



**REPU**

Smart reputation managment

# WHITEPAPER

REPU - smart reputation managment on  
blockchain

# TABLE OF CONTENTS

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1   INTRODUCTION	3
2   MARKET OVERVIEW	5
2.1   MARKET PROBLEMS	6
2.2   INDUSTRY BENEFITS	8
3   SOLUTION: REPU PLATFORM	11
4   RIVALRY	14
4.1   REPU DISTINCTION?	16
5   PRODUCT	17
5.1   TECHNICAL PART	17
5.2   IDENTIFICATION OF PLATFORM USERS	18
5.3   ECONOMICS AND REWARDS	20
6   REPUCOINS	22
6.1   INTERNAL MARKETPLACE	22
6.2   FORECAST OF PRICE GROWTH REPU	22
7   ECONOMICS AND DEMAND	23
8   REPU ISSUE	30
9   PRE-ICO AND ICO	31
10   BONUSES AND TOKEN PRICE	34
11   TEAM	35
12   ROADMAP	39

# INTRODUCTION

Every year, social networks are gaining popularity, giving users the opportunity to communicate, exchange information, entertainment and just spend a free minute watching their friends. On the other hand, social networks have become a powerful tool for businesses when promoting their products/services by targeting the user audience.

The REPU system (shortened from English meaning – reputation) is a revolutionary project that allows you to completely rethink the way social networks are perceived. REPU is a rating and feedback system based on decentralized blockchain technology. Technology allows you to completely replace the system of “likes” with the rating - both for users and for companies. The rating, subsequently, can be used as an assessment tool in various areas of the individual's life - starting with professional skills, financial stability, and ending with all possible aspects of behavior and interaction with the public.

Let us consider brief examples of using the rating in life:

- **Banks** - can adjust the credit rating, based on values from the REPU system
- **Insurance companies** - can adjust the size of insurance payments, depending on the client's rating.
- **Recruiters** - an individual's assessment in terms of professional skills, as well as social adaptation.
- **Law enforcement agencies** - an individual's assessment (rating) in terms of danger to society.
- **Ordinary citizens** - when making new acquaintances.

## OUR GOAL

Change the way of perception and interaction among social network users, through the use of the rating system, as well as the way of managing the company's reputation, by obtaining real business ratings from users. An important objective is also the possibility of assessing a person in terms of professional qualities for the subsequent employment. This eliminates the subjective opinion of the recruiter and the impact of the resume on employment.

On the other hand, the system provides a platform for evaluating individual companies / products / employees - any user of the system has the opportunity to provide rating with a review for each element of the business. Thus, business owners get an opportunity to analyze every single unit of their company, and also perform a flexible communication with their customers.

# INTRODUCTION

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The blockchain technology allows to maintain the objectiveness - each appraisal of the rating and the review remains in the blockchain. The internal system token will be distributed among system users per each assigned rating, and will be used by companies and users to manage their reputation.

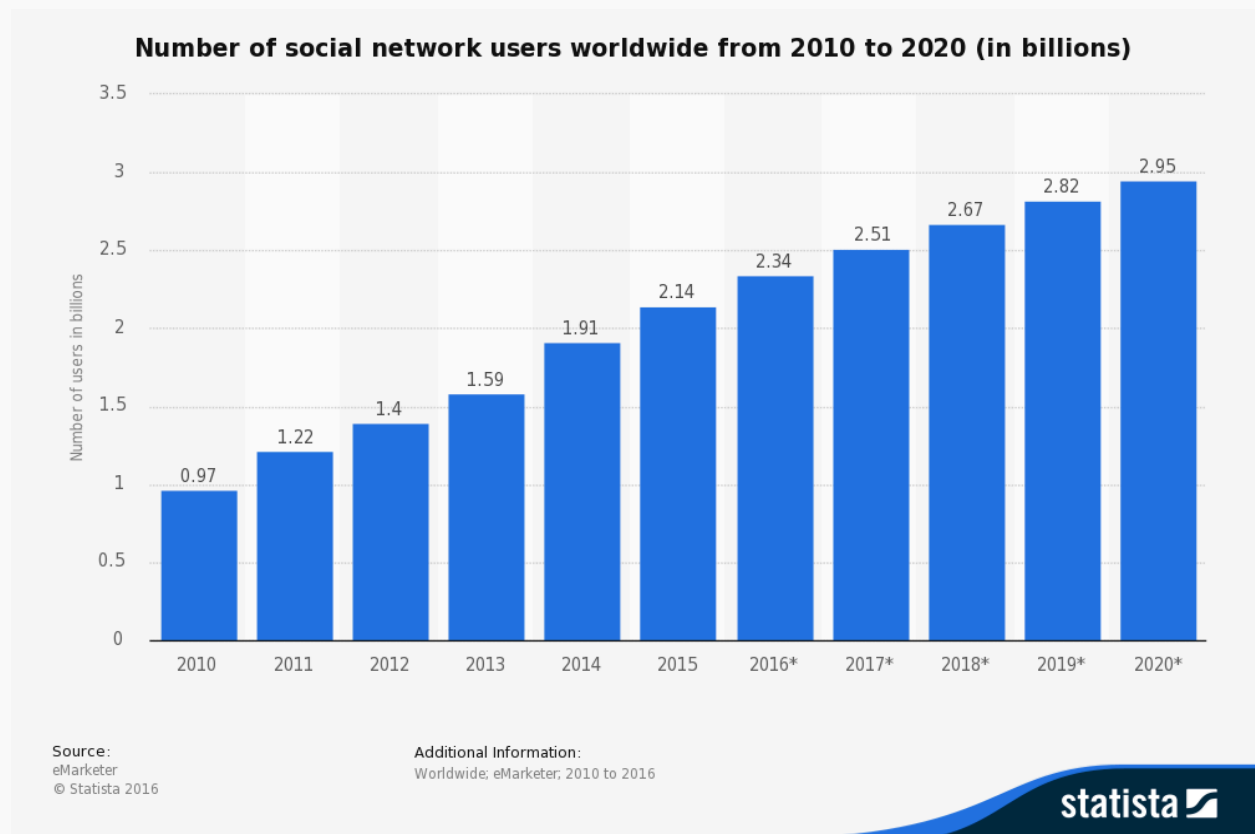
In the future, following the system testing, integration with all possible social networks and services, such as Facebook, Instagram, Vk.com, Tinder, Badoo, Booking, LinkedIn, etc., is considered.

The idea of the project arose while searching for a solution that would allow to make the world better - firstly, in terms of simple communication between people, secondly, in terms of opportunity of providing large companies with a reputation management tool, and - of problem understanding at any echelon of communication with its customers.

To implement our project, we chose the ICO-investment model. Firstly, it will allow anyone who wants to become an investor and receive profit in the future from the increasing value of tokens or pay for services within the platform with tokens. Secondly, the financing process and launching of the REPU will significantly accelerate, and thirdly, the ICO is a transparent, modern method of collecting investments.

# MARKET OVERVIEW

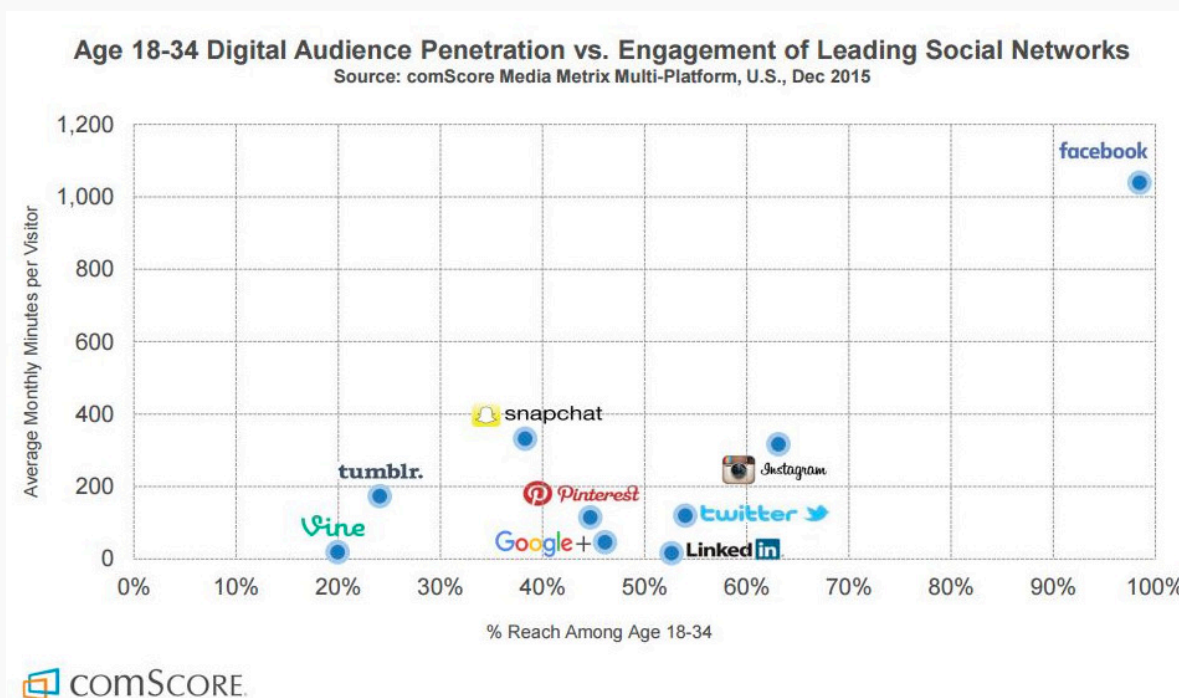
Since the beginning of 2008, social networks are experiencing a real “boom” among Internet users. The number of users of various social networks is growing more and more rapidly every day and every year.



