamlessly in the background. The difference? Your tickets are now 100% guaranteed!

Customer Quote(s)
"We're thrilled to finally offer our customers the peace of mind they deserve," said Rebecca Varnhagen, Director of Product at SeatGeek. "BlockParty was created in response to customer feedback, as many expressed concerns about ticket authenticity and fraud. With BlockParty, we're bringing ticket security to a whole new level, eliminating fraud and ensuring that every ticket is 100% legitimate, every time."

"I'm flying out to New York for a concert tomorrow night and don't have to worry about my resale ticket being denied at the door," said Alison Quan, SeatGeek user. "With BlockParty, I know my ticket is legit!"

Call to action
Start using ChainSeats today! Explore the SeatGeek app or website to experience the peace of mind that comes with blockchain-verified tickets.

External FAQs

1. **Do I need to do anything differently when buying tickets with BlockParty?**
   No, you don't need to do anything differently. Buying and selling tickets on SeatGeek will work as usual. Blockchain verification is automatically applied to all tickets, ensuring that your ticket is legitimate with no extra effort on your part.

2. **Is my data secure?**
   Yes! Blockchain technology is like a digital safe for your tickets. It will not affect how your personal information is managed. Data is encrypted to ensure your personal information and purchase details remain private.

3. **How does BlockParty improve ticket security?**
   BlockParty uses blockchain technology to register each ticket with a unique code. Every SeatGeek ticket is registered on the blockchain, allowing you to track its journey from issuance to final purchase. This transparency guarantees your tickets.

4. **Will BlockParty affect ticket pricing or availability?**
   No, BlockParty will not affect ticket pricing or availability. It is only an additional security feature designed to verify ticket authenticity throughout the resale process.

5. **What happens if a ticket has been transferred multiple times?**
   BlockParty records every ticket transfer. Even if a ticket has changed hands multiple times, you can trace its journey from the original issuance to the final purchase to ensure it is still authentic and legitimate.

6. **How do I know if a ticket is verified?**
   When you purchase any ticket on SeatGeek, you can trust that it has been verified with BlockParty.

7. **What happens if there's an issue with the ticket verification process?**
   In the rare event that there's an issue with the ticket's verification, SeatGeek's support team will work with you to resolve it. All tickets sold on SeatGeek are backed by our Buyer Guarantee. https://seatgeek.com/buyer-guarantee

8. **How does BlockParty impact me as a seller on SeatGeek?**
   BlockParty enhances your selling experience by verifying ticket authenticity, ensuring buyers trust your listings. Listing your tickets on SeatGeek will remain the same.

Internal FAQs

1. **What issue is BlockParty addressing?**
   BlockParty tackles the persistent issue of ticket fraud and counterfeit sales in the secondary ticketing market. These negative experiences breed customer dissatisfaction, resulting in lost trust, negative publicity, and poor retention. By ensuring that tickets are verifiable and traceable, we can guarantee them for customers. This enhances SeatGeek's reputation and fosters customer loyalty.

2. **How does blockchain technology solve these problems?**
   Blockchain creates an immutable record of ticket transactions ensuring each ticket is verifiable and secure, even from the owner of the blockchain. Duplication or fraudulent alterations become nearly impossible. This guarantees the authenticity of every ticket on our platform.

3. **How will tickets be issued on the blockchain?**
   When a ticket is issued, a corresponding Non Fungible Token will be initialized on the blockchain. Each NFT will represent a unique ticket, associated with a code that can be used to unlock and access the ticket content.

4. **Will ticket data on the blockchain be at risk if SeatGeek is compromised?**
   No, even if SeatGeek's systems are compromised, ticket data stored on the blockchain remains safe. Since blockchain technology ensures that ticket data is encrypted, no one can access or modify ticket information without proper authorization.

5. **How will BlockParty impact SeatGeek's bottom line?**
   By nearly eliminating all fraud related costs, BlockParty will improve operational efficiency. The assurance of ticket authenticity will boost customer loyalty and retention, driving higher sales and profit margins. Additionally, through the addition of a ticket verification guarantee, SeatGeek is poised to capture greater market share from competitors in both primary and secondary markets.

