Understanding the Dai user

What motivates people to use Dai?

In February, we published Dai In Numbers, an insightful post that explored the metrics behind the usage of MakerDAO's stablecoin, Dai. We were able to identify important stats, including where Dai is being used, how Dai is being used, and who might be using Dai.

That said, we still had one overarching question, “Why are people using Dai?” We believe that great product experiences come from understanding our users, so we spoke to a handful of those who have been using Dai as a part of their financial strategy.

Who we spoke to

We spoke directly to 10 people who recently started using Dai to gain insight into the motivation behind the numbers that represent Dai adoption.

Our discussions resulted in 15 hours of raw interview data. This may not seem like a lot, but to craft great experiences, we believe that we must understand our users deeply, as well as broadly.

What we learned

We identified 3 main patterns and 6 key insights within each pattern. Anyone who is interested in building with Dai can use our findings to develop products and experiences that users indicate they want.
The three patterns we found were:

**a. Patience and self-control with their Dai**

Dai holders want to feel insulated from the unpredictable nature of speculative assets, without having to give up the freedoms that crypto provides.

**b. Control and autonomy with their Dai, no matter what**

Dai holders want the certainty that they are the only ones with custody of their funds, regardless of unpredictable economic or geo-political environments.

**c. Freedom to send and receive value with their Dai**

Dai holders want a convenient, frictionless form of payment for enabling new ways of commerce in both digital and physical realms.

The above patterns suggest that Dai holders could be held back due to anxiety, fear, or confusion. We believe that foundational design principles rooted in overcoming those hurdles will allow us to create experiences that reduce friction moving forward.
Foundational Design Principles

Technical Blockchain UX Hurdles
- Where can I find liquidity?
- What are all these wallets?
- What is a private key?
- How do I move Dai with my hardware wallet?
- What is gas?
- Why do I have to sign all of these transactions?
- What happens when you upgrade to a new system?
- What is Metamask?

Use the momentum of existing habits and mental models

Crypto Ecosystem Skepticism
- What happens if there is a contentious hard fork?
- Is all of this dependent on Ethereum?
- How do I know this is legitimate? Where are the stress tests?
- Who controls Maker and the assets that back my Dai?
- How do I know I can trust that my Dai will be valuable?
- How do I confirm and verify that everything is happening safely and correctly?

Amplify the community

Trust of Smart Contract Security / No Bugs
- How am I protected from code vulnerabilities?
- What happens in the case of a code vulnerability?
- Is there a recourse mechanism in case of a vulnerability?
- How is the value of my Dai protected?

Trust Through Transparency & Visually articulate the Dai Credit System's resilience
We find it useful to think of the following principles as the **non-negotiable set of requirements potential Dai holders have**.

1. **Trust through transparency**
   - Showcase the decentralized nature of Dai. Use the visual influence of design to reassure Dai holders that there is immense power in the other a diverse, decentralized group of people, with skin in the game, participating in the Maker Ecosystem and protecting the value of their money.

2. **Visually articulate the Dai Credit System's resilience**
   - Illustrate Dai’s ability to be resilient in times of market stress, quelling any doubts of Dai’s performance under pressure.
   - Proactively address and visualize the mechanisms in place to protect Dai holders in case of catastrophe.
   - Identify the points in your Dapp where users feel anxiety around **loss aversion**. Use those moments to reiterate the security of Dai Credit System smart contracts through language, symbols, and prioritized features.

3. **Use the momentum of existing habits and mental models**
   - Make it easy for Dai holders to enter your Dapp; lower the friction by using design patterns that reflect **existing mental models**.
   - Make it easy for users to think of Dai in relation to their existing financial habits, such as asset accumulation and planning. Use similar terms and appropriate metaphors when **ethically and legally possible**.

4. **Amplify the community**
   - With Dai and the Maker ecosystem as a whole, one should not limit design to inanimate symbols, patterns, and objects. Rather, the design should seek to enable novel connections within the community, strengthen the discourse being had, and help communicate community values.

**What's next?**
Introducing **The Desire For Dai**—a series of three posts that will take a deeper look at the patterns we identified and the insights we gathered, which serve as a guide for anyone interested in building with Dai while keeping the user top of mind. Each post will also include recommendations that we think will help you leverage some of our insights.

**What you will need to know**

Prior to reading these posts, there are a few key terms and phrases that we would like to clarify.

Each insight that we share falls into one of three sections: **What the desire is and is not, Problematic events, and Outcomes**. We use these sections and words purposely because they each answer specific questions about Dai holders within the pattern we identified.

1. **What the user desire is and is not**: How can we be clear about what the desire is and is not?

   Building products with the inertia of Dai holders' existing motivation requires tradeoffs in design decisions. We find it useful to create a dichotomy between what the desire is and is not.

2. **Problematic Events, the creation of a Dai desire**: What problems or events in peoples' lives motivate them to look for a stablecoin?

   Problematic events that occur in the lives of Dai holders create a desire for change. We believe that understanding these events allows us to accurately assess whether or not products, features, or messaging actually reflect and solve real pain points in specific situations.

3. **Outcomes**: What specific outcomes do users want that Dai enables?

   Because problematic events create a desire for change in people's lives, there are specific, causal outcomes that resonate with Dai holders. **We use these outcomes as guidelines for the experiences that Dai holders want.**

Use this intro post as a reference if it ever becomes unclear why we use certain words, phrases, or formats.

To read each post and find out more about what we learned, click the following links.

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*Understanding the Dai user*
1. Dai desire for *Patience and Self Control*
2. Dai desire for *Control and Autonomy, No Matter What*
3. Dai desire to *Send and Receive Payment*