



**Earn PERKs from businesses  
to receive marketing campaigns  
about their Products and Services,  
to post Reviews  
and for participation in Product Research**

Website: <http://www.adperks.io>

by

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# 1. Introduction

Every business is fanatical about marketing their products and services. Success depends on how well they market their products and services. Businesses major challenge is to figure out an efficient way to market i.e. reach out to more customers with less spending. Businesses spend time every day thinking about how to engage loyal customers and how to find new clients to increase their pool of shoppers.

One of the biggest challenges businesses face is getting word out to the people who are most likely to become their customers. In fact, the whole goal of all marketing is to “get the right message to the right person at the right time” while minimizing the cost of customer acquisition.

## 2. Digital Marketing

Digital marketing is often referred to as 'online marketing', 'internet marketing' or 'web marketing'. The term *digital marketing* has grown in popularity over time.

Digital marketing is evolving through 1990s and has changed the way brands and businesses utilize technology for marketing. As digital platforms are increasingly incorporated into marketing plans and everyday life, and as people use digital devices, digital marketing campaigns are becoming more prevalent and important.

Paid media advertising outlays worldwide will increase 7.3% in 2017 to \$583.91 billion. An increasing portion of advertising stems from businesses employing Online Behavioral Advertising (OBA) to tailor advertising for Internet users, but this raises concern of consumer privacy and data protection.

### Terminology

#### **Business**

The term Business is used to represent an advertiser, manufacturer or a business selling products or provided services.

#### **Customer**

Customer could be user of a website or mobile app, someone shopping to buy products or services from a business

#### **Ad Agency**

Ad agency provides services in creating, planning and handling advertising for its clients. Ad agency creates campaign on behalf of the advertiser.

Examples: WPP, Omnicom

**Ad Network**

An ad-network is an online platform, which aggregates publishers' inventory, categories it based on location, age, gender etc. and sells target audience to advertisers/agencies. It's kind of controlled marketplace between buyers (advertisers) and sellers (publishers). Ad networks work as brokers for both sellers (publishers) and buyers (advertisers). On an ad network an advertiser can buy space on a single site or typically on multiple sites across the entire network.

Examples: Google AdSense, Yahoo Publisher Network

**Ad Exchanges**

An ad exchanges is a digital marketplace that enables advertisers and publishers to buy and sell advertising space, often through real-time auctions.

Examples: DoubleClick exchange, Yahoo Right Media, OpenX, MoPub, Nexage

### 3. Problem

Ad networks have been the best digital marketing channels for businesses to reach out to potential customers. Lack of end-to-end engagement with customers and transparency concerns diminishes the true potential of marketing campaign, which will ultimately decide success, or failure of a business.

#### Disconnect between Businesses and Customers

Today's digital marketing is a disconnected space. Businesses advertise their products through search engines, social media and web page to capture customer attention. Businesses rely on analytics from Ad providers to gauge user intent and estimate the conversion rate. Even though Ad brokers use various tools and technologies to identify user intent to target the advertising, for the most part online advertising is still a passive marketing because of these Ad Exchanges and Ad Networks acting as middlemen. Ads are served to users based on their search keywords and recent browsing activity without knowing their exact current needs and interests. In many cases, Ads continue to show up for products even after customer bought them. Moreover, most of the time, the same ads are shown repeatedly resulting in monotony and losing user's attention completely.

Users don't have incentive to pay attention to ads. Because of this reason, more than 20% of online users install ad-blockers to remove ads on the websites they visit and applications they use. Average conversion rate from online ads is around 2% and less than 5% at best. Low conversion rates force vendors to spend more money to reach out to critical mass of buyers to sell enough products to reach profitability. This entire process is biased towards ad agencies, ad providers and ad networks to make more money at the expense of businesses spending and degraded customer experience.

