



Are These Metaverse-Related Cryptocurrency Tokens a Good Long-Term Bet?

Description

Two of the most widely searched terms on the internet in the last year are [cryptocurrency](#) and the metaverse. Investors believe both these verticals present significant opportunities to create long-term wealth. In 2022, the two verticals are mutually inclusive — you can invest in the metaverse and cryptocurrencies at the same time.

No one knows for sure how the concept of the metaverse will be developed. Right now it's defined as multiple interconnected virtual worlds that can be accessed by virtual or augmented reality devices. A report from Emergen Research expects the total addressable market of the metaverse to [grow at an annual rate](#) of 43% through 2028 to US\$829 billion.

Here, we look at the top metaverse-related digital assets to see if they should command a place in your crypto portfolio at current prices. These metaverse-related cryptocurrencies gained massive momentum in 2021 but are also trading significantly below record highs right now.

Decentraland

One of the largest metaverse cryptocurrencies in 2022 is **Decentraland** ([CRYPTO:MANA](#)) valued at a market cap of US\$5.2 billion. The price of the MANA token has surged by 3,300% since the start of 2021 but it's also down 55% from all-time highs.

Decentraland is also the first fully decentralized virtual world and is well poised to enjoy a first-mover advantage. It's DAO, or Decentralized Autonomous Organization, owns smart contracts relevant to this metaverse, including the LAND contract where users can sell and buy virtual real estate.

The real estate inventory owned by users can be monetized by developing interactive games and driving ad sales. Demand for the MANA token will depend on the ability to expand the Decentraland metaverse where users can also purchase avatars, products, and other items. All transactions are executed with the MANA token where the ownership of a particular item is represented as a non-fungible token, or NFT.

In terms of transaction volume on OpenSea, Decentraland is the third most popular NFT collection.

The Sandbox

Valued at a market cap of US\$3.47 billion, **The Sandbox** ([CRYPTO:SAND](#)) is the 37th largest cryptocurrency in the world. It has [returned over](#) 10,000% to investors in less than 15 months but is also trading 63% below all-time highs.

Similar to Decentraland, the Sandbox is also built on the **Ethereum** blockchain and is a virtual world with a DAO model. Its blockchain supports the execution of smart contracts where you can buy virtual land and several other assets.

The Sandbox is now looking to lower transaction costs and enhance processing speed by migrating to **Polygon's** layer-2 solution. It aims to create virtual worlds where you can build, own, and monetize gaming experiences.

Its content ecosystem offers products such as the Voxel Editor where you can create in-game objects. The Sandbox also provides a digital marketplace for buying and selling objects. Finally, its Game Maker allows you to locate and use objects within a particular virtual real estate.

In a tweet last November, The Sandbox claimed it had 30,000 monthly active users in the beta making it a top bet today.

The Foolish takeaway

There are several reasons why blockchain platforms may be ideal to develop the metaverse. These native tokens can also be used as in-app currencies and drive micro-transactions higher. Additionally, the NFTs will serve as proof of ownership, thereby forming the backbone of the virtual economy.

CATEGORY

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1. CRYPTO:MANA (Meme Anarchic Numismatic Asset)
2. CRYPTO:SAND (The Sandbox)

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