

NFTs beyond Hype: Cultural Value, Labor, and Long-Term Market Stabilization

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ABSTRACT

This paper examines non-fungible tokens (NFTs) beyond speculative hype, focusing on their cultural value, labour structures, and prospects for long-term market stabilisation. It argues that NFTs function as technological primitives that enable the attribution, ownership, and exchange of digital cultural artefacts through blockchain-based provenance systems. While often framed primarily as financial instruments, NFTs also operate as cultural infrastructures that encode identity, community participation, and creative expression across art, music, gaming, and digital media ecosystems. The study highlights how value in NFT systems emerges not only from market dynamics but also from labour-intensive processes of creation, curation, and platform governance. It further explores how labour is distributed across artists, collectors, curators, developers, and communities, revealing complex hierarchies shaped by platform economies and speculative incentives. In addressing market stabilisation, the paper analyses liquidity, speculation, and price discovery as central mechanisms shaping NFT volatility, while also considering regulatory, institutional, and infrastructural developments that may support more sustainable ecosystems. Ultimately, it contends that NFTs should be understood as socio-technical systems where cultural meaning, economic exchange, and labour relations intersect, and that their long-term relevance depends on whether these dimensions can be balanced beyond cycles of hype and collapse.

Keywords: Non-fungible tokens (NFTs), Cultural value; Digital labour, Blockchain provenance, and Market stabilization.

INTRODUCTION

The non-fungible token (NFT) market has recently experienced cycles of rapid speculation, the emergence of novel forms of creative production, and a new wave of technological appropriation, raising the question of whether it offers something distinctive or durable beyond the hype [1]. Decentralized blockchain infrastructures create conditions for digital content to be attributed, owned, and exchanged, engendering the possibility of new as well as repurposed forms of value generation [2]. The analysis of cultural value, labour, and market stabilisation provides insight into how NFTs might sustain, manifest, or merely reflect longer-standing shifts in society, technology, and culture [1]. NFTs exemplify technological primitives and provenance, embodying decentralised specifications and frameworks for the attribution, ownership, and exchange of digital content 1. Blockchain networks serve as open distributed ledgers that store and convey provenance information, and immutable metadata standards for digital objects are maintained, indicating ownership [3]. A wider range of provenance models across platforms articulates ownership and labour claims through varying attributes such as artist, curator, creator, contributor, modifier, and others, enabling the encoding of different forms of market and non-market value in relation to NFT assets. Standard blockchain assets encourage commodification and price volatility, whereas augmented metadata structures data commons and humanistic representations within decentralised systems [4]. NFTs displace one-sided, commodified representations for long-adopted digital artistic practices in the context of economisation and monetisation. They also encode broader tokens of community and participation for evolving cultural movements

extending to games, music, and software [1]. Furthermore, cultural information in NFT systems remains highly contested: the moment they enter circulation, their value is often codified and confined by platforms, collections, speculation, hype, and greed that extract rather than contribute to community benefit. Normative stances advocating greater cultural awareness, educational resources, and community-oriented outreach would combat entrenched economic behaviours and stimulate rethinking of cultural value [2].

Conceptual Foundations of Non-Fungible Tokens

Digital artifacts secured through blockchain have gained extensive attention across disparate sectors, amplifying the urgency to better understand their functioning and significance [2]. The term “non-fungible token” (NFT) describes contingently minted tokens representing unique digital files, while the phrase “unique digital artefact” indicates a broader set of digital artefacts that can be tied to a single holder. NFTs represent a techno-economic innovation where supply and demand determine their economic value according to varying perceptions of labour, culture, market dynamics, and societal factors [1]. There is scope to go beyond either endorsement or dismissal of their promise. By examining foundational concepts that underpin NFT ecosystems, specific insights into their value proposition and implications can emerge [2]. Technological primitives broadly refer to the composable building blocks of a technology that approximate something valuable but do not complete the entire solution [2]. Within NFT ecosystems, the two foundational primitives are provenance mechanisms and the representation of cultural artefacts. Provenance encompasses the process of origin determination, which serves as a valuable activity in various fields, such as food safety via traceability and provenance in the art market [3]. Trust plays a highly critical role in economic exchanges. In the presence of uncertainty over provenance, artworks or data can be intentionally misrepresented. People are thus wary of acquiring such items, stunting their economic value. Provenance mechanisms afford security and thus enable higher perceived value [4].