The reason for the rapid growth in social networks' attendance rate is the possibility of communication, interaction with content, and expression of emotions. The expression of emotions, in most cases, occurs with the help of “likes”. The user provides idiosyncratic rating that is not used in everyday life.

But an increase in the interest in social networks tells about high value of this kind of rating, provided from society - because every third person on earth uses at least one social network, which is confirmed by the time spent by users on the network.

# MARKET OVERVIEW



## MARKET PROBLEMS

Social networks nowadays represent a huge database, nearly about every person on earth. By possessing this information, networks provide companies an opportunity to purchase advertising with maximum targeting of the audience of their interest. Thus, a company can create its own page on a social network to present its products / services to users.

On the other hand, there are pages of ordinary users as individuals, where a person has the opportunity to blog, share photos and stories from his/her life, and also search for products / services on a social network.

### PROBLEM 1 - TIME

Imagine a situation where a user of a social network was poorly served in a restaurant / bank / insurance company / store. He will want to give feedback about the company. In order to do this, he will need to:

1. Log in to Google / Facebook / Yelp
2. Find the right company
3. Sign Up
4. Write a feedback
5. Wait for moderation

# MARKET OVERVIEW

Due to lack of time, the user, in most cases, refuses to give feedback and keeps all negative feelings to himself. On the other hand, the management of the company will not find out about the situation and won't be able to correct the service.

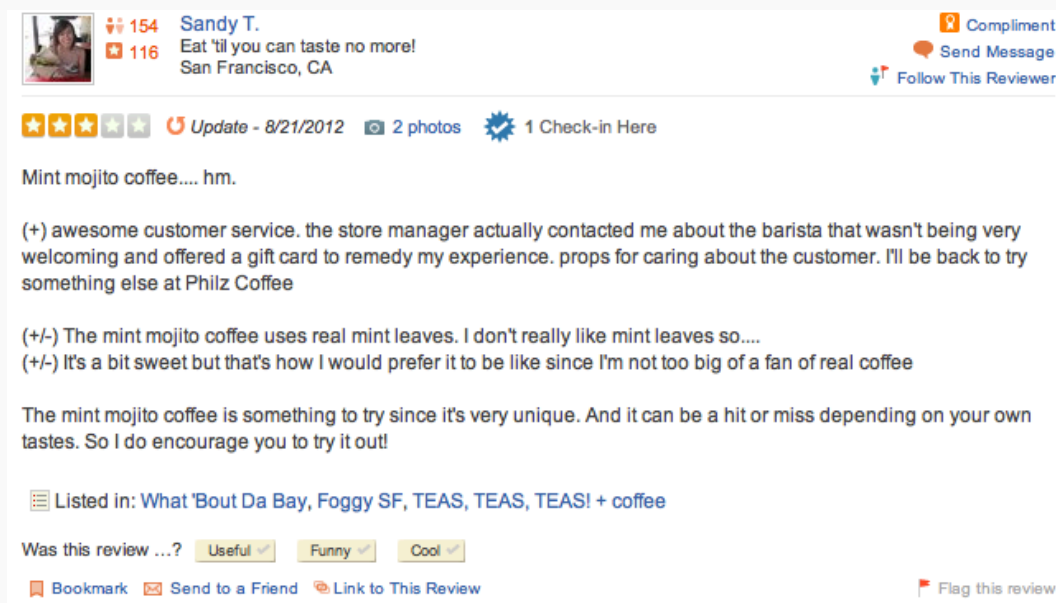
## PROBLEM 2 - OBJECTIVENESS

Many resources for feedback exist in the market today, such as:

- Yelp
- Yell
- Foursquare
- Tripadvisor

And similar ones - whether it's general-purpose or niche resources.

All these services often do not provide an objective assessment of companies - "fake" (customized) reviews are written here, reviews from people who are completely unaware of the subject matter are published here, etc. Let's consider an example:



The user rated a business that specializes in mint coffee – 3\*, however, he/she does not like fresh mint. It seems ridiculous, but it's not - somehow, this person influences your choice, if you rely on services like Yelp.

In addition, there is a well-known fact that the average number of clients who leave positive feedback is 2 out of 10, whereas, negative one - 8 out of 10.

# MARKET OVERVIEW

## PROBLEM 3 - FEEDBACK ON EMPLOYEES

Very often there are situations when you liked the restaurant generally (e.g. the restaurant's interior, the kitchen, etc.), but you were serviced poorly. Yes, often niche services have separate ratings for the "service" section, but this solves the problem only partially.

It is much more useful for the user - when there is a choice of rating the restaurant and a specific employee separately. This is also useful for the employer - he clearly sees the rating of specific employee, as a result, being able to apply positive/negative reinforcement. In addition, the employee's rating remains with him "forever". Even when changing jobs - the next employer will see his rating from the previous workplace.

## PROBLEM 4 - FRAGMENTATION

Market space is very fragmented now, until there is a single universal feedback platform that would be based on geolocation and that would use instant identification of the company and its employee.

Thus, the owners of companies need to spend a lot of time creating and maintaining their companies' pages, moderating and responding to customer feedback. All these actions take time and resources that could have been spent on improving the service, improving skills of specific employees who fall short of the company's general concept.

## INDUSTRY BENEFITS

What benefits can be brought to the industry by the single rating format platform? Let's consider different examples more specifically, since the benefits apply to all parties within the platform.

### FORM OF RATING - WHY?

It's more customary, for users to provide a rating. Simply evaluate from 1\* to 5\* with a short comment. This saves the user's time significantly, and it is also intuitively clear. In addition, this motivates the user to rank not only the institution as a whole, but also the individual employee.

Concerning the rating system of individual profiles of people on social networks. We suggest replacing "likes" with the rating. This will allow users to more flexibly evaluate the content, which, subsequently, will affect the end user's rating. The higher the rating of the user who provides the rating - the greater the impact on the affirmed final rating.



# MARKET OVERVIEW

This will allow to eliminate “cheating”, as well as the impact of inadequate users on the overall rating.

## PROFESSIONAL RATING - REVOLUTION ON THE RECRUITMENT MARKET

A huge problem on the HR market is the evaluation of the applicant's professional skills. Experienced recruiters evaluate professional skills through a variety of tests and questions, internships, employee testing, evaluation of profiles on LinkedIn. But still - this not always gives a positive result.

By using the REPU system - any recruiter can assess the professional rating of the applicant, see posted feedbacks about him/her, presented in the blockchain, and evaluate the candidate as a whole.

## FLEXIBLE COMPANY MANAGEMENT

The company owner receives not only a tool for promoting his/her business, but also a tool for monitoring and evaluating his/her business in general - in the eyes of its customers.

In case of poor performance of a particular employee - employer is able to see his rating and feedback. Furthermore, this rating affects the department and the company as a whole. Thus, using a flexible tool, the owner is able to evaluate the performance of the company, in general, and also find and eliminate problematic “spots” - up to the dismissal of particular employees, restructuring of departments, etc.

## UNLIMITED OPPORTUNITIES

The system of rating assignment to each citizen, in general, represents unlimited opportunities of using across different industries - from business to government agencies. Below are just a few examples of using the user rating system in everyday life:

- **Banks** - in addition to the credit rating, banks have the ability to evaluate customers in terms of social rating. This is a more flexible tool that is currently unavailable in the banking industry.
- **Insurance companies** - social and professional user rating will allow to regulate insurance rates.
- **Government agencies** - rating will allow to identify and prevent criminal activities through closer monitoring.
- **Hotel industry** - hotels will be able to set conditions for the accommodation of customers, whose rating is not below a certain level, for more flexible control over their reputation.
- **For Business** - providing discounts, preferential tariffs for users with a rating that is not lower than a certain level.
- **Advertising industry** - targeting users with a specific rating level.

# MARKET OVERVIEW



This is only a small part of the rating application scope in everyday life. In fact, there are much more opportunities - they are limitless.

# SOLUTION: REPU PLATFORM

REPU is a platform that allows its users (ordinary citizens, companies, employers, recruiters, government officials, law enforcement officials, etc.) to use the rating and feedback system in everyday life. The platform is being developed as a separate project, which in the future is planned to be integrated into social networks (facebook, Vk.com, Youtube, Instagram, LinkedIn, Snapchat) and replace the existing system of "likes".

Ratings and feedbacks will function through the decentralized blockchain technology and smart contract.

