



ADSHARES

BLOCKCHAIN-BASED  
ADVERTISING ECOSYSTEM

# Why we need new ads market?

- High middleman fees
- Advertising market ongoing monopolization
- Lack of transparency – black box algorithms
- Lack of real competition
- One size fit all policy
- All of the above is especially troublesome for small clients

# Our achievements

- Released ADST ERC-20 token and got ~9000ETH funds through ICO
- Developed a new architecture and implemented ESC blockchain with a capacity of over 1M transfers per second – top on a global scale
- Released ADS coin based on ESC and integrated it with multiple crypto exchanges
- Currently ~\$2.5M market cap <https://coinpaprika.com/coin/ads-adshares>
- Developed AdServer and accompanying services (MVP)
- Starting production network and onboarding first advertisers and publishers
- Currently about ~600k ad impressions per month



Adshares (ADS)

\$0,087322 USD (3,49%)

0,00001601 BTC (5,82%)

Buy

Exchange

Wallet

Crypto Loans

SPONSORED

Share

Watch

Rank 617

Website

Announcement

Explorer

Chat

Source Code

Technical Documentation

Coin

Market Cap	Volume (24h)	Circulating Supply	Total Supply
\$2 654 415 USD 487 BTC	\$88 834 USD 16,28 BTC	30 398 095 ADS	38 758 206 ADS

