Virtual Currencies: Who is cashing in?

Vendors Who have failed

- **BEENZ**
  - Founded 1990, ended 1998
  - Why it failed: It couldn't create a successful loyalty economy.
  - Succeeded at creating a virtual currency developed for online retail, but failed to monetize the system due to low user adoption.

- **E-GOLD**
  - Founded 1996, ended 2001
  - Why it failed: It couldn't keep its original customers and was bought in local currencies.
  - Succeeded at creating a micro-payment virtual currency, but couldn't win the battle of payments against PayPal.

- **FLOOZ**
  - Founded 1999, ended 2001
  - Why it failed: Flooz failed at creating an online currency redeemable on different sites, and drawing the attention with ads featuring Whoopi Goldberg.
  - Succeeded at creating online currency redeemable on different sites, but failed to attract mass users.

- **INTERNETCASH.COM**
  - Founded 1994, ended 2001
  - Why it failed: InternetCash.com couldn't stay afloat amid the dot-com collapse.
  - Succeeded at creating a web-based electronic cash that required named account holders. It declared bankruptcy in 1998.

- **CYBERCASH**
  - Founded 1996, ended 2001
  - Why it failed: CyberCash made a splash with a $300 million public offering, but couldn't be purchased by a predecessor to Verisign, which required named account holders. It declared bankruptcy in 1998.
  - Succeeded at creating a global online payment system that was eventually steering clear of fraudsters.

Vendors Who are gaining foothold

- **BITCOINS**
  - Founded 2009
  - Why it failed: Bitcoins couldn't create a seamless payment option for encrypting digital money transactions.
  - Succeeded at creating an anonymous cyber-currency for cross-border transactions of more than $10,000.

- **AMAZON COINS**
  - Founded 2013
  - Why it failed: Amazon coins aren't usable for purchasing Kindle apps.
  - Succeeded at creating an encrypted currency capable of providing an e-commerce enabler Verisign, which won the battle of payments against PayPal.

The buzz it has created has raised concerns over it being used for money laundering. A new federal regulation will require Bitcoin to report cross-border transactions of more than $10,000 as other financial institutions are required to do.

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