Technological Primitives and Provenance

Established as the dominant digital real-estate protocol on the internet, Bitcoin and the model of digital ownership pioneered by Bitcoin fulfill simple but powerful primitives within a decentralized network of peers [6]. An unforgivable flaw resides within scalable cryptocurrency protocols today: even timeless art may be lost forever if the owner cannot pass on the private key or the contents inadvertently destroyed [2]. Critically, only Bitcoin offers an unambiguous, verifiably stable definition of digital ownership [5]. Within financial-grade Bitcoin implementations, the private key material is not required for transactions; one can transfer value utterly off-chain while never revealing one’s key material thereby preserving years of accumulated and potentially priceless art [6].

Cultural Value and Representation

A compelling case can be made that the encoding of cultural artifacts, symbols, and meanings specific to particular communities of individuals (or more broadly to groups of people) creates community infrastructures that accommodate distinct socio-cultural needs and practices within specific communities and can create an enduring sense of community even for communities that have little or no individual engagement [3]. Indeed, the infrastructure provided by these cultural representations can support the building of communities and their identities [4]. Nevertheless, it should be noted that the path toward an NFT and the contribution of NFTs to a community is not calculation-free because [4] the attempt at building such a community requires labor for the creation of the initial NFT collection or for the initial steps taken toward establishing such a community and [4] if the NFTs are produced in such a way that they do not reflect any community sociological or technological service, such as groups of people or a small team of people attending, the NFT sale might only be an expression of hyper-capitalism and hyper-consumerism promoting digital hyper-consumption (hyper-consuming an NFT that does not reflect any strong cultural significance nor being produced for a claimed purpose in NFT contexts). Other aspects of the reported contents of NFTs should also be taken into consideration regarding their NFT path [5]. Even when cultural representations and meanings encoded in NFTs have undergone NFT commodification along the NFT path, it is still possible for those shared in virtual worlds or virtual events to engage individuals. Indeed, the reported contents of the NFTs or the actions fulfilled by those NFT users that included NFTs non-acknowledged by the NFT provider or NFT domain. NFT commodification remains a relevant aspect demanding reflection [6]. The commodification of cultural representations encoded by an NFT collection remains an important aspect to be considered in the social experience of individuals (per each of the NFTs held by them) and their path from the time of an NFT price to the price of their respective NFT or collection. NFTs have postured marketers and traders toward ad and event campaigns focusing in particular on NFT price [7].

Labor Dynamics in NFT Ecosystems

NFT creation, curation, and commodification processes encompass significant labor inputs in modern digital ecosystems. Contrary to popular assertions that NFTs require little or no effort, stakes are high in these interconnected stages [4]. Individual creation is enabled by blockchain-driven commodification of images and objects, with the core step being minting [5]. Artists are thus prompted to produce NFTs for the growing collector base. However, the ecosystem also facilitates easier access to original artistic labor an act increasingly mirrored within more traditional artistic subcultures including Ethereum-dwelling meme-remixers. Channeled