## Key features for users:

- **Providing rating (scores) instead of "likes" for social content.** Thus, the end user receives a new tool for assessing his/her livelihood, instead of the traditional number of subscribers.
- **Providing ratings and feedbacks about companies** (banks, restaurants, airlines, insurance companies, cars, shops, shopping centers, etc.), as well as about their specific employees (by means of identification through the application on the smartphone).
- **Managing the company's reputation for its owners.** In addition to the traditional work with customer feedback, managers clearly see the "weak spots" within the company, through the ratings of specific employees and departments, in general. This allows you to see the complete situation in the company as a whole and to influence it.
- **Professional rating for recruiters** - in addition to the traditional (social) rating of a particular user, a professional rating from clients is also introduced. Thus, when hiring, the recruiter, clearly sees the history of the applicant and can make a decision. Blockchain technology eliminates the possibility of forgery / deletion of reviews and ratings.

The rating system is designed to make a better world - this will force users to strive to create better content, be more sociable in everyday life, grow in terms professional qualities - all this, in an aftermath, can have an effect over his/her life and save money.

# SOLUTION: REPU PLATFORM

## UNIVERSAL

REPU is a universal platform that can be used in any field. No other platform can now boast of such flexibility and freedom of application - from government agencies, businesses, to social communications.

This allows:

- **for users** - to evaluate any product up to a specific model / modification. Evaluate any service - up to an individual employee who was consulting the user and / or was providing the service.
- **for company owners** - to receive feedback about any products of the company, services, employees, etc. In the future, it makes it possible to improve the product / test individual services / niches - to receive feedback from real users.

## ECONOMIC BENEFITS

In terms of economic benefits, the platform should be viewed from the users' standpoint, as well as from the business owners' standpoint.

### BENEFITS FOR USERS

It is a well-known fact that on average only 2 out of 10 people leave a positive feedback, whereas, a negative one leave 8 out of 10 people. And this has got a logical explanation: writing a good, detailed feedback requires considerable amount of time. Accordingly, if a person liked everything - he will not be willing to waste time - he/she is already satisfied with everything. Otherwise, the user is not satisfied and he/she is ready to spend time and energy telling other users about it.

Thus, we decided to introduce an REPU token into our platform. This token is intended to be used for transactions within the system only and to reward users within the system, as well as a payment from companies for services.

Each user who provides a rating and writes a feedback will be rewarded with tokens. The number of tokens will vary, depending on the amount of information provided and the frequency of the rating.

Another possible use of tokens is purchasing exclusive offers from companies.

# SOLUTION: REPU PLATFORM

## BENEFITS FOR BUSINESS OWNERS

For company owners and top managers, the system provides an opportunity to get a more objective picture for their business. Namely:

- ***Receive feedback from their customers about the products they offer*** - either products and / or services
- ***Receive feedback on the performance of any part of their company*** - whether it's an ordinary employee and / or department as a whole
- ***Test and offer users to rate and evaluate*** new products before launching into the market

Thus, from the economic standpoint, owners save:

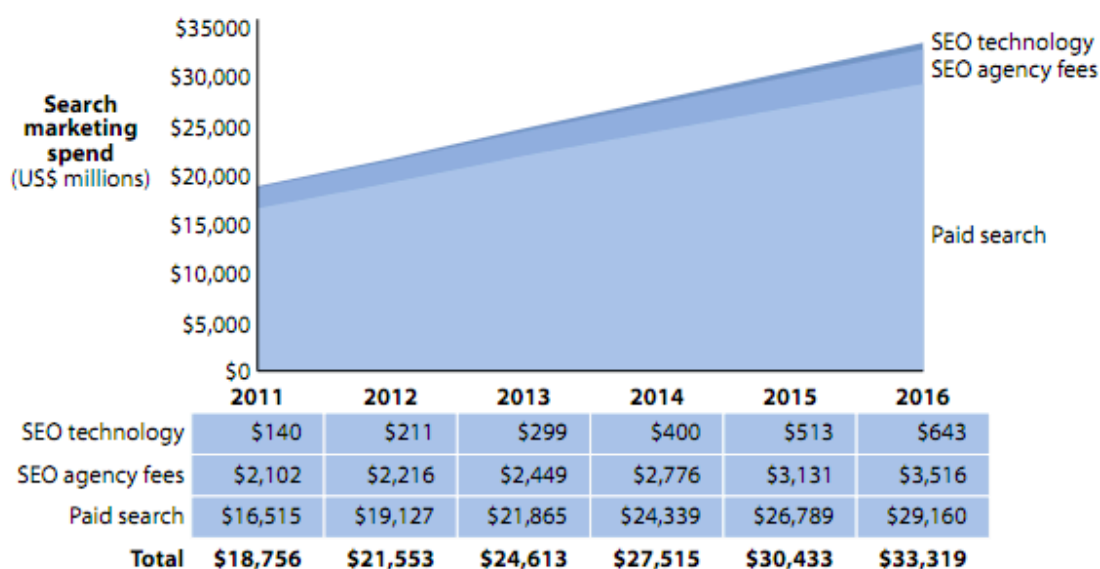
1. ***Funds that were initially assigned for salaries*** of inefficient employees in the company. The manager himself can make a decision - to fire an employee or send for additional training.
2. ***Expenses on inefficient departments in a company***, which need reorganization and / or new staff
3. ***Money allocated for focus group services*** that are quite expensive, and whose service, in addition, does not guarantee the right result. Within the platform's framework there will be an opportunity to offer testing to real users and get a truly truthful rating from potential buyers.
4. ***Getting the opportunity to offer your users discounts*** and / or promotional offers for REPU tokens - thereby increasing sales and receiving a refund for further payment of platform services.

**All this, combined with social factors, makes it possible to increase sales and develop your business more progressively.**

# RIVALRY

The reputation management market size (on the Internet) is expected to grow from USD 2.71 Billion in 2017 to USD 9.54 Billion by 2022, at a compound annual growth rate (CAGR) of 28.6 percent. Factors, such as increased attention to the market and competitive intelligence, increased participation of users in social networks using smartphones and the need to measure social networks in order to improve the quality of customer service will lead to the global market growth.

**Figure 4 Forecast: US Search Marketing Spend, 2011 To 2016**



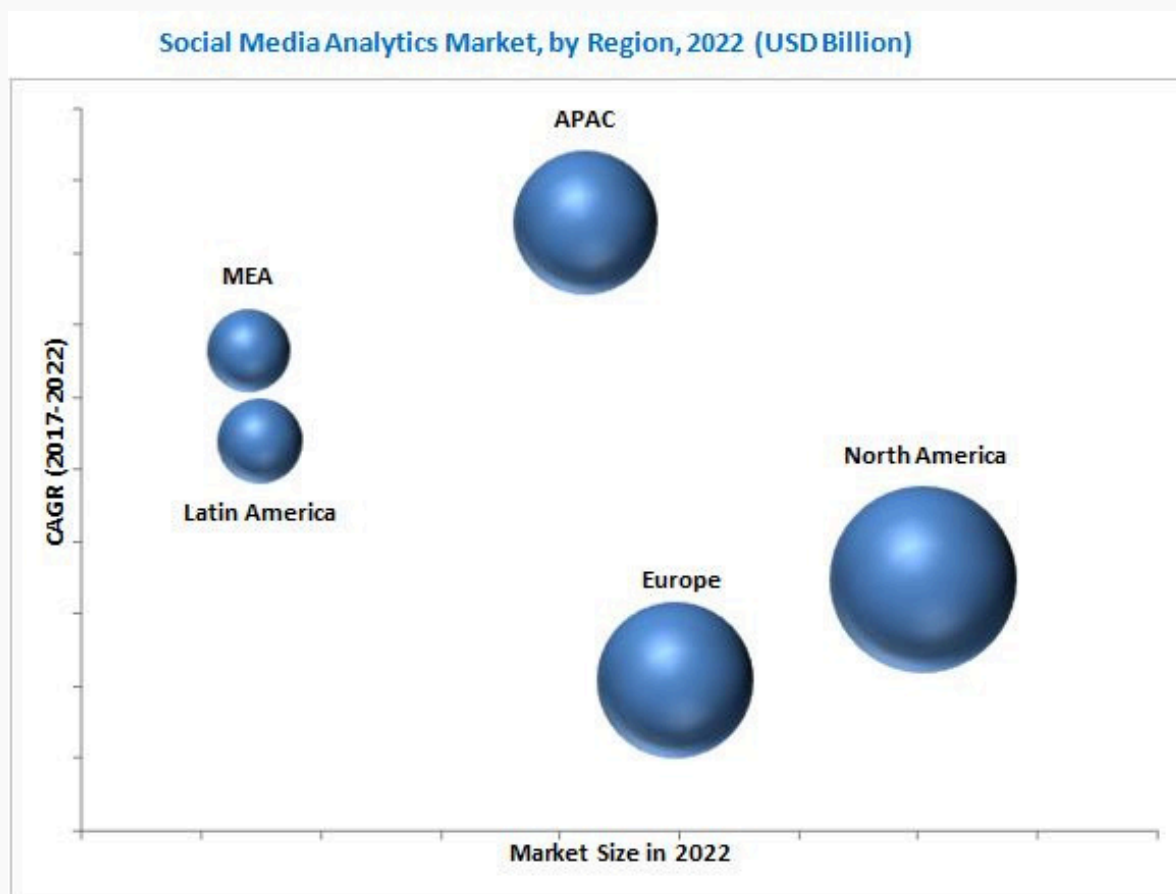
Source: Forrester Research Search Engine Marketing Forecast, 2011 To 2016 (US Only)

Social networks are getting more influence over the company's reputation on the Internet. Every year - more and more time and money is allocated for monitoring all kinds of brand mentions on the Internet, working with user feedback, etc. On the other hand, this increases the threshold for small companies to enter the market - they can not afford to hire a large staff to monitor all social networks and services that provide feedback, in general.

