

ADME whitepaper v1.0

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DISCLAIMER

Dear Reader,

The language of the following white paper is written in a simplified, less marketingy manner. If it feels easy for you to understand the concept and the main goal of ADME, then congratulations, because you have placed yourself to the top 20% of the readers, who understand the vision and the technology behind ADME.

Company statement

ADME will operate by following the 4 core principles any business should follow, to establish trust with its users and partners:

- **Honesty and consideration:** We understand that honesty is the most important principle in any partnership, therefore will not launch the Utility Token offer until we have the core product ready for the masses.
- **Accountability and transparency:** The operation of the business will be regulated by the smart contracts, so the users will never have to feel scammed, as every transaction will be visible and recorded on the blockchain, verified by the miners. This way the utilization of the blockchain will make ADME's operation transparent and accountable.

Thank you for your time you will spend on reading this white paper, ADME will assist you to monetize it.

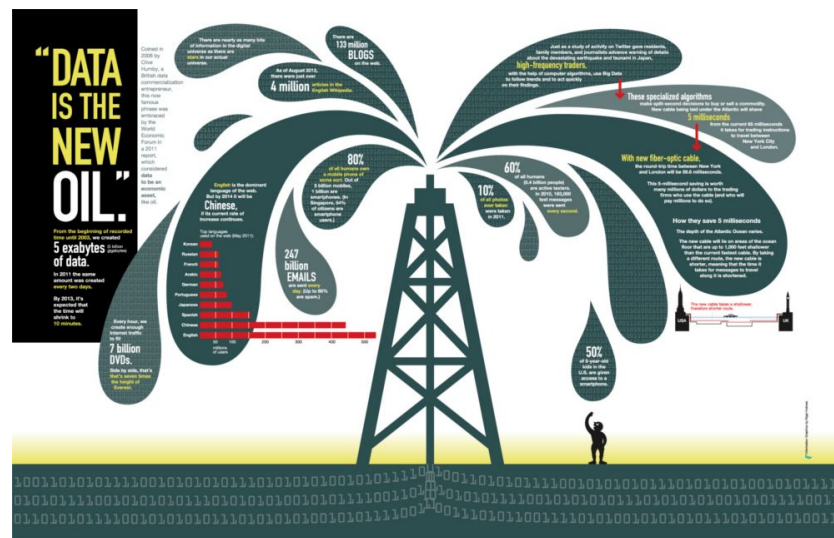
Regards,

Tamas Mihalyi
Founder and CEO
ADME

Mission Statement

Welcome to the (Profit) Sharing Economy

“...data, like oil is a source of power. And those who control it (think of Amazon, Alibaba, Facebook or Google) are establishing themselves as masters of the universe, just as oil barons did 100 years ago.” Brendan Marr¹



In this digital world, everyone who uses a mobile device is considered as a source of digital oil. Large corporations (like the ones that mentioned above) built their entire businesses to harness the oil that you create, through their applications - which are working as a “digital oil well”-, meanwhile taking the profit after your data, in exchange for services where you can search, stay in touch with your friends or find and buy what you need.

Once these companies get access to your personal data (by monitoring your search and purchase history, liked pages, etc.), they monetize it instantly by selling it to advertisers, so you will receive targeted ads. To put this into numbers: **Google's digital ad revenues will reach \$39.92 billion in 2018, a 14.5% increase over last year. Facebook will generate \$21.00 billion in ad revenues, up 16.9%. Together, the two giants will grab 27.6% of all ad dollars.**

Do they share this profit with you, that you deserve for your attention and your data? You already know the answer...

¹ <https://www.forbes.com/sites/bernardmarr/2018/03/05/heres-why-data-is-not-the-new-oil/#57e9c5ea3a99>
<http://789marketing.com.ng/data-new-oil-everyone-needs-know-theire-leaking/>
<https://www.emarketer.com/content/us-ad-spending>

ADME is here to level the playing field (*which in commerce means a concept about fairness, not that each player has an equal chance to succeed, but that they all play by the same set of rules*), by allowing SMEs and larger enterprises to advertise on a platform, which can be accessed by anyone in the world, this way eliminating borders and bidding systems, meanwhile bringing the communities together. The visibility of companies thus, will not be dependant on how they are ranked by their prices on a bid list, but how much are they willing to pay for the potential customers' attention.