labor enters the space through the work of curators (who are thus also supported by NFTs). In contrast to curatorial platforms like J. Peitzer's Reciprocal or the many NFT galleries, an NFT collection is typically more collection than curation[3]. Rather than turning toward non-Twitter institutional presences like Rhizome or Museum of Crypto Art, NFT-community spaces are built by collectors provisioning more indigenous NFT curatorial platforms, from Nifty Gateway to even Randi Zuckerberg's NFT Z[4]. NFT-market dynamics certainly support the commodification of art NFT making across multiple platforms, but that commodification also follows established orders of power, privilege, and flow of capitals. Innovation and experimentation inevitably take the form of financial allocation but are further articulated with an underlying tradition articulated with Web3 more broadly [5]. So even if "anyone can be a creator," a major part of the NFT economy is the monetization of "anyone's creation" in a neoliberal market-driven economy, which has implications for the labor of creative producers across NFT ecosystems [6]. Beyond propositioning work, contrasts can also be drawn on the nature of labor across spaces. Within certain projects, NFT makers hold or previously held roles on competitive platforms like X. In the major virtual worlds and NFT-of-NFT provenance networks analyzed, labor invested in NFT-making and curation is even further mirrored by and romanticized in these other forms of planning [7]. At the level of demand, markets for NFT-asset production/ventilation in art, music, and culture as a whole can be outlined, although NFT demand behind such individual projects presents a different class of claim from the closed-loop/proto-side networks explored [8].

Creation, Curation, and Commodification

Non-fungible tokens (NFTs) can be found everywhere. A notable case is everyday: The First 5000 Days, the first purely digital work sold at a Christie's auction. The art market is witnessing the rapid rise of a new medium, digital art, further increasing the demand for NFTs [1]. Existing artworks from renowned contemporary artists ranging from digital paintings to GIFs are also being sold as NFTs. These trends extend beyond the visual arts: photographs, music albums, and even PDF books have been sold in NFT form. NFT artworks of all varieties, such as CryptoPunks and Bored Apes, are emerging as new collectibles, and decentralized finance (DeFi) projects that integrate NFTs are also gaining traction. Blockchain technologies are evolving to support NFT protocols. Crypto Users are more exposed to NFTs than any other emerging digital assets [2]. Another fascination lies in the widely held expectations of value appreciation among users. NFT trading volumes have been reported to exceed \$20 billion in 2021 [3]. Major financial institutions have also been actively reporting on NFTs, suggesting that their transformative potential has attracted serious attention. Some observers even argue that NFTs are a fundamental breakthrough in the very nature of ownership and consumption. NFTs can be considered new economic primitives in a wider sense, a distinguishing factor of Web 3.0 economies, and an evolution of digital culture shaped by the advent of the Internet [4]. The unique characteristics of NFTs may thus spur wildly different incentives and dynamics, warranting deeper examination of not only market phenomena but also users, platforms, and underlying protocols [5].

Labor Claims, Rights, and Compensation Models

Creation, curation, and commodification drive labor inputs across NFT ecosystems. Artists and designers undertake the creation of original and derivative works, validators and collectors perform curation, and all participants may market, sell, or donate NFTs for personal or philanthropic gain [2]. Collection-based capabilities allow for display on Unity and Unreal Engine, and conceivably any metaverse supporting the full range of assets found on OpenSea and Rarible, including video, audio, images, 3D models, and even games [3]. Claims to labor recognition and compensation differ across ecosystems and services. OpenSea, Rarible, Mintable, and Nifty Gateway operate on collection lists and facilitate peer-to-peer sales; commission structures vary but the absence of creators, validators, or even actual digital goods means labor expense is almost nil. The Futureverse Platform promotes brand-centric, collab-based, and limited-run drops where brand reputation and monetary reward might entice labor beyond a likeness, where value persists, and where collection deploy a certain level of status symbol and group identity[3]. Nouns introduce new intellectual property rights and compensation pressure for derivative works; its decentralized ecosystem has produced a record at least visually or aurally linked to the original collection. The recent NFT music Boom! that records artist and community input exemplifies creation-mode crowd-sourcing; however it remains a rarity[4].

Market Structure and Long-term Stabilization

The market for NFTs and other digital collectibles has been characterized by extremely high volatility and subsequent price collapse, similar to the dot.com bubble [4]. Speculation driven by ideas of scarcity and investment potential has become a major focus for digital art. Speculation is an important aspect of price discovery and market stabilization in the early stages of many assets [3]. That said, market structure is affected by various factors such as fractions of tradable capital, trade networks, market integrity and tax considerations. NFTs need to be analysed along more traditional theory of market microstructure in order to understand the uniqueness of their market [5].