The implementation of the universal REPU platform, along with integration with social networks, will create equal conditions for different companies, on the one hand. On the other hand, it will allow users to write feedbacks more comfortably, and provide ratings to companies / products / employees with whom they interact, while earning bonuses and real money.

# RIVALRY

The estimated market size by 2022:



**At the moment, the platform does not have direct competitors**, which would have been using the complete customer interaction model, which is being offered by the REPU platform.

Among the indirect competitors the following companies should be noted:

- **Yelp (yelp.com)** — a website to search for services on the local market, such as restaurants or hairdressers, with the ability to add and view ratings and reviews of these services. For popular businesses there are hundreds of reviews. For reviewers there are elements of a social network on the website. The service was launched in October 2004 for the service market of San Francisco area, in the future geographic expansion occurred. The US remains the largest market for the company, and altogether, Yelp created sites for 111 countries (2013). At the end of 2010, the attendance of Yelp sites was 39 million unique visitors per month, by the beginning of 2016 - more than 142 million unique visitors per month.

# RIVALRY

- **TripAdvisor** — is an American website for travelling. It provides its users with the opportunity of planning a trip to any country around the world. Website services are free for users who create most of the content, and the site is supported by advertisement. TripAdvisor was one of the first sites to implement the principle of user-generated content.
- **Foursquare (4sq)** — (abbreviated: 4sq) – is a social network with a geo-mapping function, designed primarily for mobile devices. This service is not only available to users, whose devices are equipped with GPS-navigation, for example smartphone users, but also for simply working with any cellular phone. If the mobile phone is not equipped with GPS navigation, the location is determined using the LBS service. Users mark (“check-in”) in various restaurants/shops etc. using a mobile version of the website, an SMS message or a special application developed for a particular OS of the mobile device. Each such mark allows the user to earn foursquare-points, and in some cases also “badges”.
- **Google Reviews**

All the above mentioned services are strong enough and large competitors, but niche ones. These services do not provide such solutions and capabilities that REPU can provide.

## REPU DISTINCTION?

The REPU platform has many factors. Let's consider only some of them:

1. **Integration with social networks** - the possibility of assessing people from social and professional standpoint, evaluating/rating individual employees.
2. **Professional rating** - an indispensable tool for recruiters and employers. Real feedback from clients about a particular employee will help assess the efficiency of the candidate while hiring. A blockchain will not allow rating manipulation and guarantees integrity.
3. **Motivation of users** - users are motivated to use the system constantly, by receiving tokens for their reviews and ratings. Hereinafter, they will be able to exchange tokens for fiat money, cryptocurrency or exchange with companies directly - for a discount, special offer or payment for services.
4. **Marketing around the social rankings** - enables companies to further customize marketing to target people with certain level of social ranking - discount offers, promotions, special offers. Or vice versa - the implementation of higher tariffs (e.g. insurance companies) for users with a lower rating. This will help companies minimize the risks of working with specific clients.
5. **The Economy around REPU** – its own marketplace and the acceptance of REPU tokens in stores / websites. Company owners will be interested in token refund, in order to pay for platform services. Users, in turn, vice versa – writing feedbacks, providing ratings and spending them (tokens) later.



# PRODUCT

The developing REPU platform represents a multi-platform reputation service on the Internet. Wherein, it includes:

- social reputation of the user
- professional reputation of a person
- reputation management service for companies and their products

The platform will be developed as:

1. Own web service and social network with binding user profiles in the networks Facebook, Vk.com, Instagram
2. Mobile application for iOS, Android, Windows Phone
3. Furthermore, it is planned to integrate the platform with existing social networks - Facebook, Vk.com, Instagram.

## TECHNICAL PART

This part of the document describes the technical part of implementing the REPU platform, as well as the opportunities provided by the platform.

### REGISTRATION PROCESS

During the user registration process, we ask to link the profile to one of the social networks - Facebook, Vk.com, Instagram, LinkedIn. The system does not allow the registration of new user profiles without linking them to existing social networks, but at the same time we guarantee users anonymity.

In addition, we have developed a special algorithm of analyzing accounts in social networks for detecting fake accounts to ensure maximum protection against counterfeit accounts. This algorithm uses more than 50 items of profile analysis.

The company registration is carried out manually. Each company has the ability to link to its profile:

- Goods / Services
- Employees - with mandatory pre-registration of the social profile in the system.
- Link employees to specific departments in the company (internal information)

Thus, we enable companies to analyze the reputation in general, and also separately - by employees / departments / products.

# PRODUCT

## PROCESS OF INTERACTION

The process of interaction within the system can be divided into several subsections. This is due to the fact that the system affects several different units.

### SOCIAL RATING

Users of the platform will be able to provide rating to each other, by interacting with the published content from users. Photos, publications, notes, videos - everything that is familiar in social networks will be evaluated within the system in terms of rating provided by users from 1\* to 5\*.

The content will be partially retransmitted from social profiles on Facebook, Vk.com, Instagram, whereas, the evaluation process will be conducted only within the REPU system.

The impact on the rating is in direct ratio to the current rating of the user who provides the rating. At the moment we test different formulas of impact and choose the best option.

For each given rating, the user is awarded with 1 REPU. In a consequence, users will be able to purchase real goods / services with tokens directly from companies. This issue will be discussed below.

### PROFESSIONAL USER RATING

The platform users, in addition to evaluating the company and / or the product (service), also provide separate feedback and rating to the particular employee. Such feedbacks directly affect the professional rating of a person. This rating is subsequently used by recruiters to make decisions during an interview.

After publishing the rating from the system user, his employer also participates in the formation of the professional rating. After the feedback has been considered by the administration - the employee receives an additional assessment from his employer, which enhances or reduces the influence level of the feedback from the client.

Consider the examples:

1. The user provided 2\* rating to the waiter, who served him poorly and added a feedback. After consideration by the employer, it turned out that the waiter really served the client inappropriately. The employer gives his employee a 2\* rating, which enhances the client's assessment by 3 times. Thus, it is equivalent to the fact that the waiter received 2\* rating three times.
2. The user provided 2\* rating to the waiter, who served him poorly and added a feedback. After consideration by the employer, it turned out that the waiter performed his/her duties well and the user assessed the situation not quite objectively. The employer gives his employee a 5\* rating, which reduces the customer's assessment by 2 times. Thus, this is equivalent to the fact that the waiter received 4\* rating once.

# PRODUCT

Later, when the employee is dismissed, he is also being given a rating from the employer and a feedback about his work, as a whole. This rating is displayed separately - as "rating at the previous workplace". Thus, recruiters will find it easier to assess the applicant from a professional point of view.

## **RATING OF COMPANIES AND GOODS**

The platform users have the opportunity to evaluate the company and their products / services. The process of interaction is similar to that of the ratings described above.

## **IDENTIFICATION OF PLATFORM USERS**

We developed our own technology for recognizing users and exchanging this information among platform users. The technology passes alpha testing, which showed more than 85% of the recognition of users using a smartphone. We plan to achieve more than 95% before the final product release.

Thus, the system assigns a unique user ID, can recognize almost any user of the platform on the street, using simple wireless technologies - Wi-Fi and Bluetooth. We understand that there are cases when Wi-Fi and Bluetooth are disabled in the user's phone. However, nowadays, it is the most popular technology, which allows to solve such a problem. With the development of AI technology, we may be able to perform user identification through face recognition.

## **IDENTIFICATION OF GOODS AND EMPLOYEES**

Business owners need a 100% guarantee of recognition of their employees / goods (services) and companies in general. We use geolocation to help the user find a company and provide a rating, but this is far from recognition of 100%.

Therefore, we suggest that business owners use QR codes for such purpose. This technology will guarantee 100% identification.

Consider the example:

- The user had a dinner at the restaurant and asked for a bill. When paying for services, the user sees a QR code inside the bill that contains all the necessary information for rating. The user scans the code, provides the rating to a restaurant, as a whole, to the waiter, to the dishes from the menu, as well. For this he receives a reward in the form of tokens.

# PRODUCT

- The user came to the teller at the bank, where he did not like the work of the teller. He sees a QR-code beside the teller's work desk, with the help of which he will be able to leave a negative feedback and rating.
- The online store sends an email to the user with a request to evaluate goods that he bought a month ago, as well as the quality of service and the speed of delivery. By rating - the user receives a reward in the form of tokens, whereas, the online store - content.