## Transparency Concerns

It is often unclear at the outset where a brand's ads will run on the network. Pricing transparency has been another concern. For example, an ad purchased on an average CPM (Cost per thousand) could end up showing on a large number of low-demand, low-CPM impressions, offset by a small number of premium, high CPM impressions. The ad network hits the CPM target with a big profit margin.

Businesses also need to trust the networks, targeting technologies will properly match their ads to relevant content and audiences for contextual and behavioral targeting campaigns. That hasn't always panned out.

Fraud has also been an ongoing problem, costing advertisers billions, according to a study by the Association of National Advertisers. There are many variations of ad fraud. In some cases botnets, which can infect thousands of users' computers with malware, generate bogus ad impressions and clicks that appear to be generated by humans. Another tactic of scammers is to infect ad networks with publisher sites or simple pages that are crammed with ad units.

Even when fraud is not involved, studies have shown fewer than half of the digital ads shown are actually seen by users because they are served below the area in view on a user's screen.

## 4. AdPerks on Blockchain

### Block Chain Technology

A **blockchain** is a distributed database that is used to maintain a continuously growing list of records, called *blocks*. Each block contains a timestamp and a link to a previous block. A blockchain is typically managed by a peer-to-peer network collectively adhering to a protocol for validating new blocks. By design, blockchains are inherently resistant to modification of the data. Once recorded, the data in any given block cannot be altered retroactively without the alteration of all subsequent blocks and a collusion of the network majority. Functionally, a blockchain can serve as "an open, distributed ledger that can record transactions between two parties efficiently and in a verifiable and permanent way. The ledger itself can also be programmed to trigger transactions automatically."

Blockchains are secure by design and are an example of a distributed computing system with high Byzantine fault tolerance. Decentralized consensus has therefore been achieved with a blockchain. This makes blockchains potentially suitable for the recording of events, medical records, and other records management activities, such as identity management, transaction processing, and documenting provenance.

The first blockchain was conceptualized by Satoshi Nakamoto in 2008 and implemented the following year as a core component of the digital currency bitcoin, where it serves as the public ledger for all transactions. The invention of the blockchain for bitcoin made it the first digital currency to solve the double spending problem, without the use of a trusted authority or central server. The bitcoin design has been the inspiration for other applications.

Like Bitcoin, Ethereum is a distributed public blockchain network. Although there are some significant technical differences between the two, the most important distinction to note is that Bitcoin and



Ethereum differ substantially in purpose and capability. Bitcoin offers one particular application of blockchain technology, a peer-to-peer electronic cash system that enables online Bitcoin payments. While the bitcoin blockchain is used to track ownership of digital currency (bitcoins), the Ethereum blockchain focuses on running the programming code of any decentralized application.

In the Ethereum blockchain, instead of mining for bitcoin, miners work to earn Ether, a type of crypto token that fuels the network. Beyond a tradable cryptocurrency, Ether is also used by application developers to pay for transaction fees and services on the Ethereum network.

### **What is a smart contract?**

Smart contract is just a phrase used to describe computer code that can facilitate the exchange of money, content, property, shares, or anything of value. When running on the blockchain a smart contract becomes like a self-operating computer program that automatically executes when specific conditions are met. Because smart contracts run on the blockchain, they run exactly as programmed without any possibility of censorship, downtime, fraud or third party interference.

While all blockchains have the ability to process code, most are severely limited. Ethereum is different. Rather than giving a set of limited operations, Ethereum allows developers to create whatever operations they want. This means developers can build thousands of different applications that go way beyond anything we have seen before.

Our product is made possible by blockchain technology. Our product is built based on principles of distributed data, anonymous identity, direct-addressability and security that are the basis of blockchain technology.

Vendors campaign activity, user preferences (compiled based on user activity, inputs and also calculated based on machine learning models) and AdPerks use distributes database.

Anonymous identity uniquely identifies users (without compromising privacy) and businesses for targeting, in incentivizing and eliminating the fraud.