Speculation, Liquidity, and Price Discovery

Liquidity refers to an asset's capacity to convert into another asset without significant time lag or price movement, whereas speculation encompasses traders' justification and motivation from price appreciation and potential profit, including investor mood and market sentiment [4]. Such frenzy leads to trading on price rather than fundamental value and works as a channel to inflame higher degree of speculation. NFT market liquidity remains one of considerable importance. NFTs obtain cash flow value through speculation so price bubble can be destroyed and liquidity decreasing issue at peak indicates market investor confidence [5]. Price discovery represents a process of determining the price until the balance situation is achieved and price is adjusted regularly according to change of information regarding asset supply and demand. NFTs are characterized by unique or limited availability and impermanent transactions comparable to traditional trading assets, thus price discovery mechanism functions similarly with the core targeting determining price level [4]. Price determines the available information and associated development and function into traditional finance price takes role as forecasting and prediction function, constantly reflecting relatively inherent information regarding supply and demand even though different price level emerge mere housing and portfolio and personal evaluation [5]. Liquidity is a commodity that makes NFT obtainable and is essential for asset shift, whereas speculation and price discovery rely on external informations thus they affect investment attention and determine market player's future behaviour. Liquidity, speculation, and price discovery constitutes NFT trading environment through mutual intervention. Consequently they become vital components of NFT price, actualize the phenomenon of price "Hype" thus influence community confidence [4].

Institutional Adoption and Regulation

NFT platforms provide an array of tools for self-promotion, market analysis, interaction with collectors, and community building. Communities emerge around shared cultural references and value systems, influencing financial worth and social significance [4]. In 2021–2023, widespread celebrity engagement elevated mainstream awareness and experimentation. Platforms catering specifically to music are emerging alongside NFT-related tools for music distribution on major services [6]. Despite being digitally native commodities, music NFTs exhibit strong ties to traditional physical formats and distribution networks. Artworks, music videos, and essays acquire distinctive cultural meanings beyond the pricing of tokens [3]. NFTs allow a diverse mixture of representative modalities to circulate within alternative monetary systems. Community members employ encapsulated symbols, lexicons, and iconographies to delineate shared cultural territories, signalling belonging while constructing narratives of significance [7]. Digital materials also enable the reworking of versatile motifs within numerous combined visual orders. Ontological and conceptual labeling operates through images inappropriately reduced to their price quotations [8]. Yet commodification itself becomes a tool for staking claims and articulating ties to specific interpretations. Diverse channels exist for monitoring and tracing significant collective materials, yet contention commonly arises over the loci, modes, and conditions of representation [8].

Cultural Value beyond Monetary Metrics

NFT technologies enable the online reproduction of digital artifacts, allowing in-game assets, social capital, and shared meaning to circulate across multiple services and protocols [4]. As a result, they facilitate new techno-cognitive production and resource strategies, institutional arrangements, and governance models. Enabling digital representation of artifacts helps anticipate value formation, identify claimants, justify pricing, and establish commons-based approaches [5]. The representation of objects anticipates the insertion of artifacts into local marketplaces and preserves continuity when control expands and the number of platforms increases [6]. Cultural value extends beyond commercial metrics in NFT contexts, especially when ordinary users curate and populate interfaces through vernacular activism [5]. Projects that lock protocol-level contracts and permit subsequent transactions, where front-end choices merely determine the initial audience represent historical knowledge, craft formation, and identity-making across music, games, visual art, and writing [6]. Capturing early-career activity in music, curation, and coding, as well as collective imaginative projects around large-language models and writing, stimulates social exchange and broadens community engagement at regional and global levels, encouraging exploration of accompanying non-fungible material [5]. While NFTs support this form of representation, other alternatives for encoding value in cultural artifacts are also available. Community-building initiatives, digital-stewardship activities, and identity-forming practices further extend purposive and processual dimensions of value beyond transactional and easy-to-quantify aspects. Education, accessibility, and inclusive innovation also attract dedicated audiences not fully represented by visible-speculation estimates [6].

