First of all, we should definitely take our inspiration from Paypal, who faced the same kind of challenge in a time where online payments where a whole new world to conquer – and most venture capitalists had no idea what Internet really was.

Peter Thiel, in his book *Zero to One* explains the strategy:

If PayPal was going to work, he says, it would need a "critical mass" of 1 million users. "Advertising was too ineffective to justify the cost," he says. "Prospective deals with big banks kept falling through. So we decided to pay people to sign up." “We gave new customers $10 for joining, and we gave them $10 more every time they referred a friend. This got us hundreds of thousands of new customers and an exponential growth rate. Of course, this customer acquisition strategy was unsustainable on its own — when you pay people to be your customers, exponential growth means an exponentially growing cost structure”. I haven’t found any reference about this, but a close friend told they pumped most of their VC in the project.

Our projects share a certain number of similarities:

- There is no similar product on the market at time of launch.
- We need a critical mass of users to make it work: quality content + enough transactions between users.
- We’re attempting to make people buy/use a “new kind of money”. This requires like a very legit company.
- Considering how this service would appeal to very little people, marketing would be inefficient and costly.
- The more money circulating on the platform, the more profits we make. By giving people money to use of this platform, we are actually creating/reinforcing the behavior that ultimately fills our pockets.

Here’s a proposal:

1. We get Bitcoins in exchange for equity in the company. This step in essential for all the next ones – the more Bitcoins we get, the more impact we can have.
   A) We might be able to find venture capitalists sitting on a huge pile of Bitcoins and down to invest them. However, current price plays against us.
   B) If not, we do like Augur, and raise Bitcoins from the community in exchange for equity. We set a minimum investment threshold ($200k or more), so we limit the number of investors (and problems). There are a lot of people – early miners – that are rich enough for this and can’t do much investment right now with their magic internet money. Investors agree with point 2.

2. After the platform is launched, we start to slowly pump Bitcoins on the platform.

A) We send a few dollars (or what we believe should be the cost for using our platform for a week) in Btc to new accounts and invite users to "play" with the money; assuming of course the **goodwill** of users. We also assume some users will bring their own Bitcoins to the party (BYOB).

B) The next week, we analyze the 'investment'. We look at who has spent their money properly (number of individual transactions) vs. who withdrew everything/kept everything/didn't reconnect. We then resent a few bucks to the users that have been doing fine – positive reinforcement – and new users. We repeat the process every week for X week. We assume the little profit to make (a few bucks per week) in a currency that's complicated to use, will limit abusive behaviors. There is whatsoever a risk.

C) We could create a referral system: for each friend you bring on the platform, we send you some money. This is however more complex than with Paypal.

3. We buy votes of new users posting content. Reddit, in its early phase, was initially seeded with **fake profiles posting links to simulate activity**. The key was that the links being posted were the kind of content the founders wanted to see on the site over time.

   On DATT, we **create bots** that randomly (or not) upvote new links that users post on the platform. We can assume that the profit these users will make (less than a dollar) will be directly reinvested on the platform thought votes and whatever we chose to make them pay.

   A strategy could be to buy votes to posts that received a minimum of real votes, but didn't make the frontpage or the frontpage of a community. This would reinforce users to produce content that is somehow good and provide a more substantial income to dedicated users (those we want).

4. We make purchasing Bitcoin easily and inviting, considering some users might run out of Bitcoins before our next weekly airdrop or could want to do so because they like the platform and believe in it.

   This might be hard to sell Bitcoin ourselves, but if we have a partner (like Coinbase) that is already dealing with the legal hastle of selling currencies, this could be our best card – especially if the buying process is embedded in Datt – like this happens when using Paypal : "Friction less" stuff.

   Optional: We could obviously sell the Bitcoins we received in phase 1 through our partner; partner manages the Bitcoin and take a share. Profits we make in dollars can be invested directly in the company.

Mega-Controversial YOLO Approach: we could sell our Bitcoins to 50% of the market price. We would have to limit how much in Bitcoins can be bought in a 24 hrs period (5$) and be sure the Bitcoin addresses are actually in use on DATT, to avoid attracting speculators and parasites. We might piss off a few people in the community by dumping Bitcoins like that, but whatever, Yolo, right?

Guillaume