6. **How will the upfront costs of developing BlockParty compare to the long-term savings from reduced fraud?**
   While the initial development of the blockchain platform would be costly, the reduction in fraud related expenses, customer service costs, and potential legal liabilities will result in long term savings. Furthermore, enhanced customer trust will likely lead to increased sales and retention, making the upfront investment worthwhile. Tracking ROI will involve monitoring fraud reduction and customer satisfaction metrics over time.

7. **How will BlockParty influence SeatGeek's relationship with event organizers and venues?**
   Blockchain will enhance SeatGeek's relationships with event organizers and venues by providing them with a transparent way to verify tickets. While there may be some logistic challenges during the transition, the benefits of increased security and fraud prevention will create long term value for both SeatGeek and its partners.

8. **Will NFTs as tickets drive customer interest, and how do we ensure adoption?**
   Yes! NFTs offer an unmatched level of security to our customers to provide a 100% buyer guarantee. It allows us to guarantee tickets while opening the door to new opportunities like unique collectibles from events or exclusive artist content. Adoption will be seamless. Fans won't need to understand blockchain since the buying and selling processes will be the same for them on the customer facing side, allowing them more time to get excited about their next event!

9. **What happens if the blockchain transaction queue exceeds the expected volume?**
   To account for the unlikely event that transactions should exceed expectations, a virtual queuing system will be implemented that allows users to see when their transaction will be processed on the next available blockchain block. This system is similar to the wait times experienced on primary ticketing sites, ensuring that all transactions are processed fairly and efficiently without overwhelming the system.

10. **How do we address potential security concerns from customers regarding blockchain technology?**
    To address customer concerns, we will emphasize the immutable security features built into blockchain technology. We will highlight how blockchain ensures that even SeatGeek engineers cannot alter ticket data without proper authorization. Additionally, we will provide detailed explanations of how personal data is currently kept secure to further emphasize our trustworthiness.

SeatGeek Impact Estimates

Business Model

Transaction Fees: SeatGeek can charge a small fee for each transaction processed on the blockchain. This fee could be applied when tickets are purchased, transferred, or resold. Since blockchain transactions are secure and verifiable, this would provide added value for both parties, justifying the fee.

Premium Services for Event Organizers: Event organizers or venues could pay for premium services related to ticket verification, fraud prevention, and analytics. For instance, access to real-time ticket tracking data, detailed reports on ticket authenticity, and advanced features for managing large-scale events could be offered as paid services.

Selling Data Insights: With the secure and transparent data provided by the blockchain, SeatGeek could gather valuable insights on ticket sales, buyer behavior, and event trends. These insights could be sold to event organizers, marketers, or advertisers for a fee, providing a new revenue stream.

Revenue Forecast

Assumptions:

1. Assume SeatGeek will handle 10,000 events in the first year
2. Assume each event will have an average of 2,500 tickets sold
3. Assume the average ticket price is $100
4. SeatGeek will charge a fee of 2% per transaction for using BlockParty to verify tickets. This is an additional fee on top of the regular ticket sales fees.

Total tickets sold = 10,000 events × 2,500 tickets = 25,000,000 tickets
Total ticket sales revenue = 25,000,000 tickets × $100/ticket = $2,500,000,000

Blockchain transaction fee revenue = Total ticket sales revenue × 2% transaction fee
Transaction fee revenue = $2,500,000,000 × 0.02 = $50,000,000

Let's assume that BlockParty improves customer trust, resulting in a 10% increase in repeat customers
10% of 25,000,000 tickets (all customers) = 2,500,000 tickets
Additional ticket sales revenue from repeat customers = 2,500,000 tickets × $100/ticket = $250,000,000
Additional platform fee from repeat customers = $250,000,000 x 10% Platform fee = $25,000,000

Summary:
Revenue from blockchain transaction fees: $50,000,000
Revenue from increased customer retention: $25,000,000
Total revenue in Year 1: $75,000,000