Community Building, Digital Stewardship, and Identity

NFT technologies afford various community activities, from organizing DAOs to establishing digital membership cards that provide perks, recognition, and credibility [3]. NFT- and blockchain-based services frequently emphasize strengths as well, leveraging the technology for community-oriented initiatives and infrastructure, such as major metaverses (including Decentraland, The Sandbox, Cryptovoxels, Somnium Space, and a growing number of others), which notably have a strong community focus; game studios (like Axie Infinity and

Splinterlands) that offer users ownership rights and profit opportunities; and foundational layer protocols (including Ethereum, Tezos, Solana) that prioritize non-financial applications during development, such as community building. Projects continually propose to foster, guide, or assist community groups, notably within Discord servers, which serve as discussion forums and coordination centers [4]. An often-cited example is Gitcoin, which supports social public goods, enabling coding work for open-source software by matching contributions so that even small donor amounts can leverage routines to bring substantial funding to specific products; funders can join groups from science to infrastructure, curators improve the project selection, and the total Gitcoin funding surpasses USD 50 million. Such activities, aligned with the Web3 ethos, depend largely on contributions of community labor not easily reducible to a distinct category, given its variety, a characteristic found also in many distribution NFT projects and some generative proposals [5]. Various types of non-programming content moderation folklore aided by Discord's configurable structure, are offered by NFT collections, where some of the community activities reflect DAO designs. In addition, NFT drops often organize some of the supply to a community or a creator group in recognition of their contribution, similar to releases in open-source software [4].

Education, Accessibility, and Inclusive Innovation

NFTs encompass a variety of cultural artifacts, ranging from digital images and music to virtual real estate in online gaming environments [4]. NFTs capture approaches to representation and community-building, influencing their significance and cultural valuation within specific ecosystems and across the broader, interconnected NFT marketplace [4]. Digital architecture, symbolism, embedded artifacts, and community engagement inform commodification and meaning, fueling debate over spuriousness and authenticity. Cultural-historical status, semiotic connotations, contextual usage, institutional endorsement, speculative activity, and community participation influence valuation [5]. The perceived desirability of an NFT reflects the assumed cultural weight of its constituent elements; when commodification establishes a high floor price, the economic hurdle to engagement falls and broader cultural exploration becomes possible [5]. NFTs inscribing the constituent elements of digital architecture, artistic practice, or an interpretative community through freely accessible, open-source, or participatory methods attract attention, participation, and valuation [5]. NFT ecosystems experience complex labor dynamics involving creation, curation, and commodification. To invite community exploration, engagement, and value within rapidly evolving, high-speculation NFT contexts, some ongoing projects employ augmented provenance models that trace intermediary steps such as curation, remixing, and recontextualization [6]. Ongoing projects proposing alternative experiments on NFT-embedded commoning, aggregation, and mediation probe NFTs' cultural-historical resonance and inject cultural-technical counterbalance into high-speckle NFT enthusiasm [6]. Creation, curation, and commodification map onto the three dimensions of author-driven provenance commonly identified in gamified co-creation environments. Implementation of intermediary processes intersects with larger questions of authorial attribution, cultural-historical significance, embedded content of interest, the cultural weight of the next surrounding layers, and NFT inscriptions' exploratory capacity [7, 8].