Charts

Markets

Social

Tools

Ratings

Historical Data

Adshares Charts

Linear Scale Log Scale

Zoom 1d 7d 1m 3m 1y YTD ALL

From Aug 13, 2017 To Apr 24, 2019

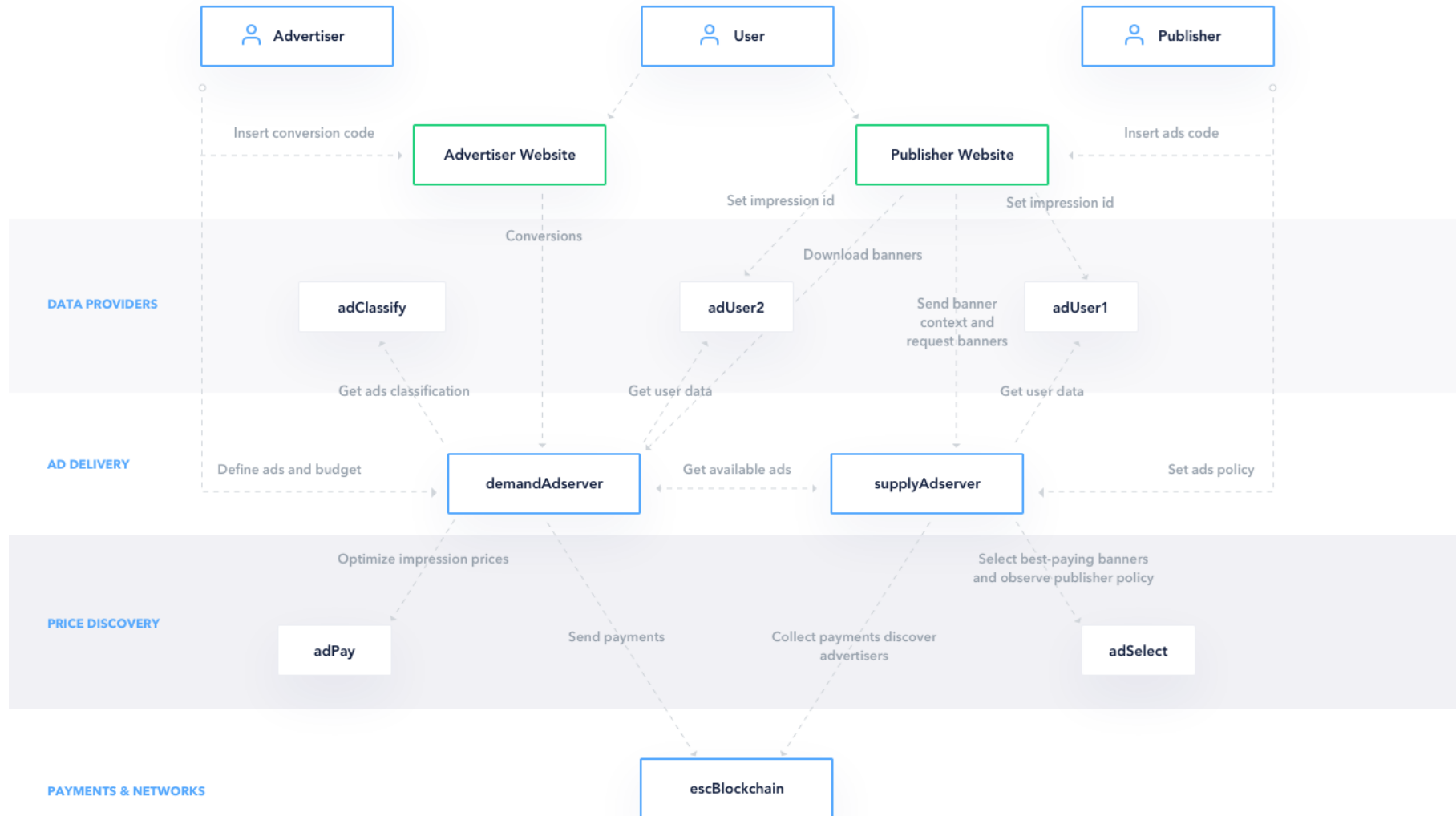


# What distinguishes Adshares

- A new market model based on the Real Time Settlement
- not using RTB
- Instead of listing auctions - publication of offers from advertisers
- Local and distributed matching ads to display
- Immediate micropayments - enabling cooperation without trust

# THE TECHNOLOGY BEHIND ADSHARES

# Adshares Structure



# The technology

## ESC blockchain

- Built for micropayments
- Flat fees 0.1%
- Very good performance for one-to-many payments
- Tested to support over 1M transfers per second (with more room for optimizations)
- 2FA support on node level



# The technology

## AdServer

- It supports both sides - the publisher and the advertiser
- Storing ads in the system and publishing on websites
- Collecting analytical data
- User-friendly interface
- Open-source software - anyone can run their own server
- No entry barriers - all you need is an account in a blockchain
- Instant access to all offers on the web

# The technology

## AdPay

- The algorithm works for the advertiser and decides what and how much to pay (impressions, clicks, conversions)
- It uses data provided by AdServer and AdUser
- A standardized protocol - the server operator can easily compare the effectiveness of different solutions

# The technology

## AdSelect

- The algorithm works for the publisher and decides which ad to match for a given impression and place on the page
- Optimizes revenue - learns from incoming payments
- Thanks to micropayments, it knows advertisers' solvency after a single click - low risk
- A standardized protocol - the server operator can easily compare the effectiveness of different solutions

# The technology

## AdUser

- Stores information about the user who views the page
- Detects if traffic is natural or generated by bots
- Returns data about groups to which the user belongs
- AdSelect and AdPay are operating using its data
- Each AdServer can use different AdUser

# The technology

## AdClassify

- Classifies banners in the system
- It provides a list of keywords which allows publishers to efficiently filter banners
- Based on trust to the classifier, so there is place for several players

# Features of the Adshares ecosystem

- Privacy
  - only 3 people know about the ad display: publisher, advertiser and user
  - possible anonymous settlements
- Local selection of ads - difficult work for advertising blockers
- Unbundling - paying only for needed services and from different suppliers
- The ability to pay users, for example, through extensions to the browser
- Instead of hidden intermediaries - micro services purchased on the market - more competition
- Direct payments and the ability to check them on the blockchain - it's difficult to add hidden fees



# For who?

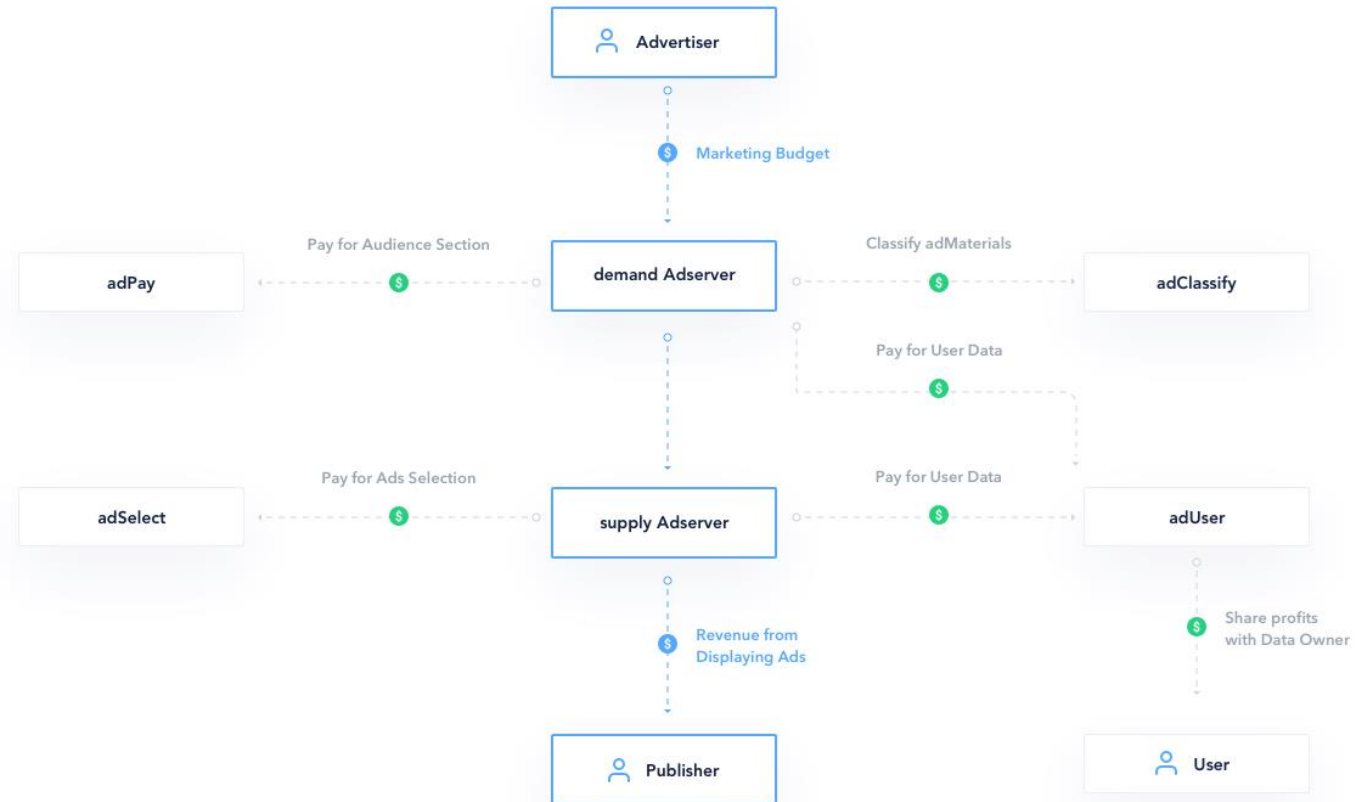
- Ultimately - for everyone
- At the beginning - the crypto market - no psychological entry barrier to crypto payments
- Businesses excluded by large platforms, eg gambling, medical devices, Forex, crypto