The main mission of ADME is to allow everyone to harness and sell their data to advertisers, in exchange for receiving targeted ads, meanwhile sharing the profit with its users. ADME rewards its users for the product they create (which in this case is their data), and will allow everyone **to be a product owner instead of being the product**.

1. Market Overview - Facts and predictions

1.1. Video Ad Industry Quick Review

"As brands continue to shift budgets to mobile advertising, they must reassess their approach to customer acquisition to ensure they continue to reach potential customers effectively." - Zenith Media

Facts:

- This year, driven by display ads, mobile will account for 69.9% of all digital advertising. With a 33.9% share of total US ad spend. Mobile will pass TV as the leading advertising medium in the world's largest ad market—and it is expected that share will grow to a whopping 47.9% by 2022.
- Mobile advertising will grow more than three times faster than total media in 2018, 23.5% vs. 6.6%.
- Advertisers' increasing spend will push mobile's share of total media to 47.9% by 2022.
- In 2018, the average firm was expected to allocate 41% of their marketing budget to online
- Search engine marketing will capture the largest share of online spend with online display (banner ads, online video, etc.) taking the second largest share

- Online video will represent the highest growth category, with the anticipated investment more than doubling 2016 numbers by 2021.
- Mobile marketing has grown to a point that it's no longer tracked in the forecast and it's presumed to be considered across all channels
- Digital marketing is pacing at an 11% compound annual growth rate between 2016 and 2021 with the biggest growth occurring in online video.
- Investment in paid search, display advertising, social media advertising, online video advertising and email marketing is predicted to account for 46% of all advertising by 2021.
- 84% of marketers intend to create more business videos in 2017 and onwards.
- Video marketing already dominates marketing budgets- 60% of businesses spend more than 25% of their marketing budget on video

Predictions:

- Mobile advertising will account for 30.5% of global advertising expenditure in 2020, up from 19.2% in 2017. Expenditure on mobile advertising will total US\$187bn in 2020, more than twice the US\$88bn spent on desktop advertising, and just US\$5bn behind the US\$192bn spent on television advertising. At the current rate of growth, mobile advertising will comfortably overtake television in 2021.
- Digital marketing is pacing at an 11% compound annual growth rate between 2016 and 2021 with the biggest growth occurring in online video.

1.2 Mobile Data market overview

"Advertisers are pouring dollars into mobile due to growing mobile commerce activity. Conversions from mobile display ad placements have already surpassed those of desktop,"

- Smartphones will account for more than 50% of connected devices globally. The number of global smartphones is projected to reach 6.2 billion by 2021, almost doubling the 3.6 billion devices that were in circulation in 2016.
- Mobile video data will be the fastest-growing segment of mobile traffic. Mobile video is set to increase 870% from 2016 to 2021, reaching 38 exabytes per month, representing the highest growth rate of any mobile data category, and making up 78% of total mobile data traffic. The accelerated growth will be encouraged by wide

adoption of live video, AR, and VR.

- Data networks offloading to Wi-Fi will increase. Mobile carriers are already strained under the massive demand for mobile data. The rapid growth of mobile data usage will mean that networks' reliance on offloading data to Wi-Fi will increase three percentage points by 2021 to reach 63% of total mobile data.
- Currently, the explosive growth of mobile apps and overall mobile connectivity by end users is fueling the growth of 4G. This will soon be followed by 5G growth, which will drive even greater volumes of mobile data consumption. The adoption has reached new highs in key markets in the United States, Europe, and China.