Methodological Approaches to Evaluating NFT Value

Valuation frameworks for NFTs must capture cultural and socio-political significance alongside economic value. Willingness-to-pay methodologies predominantly reflect individual monetary preferences while frequently overlooking collective dimensions rooted in group or community beliefs, traditions, and cultural heritage or shared human experience more broadly [5]. Market-based methods may bypass moral norms central to cultural production, neglecting moral and ethical dimensions just as fundamental to art as economic considerations. Though market, commercial, and economic value qualify as important facets influencing cultural industries or cultural economies, such evaluations neglect both the vital role of moral presumptions (e.g., trust, fairness) that shape these economic analyses and the equally significant symbolic significance and social utility of cultural assets on which their economic fortunes depend [6]. Considering the duality of intrinsic/non-instrumental and instrumental value constellations becomes essential, as failure to account for the former risks overlooking the social and ideological embedding of cultural goods within specific social groups, communities, and, more generally, social and geographical contexts that influence their economic success [7]. The valuation of NFTs thus benefits from a multidimensional framing that integrates cultural, social, and economic dimensions of significance using qualitative and quantitative techniques within a coherent conceptual framework [8].

Multidimensional Valuation Frameworks

NFTs serve as technological primitives for assets invested with cultural value: devices for encoding cultural artifacts and symbols, enabling the expression of identity, and facilitating the building of community. The production of these assets often requires specialized knowledge and passion [4]. Users volunteer their time and effort in support of NFT ecosystems for myriad reasons, from nurture and reputation to anticipating future rewards. The process of creating and managing a community around assets provides a rich expression of identity and social capital [5]. The transition of NFTs into the large-scale mainstreaming phase can be tracked through

their insertion into institutional assets under management, listing on major exchanges, and inclusion as collateral and hedging instruments in the DeFi space. Protocol design, governance, and developer efforts can further shape the direction of adoption and subsequent phases [5]. Valuation scenarios, community building, digital stewardship, identity formation, risk-adjusted use value, and payment methodology before recognition proceed independently from price-dependent valuation mechanisms. An increasing range of commercial and personal digital-asset portfolios provides example collections for educational purposes, though information asymmetries still adversely affect access [3]. Accessibility, inclusion, and openness to creative and novel use cases are key drivers and contributors to the growth of NFT ecosystems. Using a multidimensional framework enabling the consideration of diverse types of values strengthens the argument that an NFT ecosystem is developing around a particular community [5].

Empirical Evidence and Data Limitations

NFT marketplaces allow a wide variety of value-expressive actions: creation, curation, ownership, and resale. These activities entail distinct labor contributions, and the allocation of attribution, rights, and financial recompense varies markedly across ecosystems [3]. NFTs thus introduce a new layer of complexity to ongoing discussions surrounding creative labor in digital media. Frameworks proposed for characterizing value in this space must therefore consider not only community-driven discussions and technological primitives but also the competing and complementary forms of expressive, curatorial, and financial labor that underpin an emerging economy of cultural reproduction [1, 4]. NFTs formalize cultural artifacts within blockchain networks, yet the nature of the encoding shapes representation, community-building potential, and the significance of financial investment. Frameworks should thereby address labor alongside community and market [7]. In the NFT context, representation resides foremost in the capacity to signify complex cultural artifacts. Cultural meaning emerges outside the technological primitives themselves [4, 5].

Policy Implications and Governance Considerations

Although NFTs may merit closer scrutiny in certain areas, wide-scale market participation does not seem to exacerbate the misappropriation of intellectual property or undermine fair use protections [4]. However, NFT projects that emphasize attribution, licensing, and commercial usage rights provide valuable models worthy of wider adoption. In addition, the industry can benefit from the development of platform standards for user-generated content; these provide the foundation for development and operation of all manner of network-based services, products, and experiences in the online ecosystem [5]. Market demand for dashboard extensions to popular image-sharing communities illustrates how the sale of license-coherent NFT assets permits users to add features, enhance user experience, or even gain messaging income while keeping accessibility free for others. Interoperability allowing user-created content produced for one platform to work on others, opens further possibilities. NFT implementations of virtual collections stand out as user-included content assets that connect social media and videogame ecosystems; their guaranteed provenance and license coherence make them an attractive object of speculation [4]. The interest of traditional institutions, start-ups, and venture capitalists serves as an indicator of further commercialization prospects even in this uncertain period, and interest from a diverse array of smaller creators and non-commercial makers illustrates the underlying interest to innovate outside the speculative zone [5].