There are many examples of this kind. However, one of the most interesting is the identification of users, upon a return visit and the possibility of interacting with them. We will be able to offer this technology to the shopping centers somewhat later, after the release of the platform. Since we will be able to identify users - we will be able to send this data to the stores and allow the store to interact directly with customers in real time using our platform.

## ECONOMICS AND REWARDS

For internal transactions within the platform, REPU token will be used. We forecast the growth of the token exchange rate simultaneously with the growing demand in platform services from companies.

The remuneration to the user for leaving feedback and providing rating is determined by the company itself, but the minimum threshold is – 1 REPU. At the same time, the platform commission is 10% of this amount. With the increase in demand for REPU, price growth is inevitable. Therefore, the minimum reward threshold for the user will be regularly revised by the system.

***Why don't we set fixed prices?*** This will allow the creation of an open competition between companies and decide for themselves how valuable is the rating of their products. As practice shows (based on the AdWords example) this only allows to raise prices for services of the platform.

**Circulation of tokens within the system is described in the RepuCoins section.**

# REPUCOINS

Digital token RepuCoin is a virtual currency that is used inside the platform to pay for the company's reputation management services (monthly, quarterly, half year and annual subscriptions), rewarding users for ratings, and for internal payments for goods / services within the REPU infrastructure. RepuCoin is a cryptocurrency, which is awarded to users who provide ratings within the system.

RepuCoins are automatically generated by the REPU smart contract only when a company pays for reputation management services with its own means, so they are not being taken out of nowhere. Therefore, there will be no surplus of tokens on the market. RepuCoins are always secured by other currencies.

## INTERNAL MARKETPLACE

So, as companies will constantly require tokens to pay for platform services, as well as to pay users for their ratings - it is most convenient for them to accept this token, in order to pay for their services and / or goods.

Thus, companies simply need to accept payment from users in tokens or provide a discount for any product / service, in return for REPU tokens.

On the one hand, this will allow users to spend tokens that they earned for providing ratings in the real world, without exchanging them for fiat money or other cryptocurrencies, and on the other hand for companies - without constantly depositing fiat money.

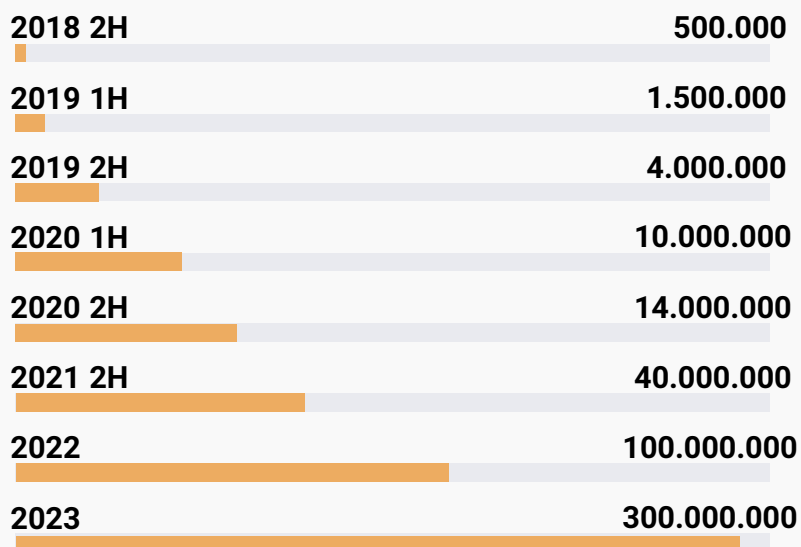
The benefit for the platform is the growth of the exchange rate, in proportion to the growth in the number of companies, which accept tokens for their services / goods.

## FORECAST OF PRICE GROWTH REPU

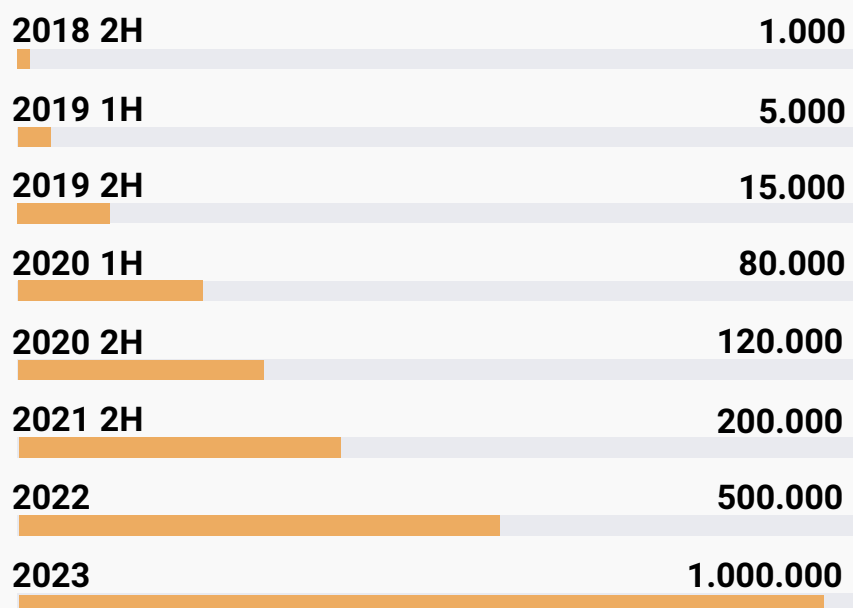
The basis for the price increase of REPU tokens will be a growth in the number of users, as well as an increase in the number of companies that will use the platform to manage their company's reputation. The more users will use the platform in everyday life, the more companies will be interested in using the system as the main tool for managing their reputation.

# REPUCOINS

We have created a chart, where the growth of the number of users of the REPU platform is forecasted over the next 5 years:



Based on this, we have also forecasted an increase in the number of companies:



# ECONOMICS AND DEMAND

## UNDERSTANDING DEMAND

The economic aspect of the REPU product is a very important part of the project. In order for any product to create a demand in the market, it must be beneficial (either from economic-, social-, public standpoint, etc.) with regards to personal or commercial purposes.

REPU is a unique, and at the same time, a universal system, where each person and every company will receive a unique benefit for their needs. Thanks to the platform, which is based on the blockchain, absolutely all types of businesses from various industries will be able to use the product while saving their money, the time of their employees, and also improve the company's internal and external business processes. Individuals, in turn, will be able to use the product in everyday life - during daily commute, at work, during lunchtime, shopping, at leisure, at home, while earning tokens.

Let's consider an example of using the platform, using the illustration of an ordinary person's life, named Max. Max is a manager and works in the office.

### **His typical day:**

- Wakes up at 7am
- Takes a shower and brushes teeth
- Has breakfast and drinks coffee
- At 8:15am commutes to work by public transport
- At 9:00am starts work
- At 12:30pm he has lunch at the restaurant/cafe.
- At 3:00pm – business meeting in the meeting room, with a man who offers cooperation.
- At 5:00pm (after work) goes to the gym
- At 7:30pm comes home and orders food on the Internet with delivery.

Thus, Max, as a consumer, can leave feedback and provide rating to the manufacturer of the products and coffee, from which he makes breakfast, and get tokens for it, and the company will receive relevant information about itself that can be used to further understand who consumes its goods / services (target audience, typical buyer, KYC), in order to constantly analyze, monitor and improve their products and services.

When Max commutes to work by public transport, he can leave feedback about the bus driver or the subway ticket seller; during the working day, the feedback and rating can be applied in terms of professional relationships of employees; during lunch – to the restaurant and to the waiter, separately;

# ECONOMICS AND DEMAND

at a business meeting you can find out about the professional and personal qualities of the business person, which will allow to finalize the decision upon cooperation in a more faster and more rational way; in the gym - staff, coaches and the company as a whole, as well as visitors; by ordering food with home delivery - about the courier, the company, the food.

These aspects altogether will help to make a better world, a more conscious society will be formed constantly, forcing us to be more polite and kind to each other, more organized, intelligent and honest, while preserving tangible benefits for both the individual and business.

All the elements with which Max interacts throughout the day will be able to get a rating that will be transformed into an "intelligent" feedback and stored in blockchain, for which he will be rewarded with tokens, which, in turn, can be used as a discount when buying goods and paying for services from any company, associated with the REPU system, directly, or Max can exchange the remaining balance of tokens for another currency. The tokens that are received from users can be used by the company for various services within the REPU system (ads account, reputation management, premium account, etc.).

Often, when a buyer makes an inexpensive one-time purchase on the Internet from another user or company, there is not always the desire to leave feedback, even if the buyer is not completely satisfied with the purchase, because the motivational component is absent. With the REPU system, the user will be able to leave feedback and provide rating to the product or service quickly, and will be rewarded with tokens for leaving an honest feedback.

As a result of users' feedbacks to companies, competition in the market will rise, because each company will strive to provide only high-quality goods and services.

