From: Eric Friedman
To: Trystan Kosmynka

CC: Ayman Khali

BCC:

Subject: Re: summary

Attachments:

Sent: 12/14/2017 06:46:23 PM 0000 (GMT)

Abuse detection and response

To gain visibility into the extent of out-of-band payments, we would need to have staff in-country playing games as normal customers do AND also spending time on the street looking for promotions with QR codes (on the side of buses is a real example) that lead to out-of-band purchases. The goal of this activity is twofold:

- 1) identify obvious abuses and refer to AppReview for action
- develop game-specific player profiles by dividing players into cohorts payer and non-payer [perhaps at different spend levels]. The purpose is to establish "ground truth" about each usage pattern.

Once we know what a payer looks like, we can study the data available to Apple and correlate time-in-app with purchase activity. If our profile for game X indicates that six hours of game play requires regular payment AND we see a large population of users who are not also payers, we can conclude that purchases are happening out of band.

Action: establish in-country team for this function.

N.B. beyond finding obvious abuses there is no clearly defined response. If we had perfect detection, what would we do with that information?

"Hole"

WeChat and Facebook have both tried to create dedicated pipes for out-of-band payments to unlock app features (e.g. subscriptions). This breaks our rules.

What is NOT a violation is the following:

- 1. Developer pops a dialogue inviting users to "follow us on [social platform] to learn about new features and promotions [Promotions would be a violation; an invitation to follow by itself is not]
- On social media, without using dedicated pipes from the social media platform, the developer promotes discounted content and accepts payment by WeChat or PayPal, etc.

Actions:

Apple creates a better experience for developers to engage users and offer promotions. It would have to be a LOT better to overcome the 30% hit however. It would also have to meet the need fulfilled by social media platforms for engagement, namely viral reach across friends. This is not something we've ever succeeded with and we would not be cross-platform. [included for completeness, not recommended]

On Dec 14, 2017, at 10:39 AM, Trystan Kosmynka <

On Dec 14, 2017, at 9:39 AM, Eric Friedman < > wrote:

Abuse detection and response

Exhibit PX 0257

PLAINTIFF
U.S. District Court - NDCAL
4:20-cv-05640-YGR-TSH

Ex. No. PX-0257

Date Entered

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- 1) identify obvious abuses and refer to AppReview for action
- 2) develop game-specific player profiles by dividing players into cohorts payer and non-payer [perhaps at different spend levels]. The purpose is to establish "ground truth" about each usage pattern.

Once we know what a payer looks like, we can study the data available to Apple and correlate time-in-app with purchase activity. If our profile for game X indicates that six hours of game play requires regular payment AND we see a large population of users who are not also payers, we can conclude that purchases are happening out of band.

Action: establish in-country team for this function.

N.B. beyond finding obvious abuses there is no clearly defined response. <u>If we had</u> perfect detection, what would we do with that information?

Guidelines "hole"

WeChat and Facebook have both tried to create dedicated pipes for out-of-band payments to unlock app features (e.g. subscriptions). That is a clear 311 violation.

This breaks our rules

What is NOT a violation is the following:

1. Developer pops a dialogue inviting users to "follow us on [social platform] to learn about new features and **promotions**

If we saw "promotions" in the dialog we'd look at it further because there could be a violation there. Features and functionality must only be unlocked via IAP, so if they were to enable unlocking via some promotion on social or elsewhere that could be in issue. Perhaps we just call this section a "Hole" rather than a guideline hole. It's possible a developer can market things outside their app that we do not have visibility to, period.

3.1.1 In-App Purchase:

 If you want to unlock features or functionality within your app, (by way of example: subscriptions, in-game currencies, game levels, access to premium content, or unlocking a full version), you must use in-app purchase. Apps may use in-app purchase currencies to enable customers to "tip" digital content providers in the app. Apps and their metadata may not include buttons, external links, or other calls to action that direct customers to purchasing mechanisms other than in-app purchase.

2. On social media, without using dedicated pipes from the social media platform, the developer promotes discounted content and accepts payment by WeChat or PayPal, etc.

Actions:

Apple creates a better experience for developers to engage users and offer promotions. It would have to be a LOT better to overcome the 30% hit however. It would also have to meet the need fulfilled by social media platforms for engagement, namely viral reach across friends. This is not something we've ever succeeded with and we would not be cross-platform. [included for completeness, not recommended]