Intellectual Property and Licensing

NFTs consist of at least two layers: a digital layer containing records and attributes, and a media layer representing generated content. NFTs can use various decentralized protocols [4]. Ethereum is the original and most widely used platform. A Non-Fungible Token is an identifier associated with the owner's address and stored at a specific smart contract [5]. It maintains an address space linking a digital object to its creator. NFTs can also reference assets stored outside the protocol; smart contracts both identify them at creation and enumerate them at display. The construction of tokens affects the legal qualification of property rights, which are multidimensional and include rights to the token as a virtual good, assets linked to it, and embedded IP [8]. Protecting authors' IP rights is complex, especially regarding works used to create tokens. Rights to a token as a virtual good raise questions about the existence of virtual property, with legal approaches varying by jurisdiction [4, 5].

Platform Standards and Interoperability

For NFTs to realize cultural value over the long run their ecosystems must be governed effectively, with special attention to risks and opportunities stemming from digital economic dynamics [6]. Governance structures differ across projects and platforms, affecting the allocation of rights associated with creation, ownership, and transfer. Institutional adoption and regulatory evolution increasingly shape governance, with key implications for liquidity, price discovery, speculation, and the persistence of cultural value [6]. Concerns about intellectual property rights, particularly as they relate to licensing agreements and fair use, have been highlighted in discussions of NFTs. The question of whether such digital objects should be seen as licenses (allowing specific use cases of the underlying work) or more narrowly as certificates of ownership is especially consequential for cultural creators, who generally depend on a legal framework that protects their intellectual property against unauthorized reproduction. NFT

platforms typically include warranties provided by sellers regarding ownership, authenticity, and non-infringement, and some platforms have begun providing guidance on such warranties [7]. Such guidance both signals the importance of these warranties and attempts to influence their tacit establishment within NFT ecosystems [7]. For NFT ecosystems to serve as long-term venues for representation, community building, and identity formation, interoperability between platforms is essential. Such interoperability would permit the transfer of assets between different projects, matching the patterns of use seen in the virtual environments where the symbolism and stories encoded in NFTs gain meaning and value [6]. Traders and collectors of NFTs have already begun to express preferences for specific combinations of NFT, functional use cases, representation and significance, and community involvement. These stated desires often relate directly to the role of authenticity and cultural value in shaping demand and market dynamics [7]. As non-fungible digital objects capable of encoding a range of creative works, NFTs often form part of a larger experience or virtual economy. Consequently, many users are ultimately driven by expectations that extend far beyond the actual NFTs, making their value harder to gauge. Where NFTs arise as constituent parts of a wider digital or social experience, user preferences shift [8]. When trading NFTs openly while seeking market liquidity, such user choices trend toward speed, ease of access, and minimal costs. Transfer fees are incurred whenever NFTs change hands, and sellers naturally aim to use the least-expensive option [8].

Case Studies in Cultural Reproduction and Labor Markets

The cultural scaffold sustaining market activity for NFTs and the processes that create, structure, and curate that value are explored through two case studies [6]. The first examines NFTs as units of cultural reproduction across domains of art, music, and collectibles, while the second investigates their role in labor markets, particularly within virtual world ecosystems. These case studies indicate that NFTs represent much more than speculative commodities; reproduction of cultural artifacts presents a structural demand for labor, and ongoing stabilization of NFT ecosystems may realign creative economies toward fairer, more equitable distribution of rewards [7]. NFTs are thus systems of representation whose promise may ultimately be at least as consequential as their value on secondary marketplaces. Non-economic practices of community building and identity formation, acts of digital stewardship for communal resources, and the laying of foundational indifference toward cost and price may all be just as important as market behaviors in determining what NFT value is and the nature of its persistence [8]. Art, photography, music, and collectibles occupy a privileged position within culture, and only argument by analogy still wages courageous battle against the conclusion that NFTs originate cultural value. The comparison remains pertinent, however, when scaled to examine NFT culture as a social activity, where media format no longer asserts primacy [6]. However NFTs generate cultural meaning, they are first and foremost units of cultural reproduction, enabling and facilitating the act of making things [7]. Housed on blockchain infrastructures, within Ethereum-based smart contracts, and framed within the vast archive of IPFS, NFTs are in fact a technical alibi for the troopenica of a billion digital images and snippets each a commodity of loss in Jameson's sense [8]. The blockchain makes it possible to treat these artifacts as things to create and imbue them with symbolic value as the charming forgery of an impossible pink shell, the sonic bridge between reality and a recollective posthuman promise that staying alive is suited to meet and thus to conduct the act of commodifying their making and circulation, the retrieval from crepuscular absence beside the pit that haunts difference [8].