## ECONOMICS AND OUTLOOK

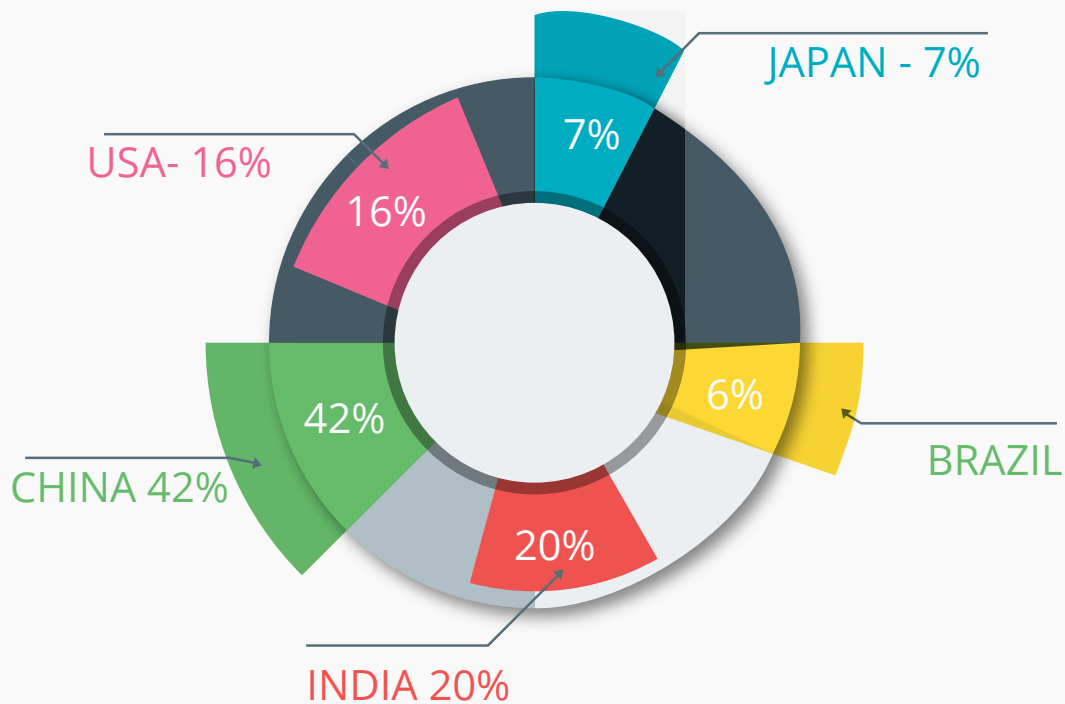
According to statistics for 2017, the total population of the planet is 7.6 billion people, 47% – use the Internet. At the same time, 70% of users are representatives of the developing countries. According to forecasts, the number of new users from 2015 to 2020, will make up more than 1.1 billion. The growth rate of the number of new users is greater than that of the general population of the planet by 700%.

### **TOP-7 countries by the number of Internet users:**

- China – 731 mln.
- India – 350 mln.
- USA – 277 mln.
- Japan – 110 mln.
- Brazil – 110 mln.
- Russia – 87.5 mln.
- Germany – 72 mln.



# ECONOMICS AND DEMAND



According to this, it is possible to clearly conclude that for most companies the most important aspects of successful activity and growth in today's digital era, become:

- Fast, simple and high-quality reputation management and its support at high level
- Qualitative and clear Internet marketing with smart targeting of current and new customers
- Qualitative customer service with honest and quick feedback about the manager's performance
- Effective HR Department

## BUSINESS BENEFITS

In today's world, it is very costly for companies to "keep afloat" and keep pace with the time, this especially relates to large international companies. The main difficulties arise from:

### RECRUITING (HR)

- companies spend millions of dollars to process thousands of resumes, select several candidates for interviews and on training new employees. On average, the amount of time spent by the HR department on hiring a new employee is 26 to 51 days. The mistake of hiring a "bad" (not suitable) employee costs companies from \$ 25,000 to \$ 50,000.

# ECONOMICS AND DEMAND

- \* By virtue of REPU, the system will automatically be able to select the appropriate potential employees, according to the specified professional requirements and personal qualities, based on the professional ranking in the blockchain. This will allow to reduce:
  - The time spent for selecting candidates – by 75%.
  - Subjective factor during resume selection process - recruiters flip through thousands of resumes and very often just do not notice worthy candidates. REPU will reduce the subjectivity factor during the selection stage by more than 50%.

## WORKERS TURNOVER

- a very problematic part, both in terms of tangible costs, and in loss of time, spent on search and training. In 2016, the average rate of staff turnover across all sectors of the economy was 17.8%, and this indicator is constantly growing since 2011. Over the past 2 years, it has grown by 2.1%. At the same time, a suitable employee replacement costs companies an average of 150% of the employee's annual salary. Depending on the sector of the economy, the cost ranges from 30% to 400%.
  - By the virtue of REPU, the qualities / characteristics of potential and current employees can be quickly and easily analyzed, thus reducing the unnecessary loss of time, the business spends on searching and training by 50%, and financial costs – by 63.5%

## REPUTATION MANAGEMENT

- more than 85% of CEOs of large companies believe that the company's reputation plays a big role in achieving the business goals, however, only 20% of companies are using techniques for measuring reputation. Firstly, it is an intangible concept with a long-term perspective. Secondly, it is expensive; for example, the cost of evaluating and measuring the company's reputation in the US with an average population, can cost around \$ 180,000.
  - With REPU, thanks to decentralization, companies will be able to not only earn and measure their reputation, but also manage it, while saving time and hundreds of thousands of dollars. Management is done by implementing the necessary changes into the company's internal or external business processes, since the manager will clearly see problematic "spots" thanks to the REPU rating, and will be able to apply the necessary solution. Thus, businesses do not need to spend extra money on other sources, in order to measure and evaluate their reputation.

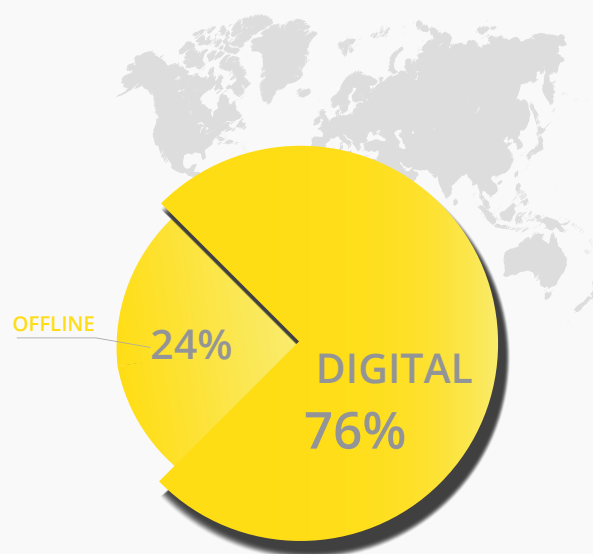
# ECONOMICS AND DEMAND

## CUSTOMER SERVICE

- An important element in the successful business chain. The concept is straightforward, but the consequences can be painful for business. For example, you service a customer poorly - he/she will choose another company, and you may never know the reason for losing the client and the profit of your company, since the customer does not always leave feedback, and in case he/she does, a lot of time will pass, until the problem is solved, and it will be difficult to return the customer.
- \* By the virtue of REPU rating system based on the blockchain technology, companies will be able to:
  - Quickly respond to customer feedback and make prompt decisions to fix problems with the customer service;
  - Reduce the possibility of losing a client due to poor service by 50%, thanks to smart and fast opportunities for client interaction;
  - Obtain useful data for a broad analysis of their products and services;
  - Increase the number of reviews / feedback, thanks to the motivational component as a reward to users in the form of tokens.

## DIGITAL MARKETING






- according to the analytical data for 2016, companies increased the digital marketing share of the advertising budget by 42% on average, and the social networks channel - by 56%. For example, in 2017 in the US, the amount spent on digital marketing is almost 7.5% higher than the amount spent on TV advertising.



# ECONOMICS AND DEMAND

At the same time, the percent of companies in the US, whose ROI from digital marketing is greater than from offline marketing, is 76% and only 24% of companies received a larger ROI from an offline channel.

Change in the share of advertising on social networks in the marketing budget:

					
	Market Average	Goods (B2B)	Goods (B2C)	Services (B2B)	Services (B2C)
Current share of expenses on social network	13.3%	9.3%	12.2%	15.7%	16.3%
5 year forecast	20.7%	17.2%	22.1%	17.2%	26.1%
% change over 5 years	+55.6%	+29.3%	+81.1%	+9.6%	+60.1%

Until 2020, the digital marketing share of the total advertising budget will grow by 17% and will exceed the budget for TV advertising by 36.5%.

The REPU system provides a smart and easy-to-use ads manager with broad range of opportunities. Here are just some of the features:

- Paying for ads in one currency - REPU.
- Smart targeting of the target audience, which will allow to rationalize advertising expenses of the company. According to our calculations, this solution will allow to reduce the amount of inefficiently spent money for advertising by 40%, and increase the conversion rate by at least 100%.
- Displaying / delivering your ads:
  - To those, whom it will be really interesting, necessary and appropriate;
  - To attract new customers,
  - To a specific client (for example: aiming to improve customer relations that were previously damaged by poor service, by providing the client with a large discount or gift)
- During the advertising campaign setup, REPU will additionally offer a pool of specific users, with whom there is a history of interaction with your company by means of providing the rating.
- Thanks to the smart system of rating / feedback, which is stored in the blockchain - the whole architecture of the client-company relationship will be built from the very first day, with the aim of forming a mutually beneficial and useful structure of relations, customer <-> company and company <-> customer.
- Increasing the level of knowledge and clear understanding of KYC for the company.

