Meme Coins

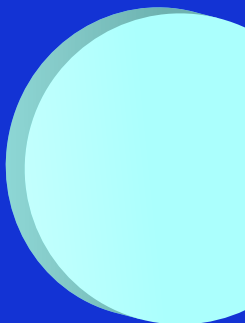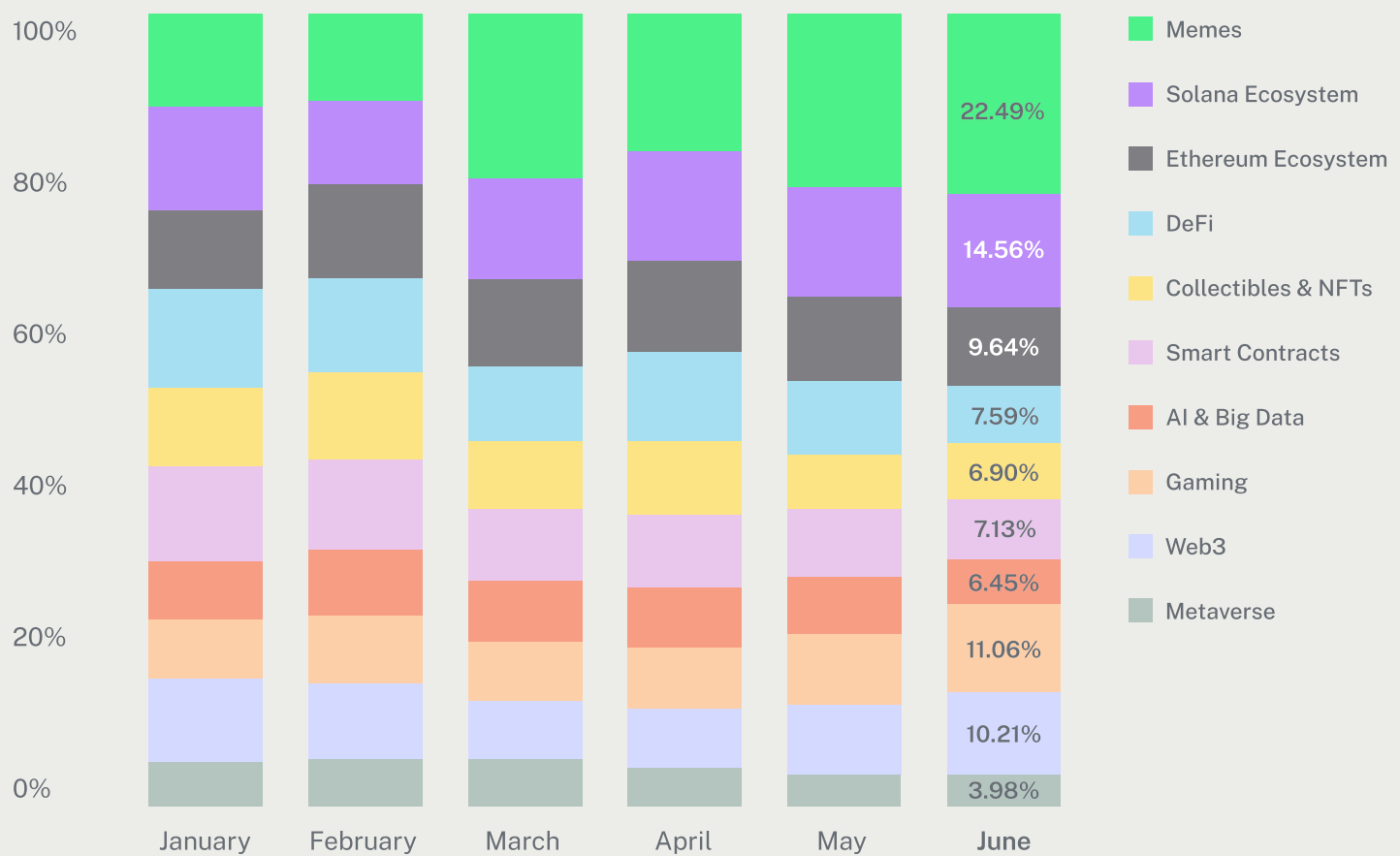## *Fad Or Future?*

Key Takeaways

1 Meme coins are highly speculative cryptocurrencies that are often based on internet memes and viral trends. Examples include Dogecoin (DOGE), Shiba Inu (SHIB) and Pepe (PEPE).

2 Unlike most cryptocurrencies, meme coins have little to no fundamental value. Instead, their value is heavily affected by social media influence and community enthusiasm.

3 Nearly every blockchain has its own meme coin ecosystem. Various metrics suggest that Solana (SOL) is the go-to blockchain for meme coins.

4 The vast majority of meme coins become worthless over time, which is why they are widely considered the riskiest types of cryptocurrencies.

What Are Meme Coins?

Meme coins are highly speculative cryptocurrencies inspired by internet memes, characters or trends. With little to no intrinsic value, meme coins typically fluctuate in price based on the amount of attention they are generating on social media.

Thousands of meme coins are created every day, the vast majority of which fail to gain any meaningful traction or value. To state the obvious, meme coins are arguably the riskiest cryptocurrencies available in the market.