Art, Music, and Collectibles

NFTs encode cultural artifacts embedded with community symbolism, significance, and emergent meaning; community is a central aspect, yielding membership, identity, belonging, and commingled cultural and economic value [6]. Yet whether established as and even when claimed to be cultural assets, NFTs remain highly fungible commodities subject to ownership transfer, liquidation, and derivative production. Thick cultural and social exchanges circulate alongside commercial transaction on unlike, even antithetical material, thereby igniting tensions [7]. Community-strong NFTs can function simultaneously as gesture toward, conveyance or link to, and fracturing from wider cultural and symbolic exchange that ambitiously denote complex cultural valuations. Within this notion, the question of commodification endures alongside efforts that establish and preserve cultural framing; commodification consumes and supplants simultaneously, unhinging degree of ownership over cultural scene, arena, or commodity [8]. The tension is explicitly contested within NFT ecosystems, stirring ground for aesthetic and cultural contestation across forms of artistic, architectural, design, and multimedia production [1, 9].

Virtual Worlds and Provenance Networks

The nascent nature of NFTs as a cultural phenomenon raises urgent questions about their role and implications within specific contexts [9]. In visual art, music, and virtual worlds, certain consistent conditions can be identified: NFTs function not just as assets but as units of cultural reproduction, while the value of culture as an asset is tangled with complex patterns of labour demand, financialisation per se, and the stabilisation of labour relations within cryptocurrency-based ecosystems [9]. A focused analysis of virtual worlds and provenance networks in these contexts elucidates further dynamics of cultural reproduction and labour. In many NFT

systems, provenance derives not only from blockchain history but also from a wider set of embedded practices which determine attribution claims [9]. As games and online fantasy platforms increasingly adopt blockchain technologies, NFTs are deployed not just to monetise virtual goods or real estate, but to code the variables of these systems themselves. Content layers comprising these variables start to circulate, yet the totality of specific algorithmic instructions for gameplay remains proprietary. The NFT designation still indicates a measurable extent of “building in public” which shapes creation incentives across different systems and modes of expression [9].

CONCLUSION

NFT ecosystems reveal a complex interplay between cultural production, labour distribution, and financial speculation. While early narratives emphasised rapid wealth generation and market disruption, a more sustained analysis shows that NFTs are embedded within broader infrastructures of digital labour and cultural meaning-making. Their value is not solely determined by price fluctuations but is also shaped by the creative, curatorial, and community-building work that underpins their existence. However, the same systems that enable decentralised creativity also reinforce inequalities through platform control, speculative incentives, and uneven recognition of labour contributions. Market volatility, driven by liquidity constraints and speculative behaviour, continues to challenge the long-term stability of NFT economies. Despite this, emerging governance models, improved provenance mechanisms, and increasing institutional engagement suggest pathways toward greater structural maturity. Ultimately, NFTs are best understood not as transient speculative assets but as evolving cultural and technological systems. Their future stability will depend on the extent to which economic mechanisms can be aligned with cultural sustainability and fair labour recognition, ensuring that value creation extends beyond hype cycles toward more durable and inclusive digital economies.

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