# ECONOMICS AND DEMAND

REPU will provide a unique solution, companies will be able to view the rating of any individual before making decisions upon hiring, which will help to learn not only about the person's professional qualities of a potential employee, but also – about personal qualities, for example, here are several options:

- Inclination towards lie, theft or other violations of the law
- How often does he change the place of work, the reason
- Feedback from former colleagues / work partners

The information will be available to companies using the premium version of the personal account. There will be 3 personal accounts:

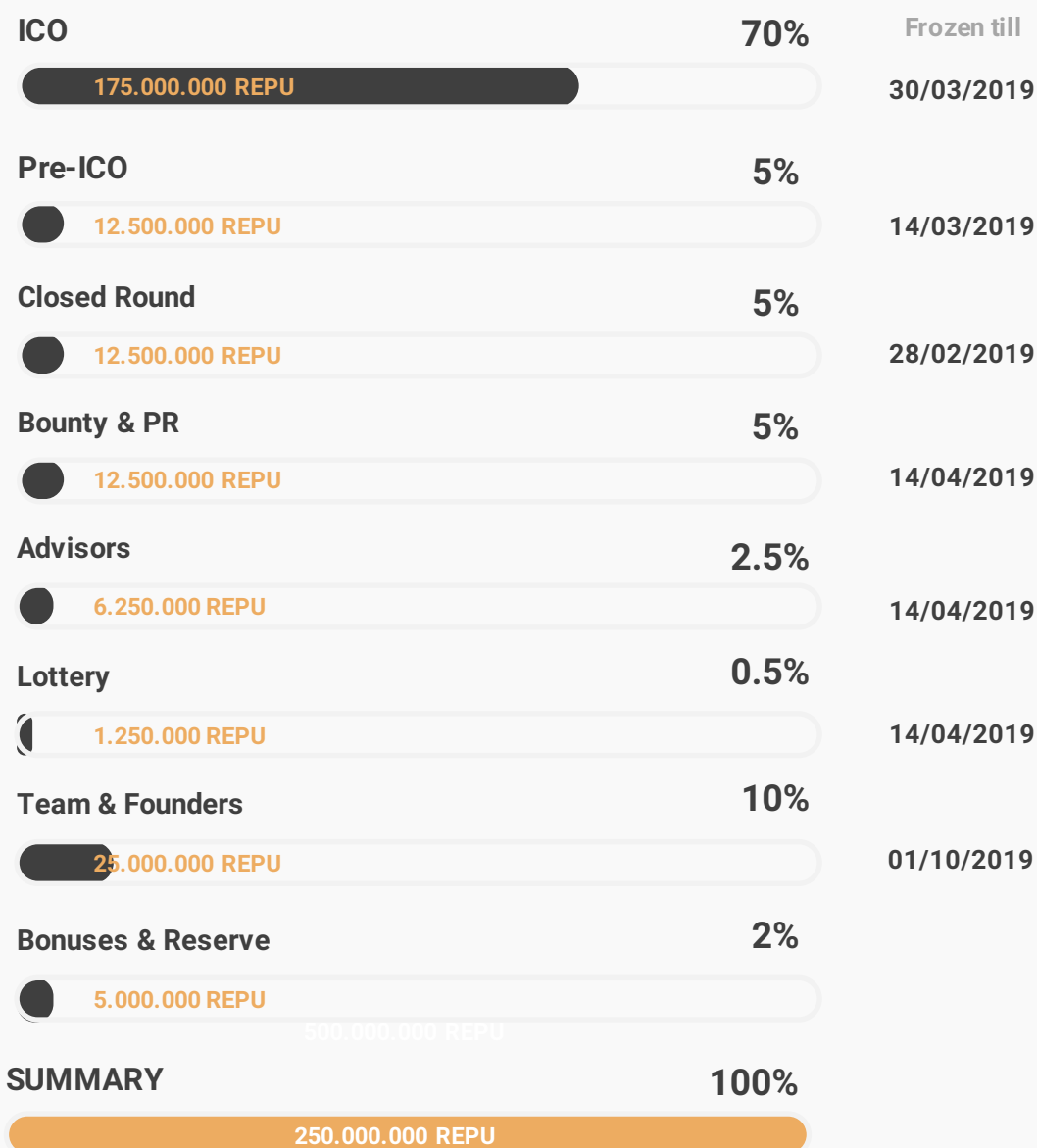
- Free (limited access)
- For small and medium enterprise
- For large corporations

As the basis of payment for personal business account, four subscription options will be offered - for the period of 3, 6, 9 and 12 months. The form of payment is the REPU tokens that are credited to the balance of the company's personal account (profile) and can be used during the entire subscription period, as additional bonuses to top up the ads manager account balance. And all this in the virtue of the smart rating, which is retained in the blockchain system.

# REPU ISSUE

REPU tokens are created on the basis of Ethereum ERC-20. At the moment, we are working on technical description and specification of smart contracts. Information and open source code will be added later on.

The REPU issue is limited to 250,000,000 REPU during the closed round, pre-ICO and ICO. Undistributed REPU that were issued for sale during the closed round, pre-ICO and ICO, will be frozen on the smart contract without the possibility of subsequent withdrawal or use (destroyed actually). The REPU issuance is programmed by a smart contract and will be conducted in the following order:



# PRE-ICO AND ICO

## **THE CLOSED ROUND** - will be held until the Pre-ICO

- HardCap - 1000 ETH
- The minimum purchase amount - 1 ETH
- The maximum purchase amount - 300 ETH
- The funds will be spent on preparing Pre-ICO and ICO.

## **PRE-ICO** - will be held in January.

- HardCap - 1800 ETH.
- The minimum purchase amount - 0.1 ETH
- The maximum purchase amount - 500 ETH
- The funds will be spent on preparation and marketing of the ICO stage.

## **ICO** - is planned to be held in February.

- Goal - 3.000 ETH
- HardCap - 30.000 ETH
- The minimum purchase amount - 0.03 ETH
- The maximum purchase amount - unlimited
- Description of expenses is on the next page

# PRE-ICO AND ICO

## TOKEN PRICE

### **Closed Round**

- Price per token – 0.00008 ETH
- Minimum purchase amount – 1 ETH

### **Pre-ICO:**

- Minimum purchase amount – 0.1 ETH
- Price per token: (price in USD are stated, based on the approximate exchange rate of 690\$/ETH)
- The price increase every day during tokensale. The chart is given below:

Price in \$	Day	Price in ETH	Change, %
0.083	1	0.0001200	-
0.087	2	0.0001260	5%
0.091	3	0.0001323	5%
0.096	4	0.0001389	5%
0.101	5	0.0001459	5%
0.101	6	0.0001459	0%
0.101	7	0.0001459	0%

### **ICO:**

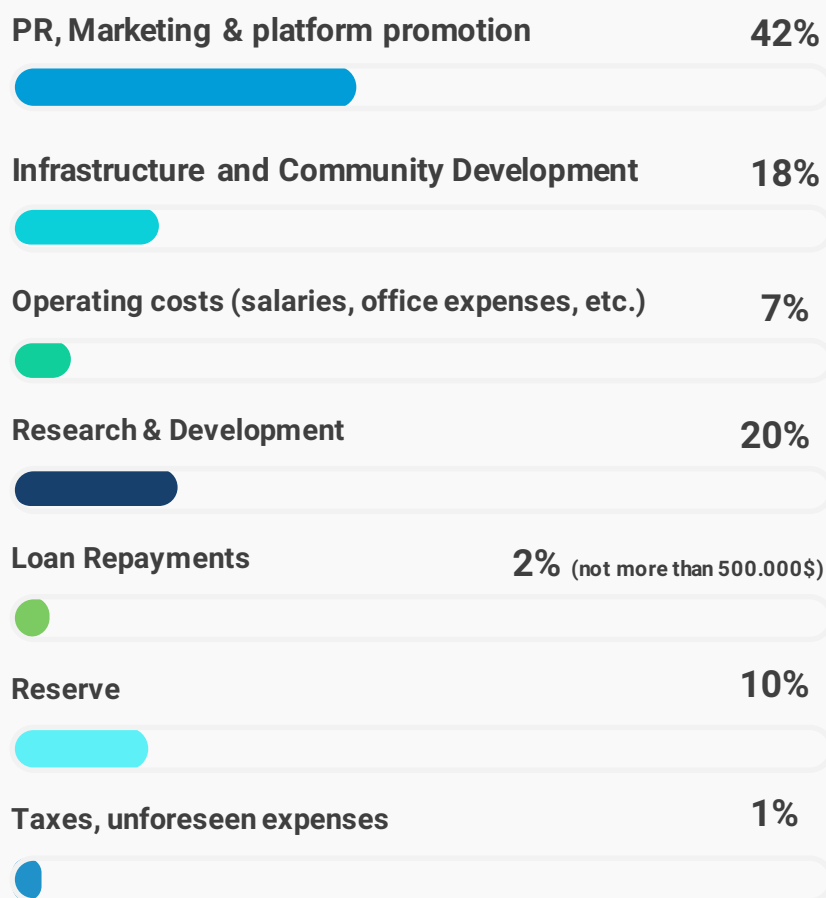
- Minimum purchase amount – 0.03 ETH
- Price per token: (price in USD are stated, based on the approximate exchange rate of 690\$/ETH)
- The price increase every week during tokensale. The chart is given below:

Price in \$	Week	Price in ETH	Change, %
0.118	1	0.0001714	-
0.135	2	0.0001954	14%
0.154	3	0.0002228	14%
0.175	4	0.0002540	14%



# PRE-ICO AND ICO

Funds, collected during the ICO, will be distributed as follows:



# BONUSES AND TOKEN PRICE

There is a bonus program for purchases of 2 ETH and higher. Bonuses are provided, depending on the amount of investment. The exact amount of bonuses you can calculate in the chart below.