Meme Coins Become *Crypto's Top Trend*

Source: CoinMarketCap

Month	Memes	Solana Ecosystem	Ethereum Ecosystem	DeFi	Collectibles & NFTs	Smart Contracts	AI & Big Data	Gaming	Web3	Metaverse
June	22.49%	14.56%	9.64%	7.59%	6.90%	7.13%	6.45%	11.06%	10.21%	3.98%

Meme Coins vs Other Cryptocurrencies

Most cryptocurrencies have some sort of intrinsic utility and fundamental value. For example, Bitcoin (BTC) has value because it is the world's leading decentralised cryptocurrency, has a capped supply and is widely accepted within the industry and even accepted by some real-world businesses as currency.

As another example, Ethereum (ETH) has value because of several reasons, including the fact it is secured by billions of dollars worth of staked ETH and that it has the most developer adoption of any blockchain.

As for meme coins, most of their value comes from social media influence, community enthusiasm and viral trends. While this can cause some to surge in price over short timeframes, this lack of fundamentals often results in most meme coins crashing in price once attention goes elsewhere.

	Meme coins	Other cryptocurrencies
Primary use	Speculation and entertainment	Various practical applications and incentive alignment
Value basis	Social media, community enthusiasm and viral trends	Current and potential utility

Popular Meme Coins

Dogecoin (DOGE)

Dogecoin (DOGE) is easily most widely recognised meme coin. It is also the most valuable meme coin, having been entrenched in the top 15 cryptocurrencies by market cap for several years.

Like most meme coins, DOGE has its roots in internet culture. The cryptocurrency itself was created in 2013 as a tribute to the popular 'Doge' internet meme, with the famous Shiba Inu breed of dog featured in the Dogecoin logo. (More on Dogecoin.)

Shiba Inu (SHIB)

Shiba Inu (SHIB) is a meme coin that launched in 2020 and was positioned as the 'Dogecoin killer'. Unlike DOGE, the SHIB token was launched on the Ethereum blockchain.

Interestingly, 50% of the initial supply of SHIB was given to Ethereum co-founder Vitalik Buterin, who ended up donating some of these to a COVID-19 relief effort and burning the remainer of his allocation. (More on Shiba Inu.)

Pepe (PEPE)

Pepe (PEPE) is a meme coin inspired by the 'Pepe the Frog' internet meme. Like SHIB, PEPE is built on the Ethereum block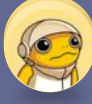chain. As is typical with meme coins, there are no details about the creators of PEPE. Of note, its website states that "$PEPE is a meme coin with no intrinsic value or expectation of financial return. There is no formal team or roadmap."

Solana: The Top Blockchain For Meme Coins

Nearly every blockchain has a meme coin ecosystem, with some being more vibrant and active than others. By using websites like CoinGecko and onchain data platforms, you can gauge the strength of a particular blockchain's meme coin ecosystem by analysing the following:

- Combined market cap of the 3–5 most valuable meme coins of that blockchain

- Number of meme coins launched on that blockchain per day

- Combined trading volume of all meme coins on that blockchain

Solana is the blockchain of choice for meme coin enthusiasts. Examples of Solana-based meme coins are Dogwifhat (WIF) and Bonk (BONK).

Solana

- Dogwifhat (WIF)
- Bonk (BONK)
- Popcat (POPCAT)
- Wen (WEN)
- Ponke (PONKE)
- Book Of Meme (BOME)

Ethereum

- Shiba Inu (SHIB)
- Pepe (PEPE)
- Baby Doge (BABYDOGE)
- Floki Inu (FLOKI)
- Turbo (TURBO)

Uses It's Own Chain

- Dogecoin (DOGE)

Avalanche

- Coq Inu (COQ)

BASE Chain

- Brett (BRETT)

There are two main reasons for Solana's dominance in the meme coin space.

1   **Lots of transactions, cheap fees.** Solana is designed to handle a large number of transactions per second while keeping transaction fees to a minimum. This is different to Ethereum, the leading smart-contract blockchain, where fees can get expensive during times of high activity.

2   **All activity in the one place.** Solana is trying to scale in a way that keeps all activity on the same blockchain. This is distinct from its closest competitor, Ethereum, which is scaling by having several layer-two blockchains capture the bulk of user activity. While this has its benefits, it results in liquidity and attention being fragmented across the Ethereum ecosystem. For Solana, it does not have to worry about fragmentation, helping meme coin activity because attention and liquidity is all in the one place.

How to Find Meme Coins

With attention and social media being the lifeblood of most meme coins, it makes sense that social media tends to be a useful tool for finding meme coins. The most relevant social platforms here are X/Twitter, Telegram and Reddit.

Beyond social media, certain websites like CoinGecko provide price data on meme coins. These websites often have links to decentralised exchanges for people to buy and sell these meme coins. Telegram bots are another common tool for buying and selling meme coins, including those with very low market caps.

Swyftx also lists several meme coins. Please ensure you do your own research before buying meme coins.

Understand The Risks

Meme coins are the riskiest and most volatile type of cryptocurrency. As stated, their lifecycle can be very short (i.e. days or weeks) given their value is often closely tied to social media and viral trends.

While some meme coins have broken through to the top 200 cryptocurrencies by market cap, many thousands have more or less become worthless over the years.