1.3 Summary

As the market research shows, mobile advertising is currently on the rise and the trend will continue in the upcoming years. More advertising videos will be created and ADME aims to grab a piece of this market with its solution. As the number of mobile device owners increases, the people who are using these devices will be more sophisticated and will eventually become resilient to mobile ads. In the future, there will be two ways to have them more receptive to ads: create engaging advertisement (that includes videos) or pay for their attention. ADME will encourage both.

2. ADME's offering

ADME is here to fix some parts of the broken digital advertising industry. ADME creates a direct channel between the advertiser and the consumer, allows its users to take back the control over their personal data and monetize their attention, that they spend on watching video advertisements and filling out surveys to provide information about themselves for the advertisers.

ADME will utilize the Stellar blockchain to eliminate the need of the middlemen in the advertising and market researching process and allowing companies to track who and when watched their ads, meanwhile allowing them to mine this data to achieve better conversion rates.

2.1 For advertisers

2.1.1 The Challenge

There are two major challenges, that ADME is looking to aid:

- Increasing measurement efficiency:
Measuring the Return on Investment and the efficiency of the marketing activities are still remained the top challenge for businesses. It is still vital for them to understand the effectiveness of the different campaigns, by analyzing the outcome with different tools, however the results of the analytics are still not 100% accurate.
- Lack of tools for reaching out to the right audience:
Either a business is small, medium or large, it is always challenging to identify the right audience and determine who they should marketing to. When it comes to international audiences, it will become an even bigger challenge, as more budget and market research is needed.

2.1.2 The Solution

By utilizing blockchain technology, ADME will help advertisers to:

- Effectively measure advertisement efficiency:
Since every single user interaction will be recorded on the blockchain, advertisers will be able to precisely measure the number of targeted people in a campaign, who watched the advertisement videos and out of those, how many have visited the website. As a result they will get detailed statistics on every campaign they run.
- Target the right audience:
Advertisers will be able to precisely target their audience by filtering them through different attributes. They will also be able to create surveys and based on that result, send out their ad campaigns to the chosen audience.
- Incentivize customer interactions:
Advertisers will reward their audiences by providing them tokens for their interactions. When a user watches a video ad, visits their website or fills out a

survey, they will be rewarded in the form of tokens for their time and attention they spent on the interactions.

- *Increase sales conversion efficiency:*
After the user watches an ad and visits the website through ADME, the Advertisers can choose to offer discounts - in exchange for tokens - which helps to measure conversion efficiency and can potentially increase the conversion rates.
- *Reaching out to international audiences:*
Advertisers will get access to ADME's entire user base which will allow them **to launch a global ad campaign in just minutes**. Any company will have the opportunity to reach out to anyone with their message in a cost-effective way at any part of the world.

2.2. For Users

2.2.1. The Problem

- *Users lost control over their data*
Businesses are continuously collecting data about their users. 3rd parties can easily get access to personal data, if a user signs in to their website with one of their social media account, or even by just browsing, whereas the data will be collected in the form of cookies.
- *Users can't monetize their data:*
The data, collected by businesses, are then sold for 3rd parties, who are utilizing it for marketing purposes. Out of this profit, users will not see a single penny, as their data will be taken by the data collecting businesses in exchange for services.

2.2.2 The Solution

ADME will allow its users to:

- *Regain ownership over their data*
With ADME, users can decide what kind of data they are providing about themselves, based on a predefined list of attributes. The attribute data will be stored in a database, from where the advertisers can target them and also on their phone, where they can modify it any time, thus users will be in full control

over their data by deciding what is uploaded into the main database and what is not.

- *Monetize their time and data:*

ADME users will have the opportunity to monetize their data, by allowing companies to get access to their provided attributes, create a list of targeted users and send their videos or surveys to them through the application. Once the user watches the video or fills out the survey, they will get tokens in exchange for their time and attention.