**In case the number of bonuses exceeds the total issuance of tokens, the bonus accruals will be allocated from the pool of tokens provided for the team.**

Payment in ETH	Bonuses %	
	Pre-ICO	ICO
2-10	2%	2%
11-50	5%	3%
51-100	7%	5%
101-300	10%	7%
301-500	15%	10%
501-999	—	15%
1000+	—	<b>20%</b>

## LOTTERY – 1.250.000 TOKENS

Get the opportunity to become one of the 50 randomly chosen winners in the token draw.

The lottery will be held in 2 stages with prize pools of 600,000 and 650,000 tokens accordingly - after Pre-ICO and ICO. Within 2 weeks upon completion of each stage, the first 5 winners will be selected - these are the 5 largest sums in descending order that will be credited to our account, and 45 random winners who will receive tokens.

Distribution of tokens among winners:

- 1st place - 10%
- 2nd place - 5%
- 3rd place - 3%
- 4th place - 2%
- 5th place - 1%
- 6-50 place - 80% (evenly distributed)

Terms and timeframe for participation: Pre-ICO, and the first week of the ICO, Purchase of tokens for participation - from 2 ETH. Winners will receive an e-mail with a confirmation of the receipt of winning tokens

# TEAM

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**Maksym Tkach**

Co-founder. Experienced in Digital Marketing, SEO-optimization with over 10 year. Strong business analyst.



**Maksym Lenets**

Co-founder. Strong experience in business development, strategy and investment.



**Bohdan Pavlyshenko**

A results-driven, customer-focused, articulate and analytical Senior Software Engineer with over 5 years of experience



**Maksym Trostyanchuk**

Experienced developer, with a high level of professional skills.

# TEAM

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**Nazar Ivanchuk**

software developer with over 6 years  
of commercial experience in mobile  
solutions implementation



**Viktor Skabiak**

Strong knowledges in Android  
Application Development.  
Responsible, communicative, results-  
driven, hard-working



**Yuriy Pyrko**

Top Rated full-stack software  
developer (Python/Django/JS)

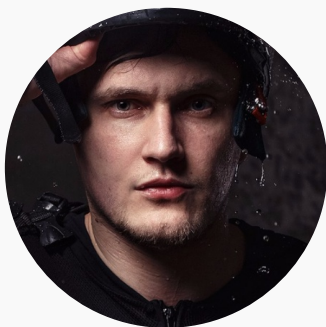


**Oleksandr Samborskiy**

Experienced PHP/Angular developer,  
with a high level of professional skills  
with over 6 years of experience

# TEAM

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**Constantine Mizgirov**

Through my career path I've got decent competency, which lies within areas of quality control activities.



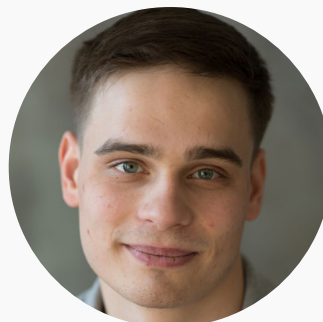
**Danylo Pidhainyi**

Web applications/sites testing; Mobile & Tablet applications testing: Android, iOS;



**Igor Markevych**

Igor has provided legal support to 12 ICO projects in various jurisdictions and on most popular platforms



**Leonid Pokrova**

Leonid has a considerable experience in protecting the rights and interests of investors both at the level of negotiations / mediation

# TEAM

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**Maksym Ivanyshyn**

Maksym's key specialization is the legal support in attracting investments and structuring of investment projects.

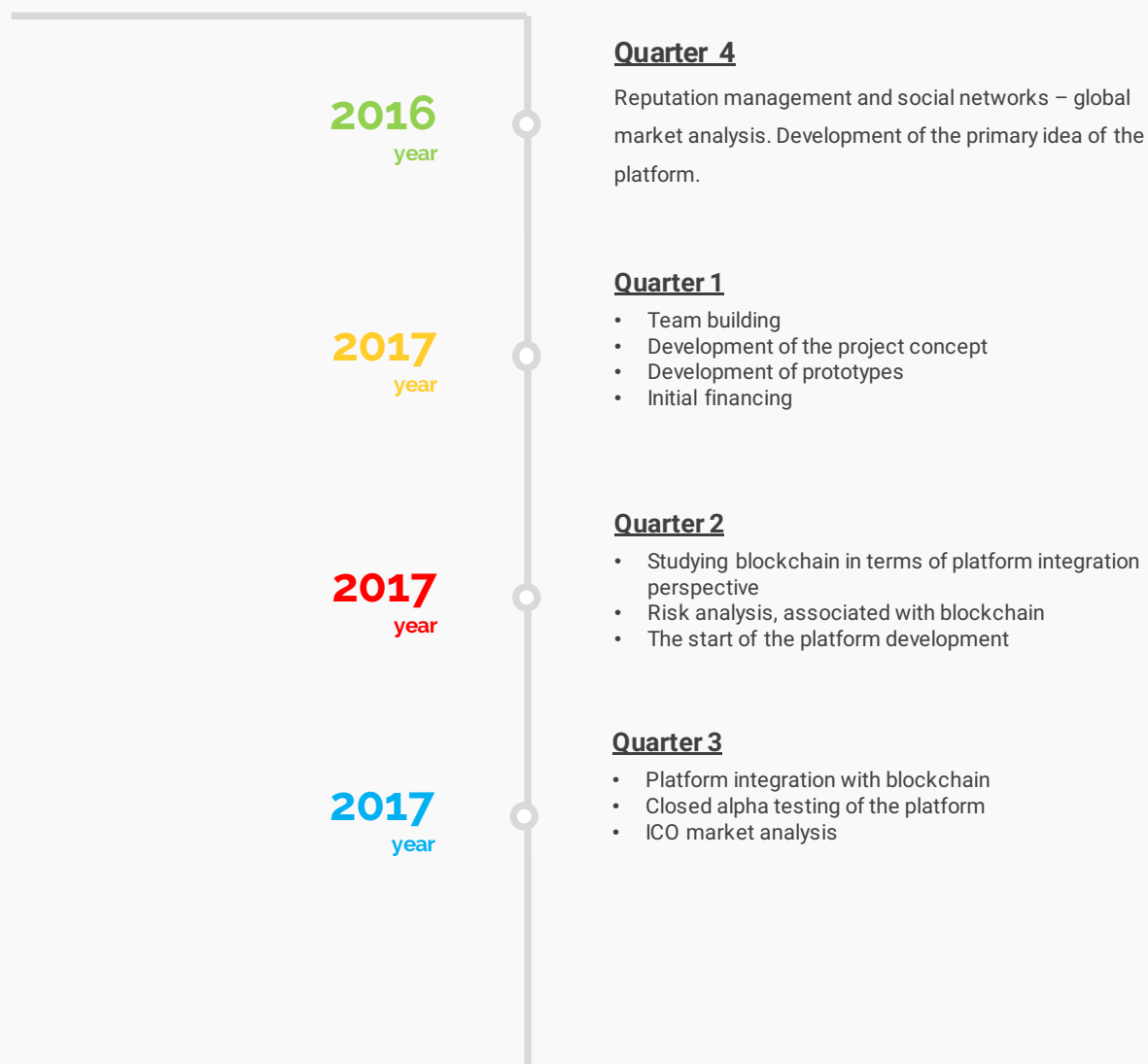


**Alla Macewicz**

Alla has been developing and establishing communication between business and government structures for 6 years already

# ROADMAP

Our Roadmap is presented below:



# ROADMAP

**2017**  
year

## Quarter 4

- Whitepaper Development
- Smart Contract Development

**2017**  
year

## 24 November - 1 December

Pre-ICO stage

**2018**  
year

## 12 January - 12 February

ICO stage

**2018**  
year

## Quarter 2

- Close participants beta testing of the platform among ICO

**2018**  
year

## Quarter 2-3

- Public testing of the beta version of the platform

**2018**  
year

## Quarter 3-4

Public platform release





REPU

Smart reputation managment