## AdPerks is Disrupting the Digital Marketing

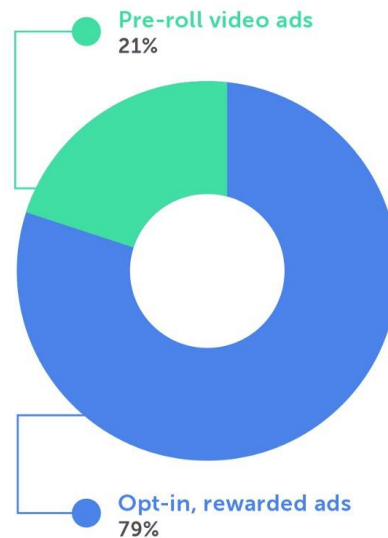
AdPerks is reinventing the digital marketing and product research by enabling businesses capture the real intent and pulse of their current and potential customer by eliminating the middlemen using blockchain technology.

A survey conducted in the UK, found that up to **50% of consumers make a purchase only when an offer or promotion is involved**. Eliminating Ad providers will bridge the gap between vendors and customers while blockchain technology is enforcing the unique identity and anonymity. This will benefit both businesses and customers while enabling customer engagement that was never possible before:

- AdPerks incentivizes users to view and watch ad media about products they are interested in. Incentivized ads grab customer attention and increase the conversion rate.
- No middlemen involved in delivering the ads. Businesses directly advertise to the customers based on their current interests. Therefore, Businesses are paying PERKS to the users who paid attention to the ads. This eliminates click fraud, multiple payments for the same amount of campaign.
- Users receive ads based on their interests and intent. This is a welcoming change for users and eliminates any scope for spam.

### Consumers prefer rewarded video 4 to 1

Nearly 80% of US consumers indicate that they prefer opt-in ads that offer rewards such as in-app currency over mandatory ads such as pre-roll videos.



- Ads are prioritized according to user's interest and Perks payout. This helps incentivizing users and increases their payout.
- Proprietary algorithms charge businesses more tokens when they spam users and target users frequently. This introduces users to products and services while reducing ad fatigue.
- Vendors can directly track user loyalty and incentivize loyal users with more tokens and custom coupons.
- Vendors can directly reach out to users based on specific criteria to conduct surveys and product feedback with PERKS payout.
- Vendors have multiple reliable ways to reach out to the customer base - mobile app, email, website billboard, webpage ads.
- With AdPerks, users will discover products by searching through the ads and useful media provided by corresponding

businesses. Users are compensated with tokens for their viewing time. More tokens are issued when users help to spread the brand and product information by sharing the product images and videos with their social network.

- Providers have a reliable way to capture users' attention by offering more tokens and coupons during important campaigns such as
  - o Product announcements
  - o Movie releases
  - o Special events
- Businesses compete to offer more tokens to be on the top of the list which benefits users earn more tokens

Features	AdPerks	Others
PERK tokens to users to receive Ads and other marketing media about interested products from businesses	✓	✗
No middle-men. Businesses directly advertise to customers based on their current interests	✓	✗
Ads are prioritized based on users interest and PERKs payout	✓	✗
Analytics help businesses to incentivize loyal users with more PERKs and custom coupons	✓	✗
Businesses can reach out to users based on multiple criteria to conduct surveys and product feedback with PERKs payout	✓	✗
More PERKs when users help spread the brand and product information by sharing the product media through their social networks	✓	✗
No fraud possible	✓	✗
Transparency without compromising user privacy	✓	✗

## 5. Market Potential and Impact on Businesses

We are disrupting online marketing with blockchain technology and has potential to become leader in the entire spectrum of digital marketing such as ads, marketing and product discovery, customer loyalty and customer research (surveys and reviews, feedback). This uniquely provides businesses with unified experience across all channels with great insights that is not possible before.

The following picture illustrates different marketing channels that are reinvented by AdPerks using blockchain technology.



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