3. How It Works

3.1 The ADME ecosystem

Step-by step guide:

1. User fills out its profile according to predetermined fields of information
2. This data gets aggregated into one single database, where every user is anonymous
3. Advertisers will get access to the database and can start filtering according to their preferences
4. Videos are sent out to the users
5. Once the user views the ad, a smart contract is triggered, which redistributes the token, allocated for the action (x% goes to ADME, y% to the user, based on the profit sharing model)
6. User is asked for visiting the advertiser's website in exchange for more tokens
7. (Optional) If the user decides to do so, will be redirected to the website, where a minimum of 7 seconds must be spent in order to receive the tokens. After 7 seconds, the smart contract is triggered and the tokens will be sent to the user
8. (Optional) After the website visit, the advertiser can offer customized discount in exchange for tokens.

3.2 The Targeting system

A vital part of ADME is how the companies can target the users. There will be two ways to target the audience.

- Attribute based targeting
- Survey based targeting

3.2.1 Attribute Based Targeting

When a user registers and goes through the KYC process, he/she can decide what kind of the data would like to provide. The initial fields to be filled out are the following:

- Gender
- Age
- Location (Country, Zip code)
- Current location (City, which will be determined by the GPS)
- Hair Color
- Eye Color
- Height
- Weight
- Foot size
- Martial Status
- Additional fields, based on the demand

Users will have the freedom of not to validate their profiles, (it is their right to do so), but then their access to watching ads will be limited and cannot participate in the rewarding system.

Step by step guide of the targeting system:

1. The user fills out the initial attribution fields, which gets aggregated into one single database. ADME will never give out any personal data about its users, other than the fields they filled out about themselves.
2. From the database the advertisers can filter by the attributes.
3. The users will be sorted by the selected filters. Further manual selection will be possible.

The advertiser will be able to set:

- a. The price paid for the user for visiting the website (optional)
- b. How long the campaign should run for
- c. How much discount would they want to give for the customer in exchange for tokens (optional)

The videos must be uploaded to YouTube beforehand and the link of the video has to be inserted into the video field within the application. It won't be possible to upload video through ADME (this may subject to change later).

4. The video ad will be pushed out to the selected users and they will be able to watch it. The advertiser only pays for the person who watched the video.
5. Once the video is watched, the smart contract is triggered and the user gets paid. At the end of the campaign the advertiser will get a detailed statistics of which user watched the video and when, as all the transactions will be recorded on the blockchain. This way the advertiser will only pay for the actual user, who watched the ad. ***No hidden fees will occur, besides the miners fee for validating the transactions.***
6. (Optional) At the end of the video a window pops up, which asks the user if he/she wants to proceed to the advertiser's website. The amount of token the user will receive for this interaction will be determined, when the campaign is launched.

3.2.2 Survey Based Targeting

Within the application, users will have the opportunity to fill out surveys. Advertisers can set up "yes or no questions", or multiple choices ones, based on what answer do they expect from the users. The number of questions will be unlimited. The advertisers will be able to launch their campaign the same way as the Attribute Based Targeting, the prices in this case will be pre-set by ADME.

At the end of the campaign, advertisers will receive detailed survey statistics and they can select to whom do they want to send out their ads, based on how the users answered the questions.

Survey Based Targeting can be combined with Attribute based targeting in order to achieve maximum efficiency.

3.3 Data Security

ADME takes the topic of user data privacy seriously. During the registration process there will be two types of data needed to get full access to the platform and to its incentives:

- Personal data: for KYC purposes, which can be a scanned picture of the passport, national ID, driving licence
- Attribute data: for targeting purposes

ADME will provide the freedom for its users to not to provide any information during the KYC process. In this case the profiles will be marked as not validated in the target systems, which will give the freedom for the advertiser, not to send out their ads to the invalidated users. This way **ADME eliminates fraudulent activities**. Unverified profiles will have limited access to watching ads and cannot participate in the incentive system.

Personal Data security: ADME will store their users' private data securely on their phone at all time. After the initial profile validation, the app will not allow any 3rd parties to get access to the users' private data. A private and public key will be assigned to every user, their personal data will not be accessible through the public key and will be password protected, set by the user. ADME will allow the utilization of advanced security solutions, such as 2FA and a pre-set pin code, which will be optional, but highly recommended.