# INCOME

Each part of the system has the ability to generate revenues and compete for clients



# Money Flowchart



The commission of all transfers goes to the Owners of the Tokens



# INCOME

## AdServer

- Commission on billed ads collected from the publisher and advertiser
- Everyone has access to offers - big competition

## AdPay, AdSelect

- The operator pays for access to the algorithm per request/subscription
- Easily measurable effects and ease of switching supplier
- Big competition

# INCOME

## AdClassify

- Commission on the classification of submitted per-request banners
- Publishers and advertisers must trust the same classifiers
- Based on trust, so there will probably be a few big players

## AdUser

- The operator pays for access to the algorithm per-request/subscription
- Easily measurable effects and ease of switching supplier
- Big competition

# INCOME!

## ADS cryptocurrency

- All payments in the system
- The collected commissions are distributed as dividends to holders
- It is difficult to replace another currency, because other participants must accept it at the same time
- System participants hold coins and have a common interest in developing the protocol and not changing the currency
- The first cryptocurrency with real use outside of the crypto world

White-label licenses - at the beginning we will be the only software supplier in the new model

# Market size

- Global programmatic advertising market is expected to grow to [\\$210 billion yearly by 2022](#).
- Zeropark.com brags about \$840M yearly traffic
- The cryptocurrency ad market is estimated at USD 200-300 million in 2018 based on ICO budgets and their quantity
- At least \$1 mld in niches where we have an advantage

# Risks

- More visibility on the advertisers' side - what's the reaction?
- Crypto accounting risk
- Difficulty to start up a bilateral market
- Quality software and extensive analytics for the existing market better than tools in the new model

# Next steps

- Connect with more publishers and advertisers to expand the production network (May)
- Working on the functionality of the software - collecting feedback from users
- \$ 100K for subsidizing network startup and checking what is the reception in target crypto groups (Q2)
- If the tests will be successful - investing more money into market penetration

# What we are looking for

- A partner from the advertising industry would be a perfect match
- Access to publishers and advertisers who have problems with Google and other big networks
- More liquidity for ADS coins



# Ideas for the future

- Be your own AdServer
  - Instead of blocking - paying for watching ads directly to the viewer with the option of sharing with the site
- New ad formats: video/app/native/influencers ...
- Make ADS money: services needed by publishers (content, graphics, etc.) available to buy directly from earned ADS
- Selling ads on social media platforms without their operators (add advertising compliant with the specification and get money for ranges)

# Links

<https://adshares.net/>

Blockchain paper: <https://adshares.net/assets/ESC.pdf>

ADS Wallet: <https://chrome.google.com/webstore/detail/ads-wallet/icdmhohjiemadeeiakaeicoccocpaljp>

Demo: <https://demo.adshares.net/>

Github: <https://github.com/adshares/>

ADS markets:

[https://www.coingecko.com/en/coins/adshares/trading\\_exchanges#panel](https://www.coingecko.com/en/coins/adshares/trading_exchanges#panel)