Logging in through other devices: Upon registration, the user ID will be assigned to the device and phone number it was registered with. In case of the user's phone is inaccessible for any reasons, they will be able to log in through another device. In this case the pre-set pin code will be required for further identification and interaction.

Attribute Data security: The attributes - set by the users - will be aggregated into one single database, which will be stored in the cloud and updated, when a user makes a change in it. Upon targeting, the aforementioned database will only be accessible for the advertisers, thus no 3rd party agency will have the right to review the global user statistics. The attributes are assigned to the public key, therefore the advertiser cannot identify the user, this way the user identity will stay anonymous.

4. Rewarding system

The mission of ADME is to build up a community of users, who are rewarded for their interactions and will be able to monetize their time and attention, that they are spending on watching ads. ADME introduces two models that will increase adoption and strengthens the community:

- Profit Sharing
- Performance Based Basic Income (applied version of the Universal basic Income theory)

4.1 Profit Sharing:

The main source of ADME's income will be originated from the purchased tokens by the advertisers, which will be later on distributed amongst the users. Users will receive tokens from ADME at two predefined points of their journey:

- When they watch an ad
- When they decide to visit the company's website

The amount of the tokens given back to the users at each point of their journey will be based on a predefined percentage and dependant on the size of the community. As the community grows, the profit share grows as well, according to the following rules:

Number of validated users	User's share	PBBI	ADME's share	Token Payout
<10.000	10%	1%	89%	\$.002/token
10.000+	20%	1%	79%	\$.003/token
100.000+	30%	2%	68%	\$.004/token
1.000.000+	40%	2%	58%	\$.005/token
10.000.000+	50%	3%	47%	\$.006/token
100.000.000+	60%	4%	36%	\$.007/token
1.000.000.000+	70%	5%	25%	\$.0075/token

4.2 Performance Based Basic Income

With the introduction of the PBBI, ADME aims to incentivize its users for their network. There will be a referral link attached to each account and to get access for the PBBI a user must have others to register with that link. Once the referred user validates itself by going through the KYC process, the PBBI system kicks in and the user will receive 1-5% worth of the ads watched by the referrals. This rule will be coded into the smart contracts to make the system fair and transparent. The rewards will be paid in the form of tokens.

4.3 Payout system

ADME does not plan to hit the exchanges until it reaches 5.000.000 validated users, however it is important to provide liquidity for its users. ADME token holders will be able to cash out their tokens in the form of fiat money (other cryptocurrencies will be supported later). The payout can be requested, when the user collected over 10.000 ADME tokens and the token price at cashing out is determined by number of users, ***based on the chart at 4.1.***

5. Token Economics

5.1 The first self-regulated Utility Token Offering

ADME introduces a new way to conduct an initial coin offering, by self-regulating itself. In this case, self-regulation means that only 3% of the tokens will be sold during the UTO process and there will be a min/max cap to regulate how much tokens can be bought per user. Self-regulation leads to the inception of the Continuous Token Distribution model (CTD). ADME's self-regulated UTO will be conducted by the following guidelines:

Total supply: 20.000.000.000 ADME

Token Sale: 600.000.000 ADME - 3%

Continuous Token Distribution: 19.400.000.000 ADME - 97%

Price: 100 A = \$1

Minimum contribution for users: 10.000 ADME = \$100

Maximum contribution for users: 100.000 ADME = \$1.000

Minimum contribution for companies: 200.000 ADME = \$2.000

Maximum contribution for companies: 2.000.000 ADME = \$20.000

The Donating System

ADME will not start the UTO process until the Minimum Viable Product (MVP) is ready to be released for the masses. To raise funds for the MVP, future users / advertisers will have the opportunity to donate. The donated funds will be used to accelerate the process of developing the application. The rewarding system for the donators is the following:

- Exclusive Participation in the first or second round of the Token Sales (depends on the amount of the donation)
- Access for the Beta Test
- To grow the community, ADME will hold a bi-weekly AMA where the Top 3 donators of the bi-weeks period will be invited for a video call to ask their questions

Utility Token Offering Rounds

The UTO will consist of 3 rounds:

1st Round: Only available for the top 50% of the donators.

2nd Round: Only available for the other 50% of the donators

3rd Round: Available for everyone

Token allocation

1st Round - 200.000.000 ADME -

2nd Round - 200.000.000 ADME -

3rd Round - 200.000.000 ADME -

Rewards for participating in the UTO

ADME will provide rewards for the users and the companies who are participating in the token sales. These rewards are attached to the users or companies accounts and are permanent incentives.

For users:

1st Round - +12% Profit Share and +3% PBBI

2nd Round - +8% Profit Share and +2% PBBI

3rd Round - +4% Profit Share and +1% PBBI

For companies

1st Round - +15% discount

2nd Round - +10% discount

3rd Round - +5% discount

Funds allocation:

The UTO funds will help ADME to develop the product further, create new partnerships and to accelerate mass adoption. The funds from the tokens sold will be allocated according to the following guidelines:

20% - Marketing

70% - Operation and product development

5% - Legal costs

5% - Consultants

5.2 Continuous Token Distribution

97% of the tokens will be available to be purchased by the Advertisers on an on-demand bases. In order to publish an ad or convey a survey on the platform, Advertisers need to purchase tokens from ADME - with other cryptocurrencies or credit card or Purchase Orders, **(defined by the procedure at 3.1)**. After the UTO, **users will not be able to buy tokens**. The only way to earn additional tokens is through watching advertisements or filling out surveys. Besides the total supply, **no new tokens will be created or burnt**.

6. Roadmap

By the end of 2019 Q3 - Creating the prototype with the core functions, which will include:

Smart Contracts for token distribution

Watching Video ads

Filling out Surveys

2.

Q2 2019 - Product Development by adding additional functions:

Messaging system

Discount buying feature

Q3 2019 - UTO, once the product is ready

4. Q4 2019 Developing the exchange application

-

7. Future projects

ADME is the cornerstone of a much larger ecosystem that will be built around it. Future projects will utilize the ADME tokens and they will be announced later on this year.

8. Resources

- <https://globenewswire.com/news-release/2017/12/11/1250755/0/en/Global-Mobile-Advertising-Market-Will-Reach-US-D-244-57-Billion-by-2022-Zion-Market-Research.html>
- https://www.onx.com/wp-content/uploads/2017/01/US_Digital_Marketing_Fore1.pdf
- <https://www.webstrategiesinc.com/blog/how-much-budget-for-online-marketing-in-2014#BudgetsIncreasing>
- <https://www.statista.com/statistics/280640/mobile-advertising-spending-worldwide/>
- <https://www.magisto.com/reports/video-market-size>
- <https://www.emarketer.com/content/mobile-advertising-is-expected-to-surpass-tv-ad-spending>
- <https://blog.hubspot.com/blog/tabid/6307/bid/33820/5-major-challenges-marketers-face-and-how-to-solve-them.aspx>
- https://research.hubspot.com/content-trends-preferences?_ga=2.112917124.1633761626.1535532494-1369839162.1532504957
- <https://www.forbes.com/sites/kathleenchaykowski/2017/10/18/digital-video-marketing-is-a-135-billion-industry-in-the-u-s-alone-study-finds/#3054aff0d4dd>
- <https://www.forrester.com/report/US+Digital+Marketing+Forecast+2016+To+2021/-/E-RES137095>
- <https://www.emarketer.com/Report/Digital-Ad-Pricing-StatPack-Programmatic-Display-CPMs-Pricing-Trends-2018/2002203>
- <https://www.forbes.com/sites/marketshare/2012/03/05/if-youre-not-paying-for-it-you-become-the-product/#77b4d4bb5d6e>
- <https://blog.hubspot.com/blog/tabid/6307/bid/33820/5-major-challenges-marketers-face-and-how-to-solve-them.aspx>
- https://research.hubspot.com/content-trends-preferences?_ga=2.112917124.1633761626.1535532494-1369839162.1532504957