# AdCoin

WHITEPAPER

# ABSTRACT

Blockchain offers a lot of great opportunities for technological advancement. The first widely adopted blockchain was Bitcoin and was literally called "internet money". While Bitcoin is still the dominant cryptocurrency, there are a lot of problems for actually using that internet money to perform (micro)-payments. AdCoin aims to improve the online advertising payments by using the advantages of blockchain technology.

Payments with AdCoin can be performed 24/7, have an extremely low transaction fee and don't require anything more than an AdCoin wallet address. For the advertising market this means cost reduction, faster payments, less risk and the ability to perform micro-payments. Publishers who receive AdCoin can either keep them or convert them to other cryptocurrencies.

What the AdCoin team did so far:
- Listed on 3 exchanges;
- Wallets for Windows, Mac, Linux, Android and a universal web wallet;
- Implementation of SegWit protocol and Dark Gravity Wave 3 difficulty regulator;
- Complete API for purchasing, sending, receiving and storing AdCoin;
- Integration with Wordpress (WooCommerce);

What's next:
- Integrating with (major) advertising networks
- More integrations with content management systems
- Releasing AdCoin advertising tools, scripts and plugins

The goal of AdCoin is to bring cryptocurrency and blockchain technology to everyone who is working with online advertising, from a mother just starting her personal blog to a multinational who wants to perform payments overseas.

# INTRODUCTION

Welcome to our whitepaper! In this whitepaper we will explain why and how AdCoin is created, who is behind AdCoin and what AdCoin aims to achieve.

We are a group of finance-, marketing and IT geeks with a strong need to solve our problems through innovation. With this in mind we created AdCoin, a cryptocurrency that aims to improve the way online advertising is paid. By reducing costs, 24/7 availability and a secure network we create value for the online advertising market. We want to facilitate advertisers, advertising agencies, publishers and all other advertising related transactions. This separates AdCoin from a lot of other (advertising) blockchain startups, we are not here to replace existing advertising companies.

Thank you for your attention so far! Still interested? Please read the rest of the whitepaper and let us know if you have any questions or remarks!
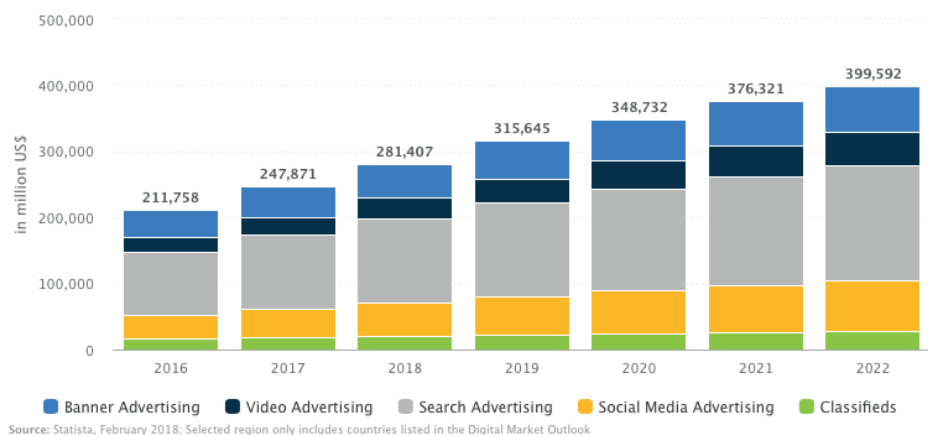
# INDEX

# ONLINE ADVERTISING MARKET AND INDUSTRY

## ONLINE ADVERTISING MARKET FIGURES

The online advertising market has been growing for years. While some (new) channels are getting a bigger percentage of the total online advertising spend, all separate categories are growing autonomously.
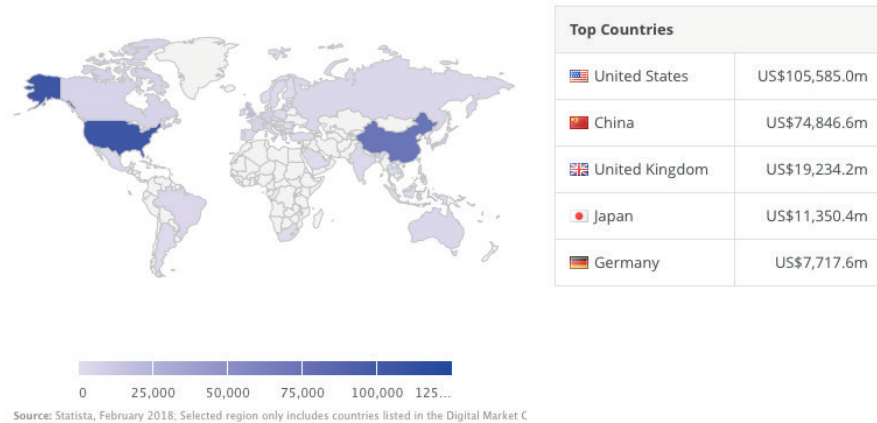


According to Statista[1] the online advertising market will keep growing every year until at least 2022. The expectation is that the market will reach $281 billion in 2018 and nearly $400 billion in 2022.

This data is supported by research of Magna Global[2], that shows us that the online advertising market has grown in 2017 (17%) and is going to grow in the coming years while offline ad sales will decrease by 0.5% to $298 Billion in 2018.  Magna global expect that the digital ad market will reach $348 Billion in 2022. The data of Magna Global is slightly less optimistic than Statista, but both support the view that the online advertising market will continue to increase in size.

---

1       Statista Digital Advertising Forecast, www.statista.com

2       Magna Global Forecast Winter Update December 2017, www.magnaglobal.com

In the figure we can clearly see that the US is the biggest country in the advertising market, which is one of the reasons why AdCoin focusses on the US ad market. Following the US are China, UK, Japan and Germany. Magna Global states that the increase in the online advertising market will be due to a further increase in these mature markets rather than emerging advertising markets.



| Top Countries | |
|---|---|
| United States | US$105,585.0m |
| China | US$74,846.6m |
| United Kingdom | US$19,234.2m |
| Japan | US$11,350.4m |
| Germany | US$7,717.6m |

Source: Statista, February 2018; Selected region only includes countries listed in the Digital Market C

## ONLINE ADVERTISING INDUSTRY

The online advertising industry is one of the biggest online markets and has seen a lot of innovation; e.g. channels and media types. While the biggest players maintain their dominant position when it comes to advertising, there is a shift in advertising and publisher preferences.

Companies who want to gain brand awareness or publishers who have a wide range of topics the classic way of online advertising through (irrelevant) banners still works. However, there is an increasing interest from companies to promote their products directly at their selected niches, which could be anything from a blogger, vlogger, online magazine or a social media influencer. Especially smaller publishers prefer alternative ways to monetize their content. A research performed by content monetizing company VigLink among 500 publishers and 100 advertisers shows that affiliate marketing and Google's publisher solution AdSense are neck-to-neck for monetising content.
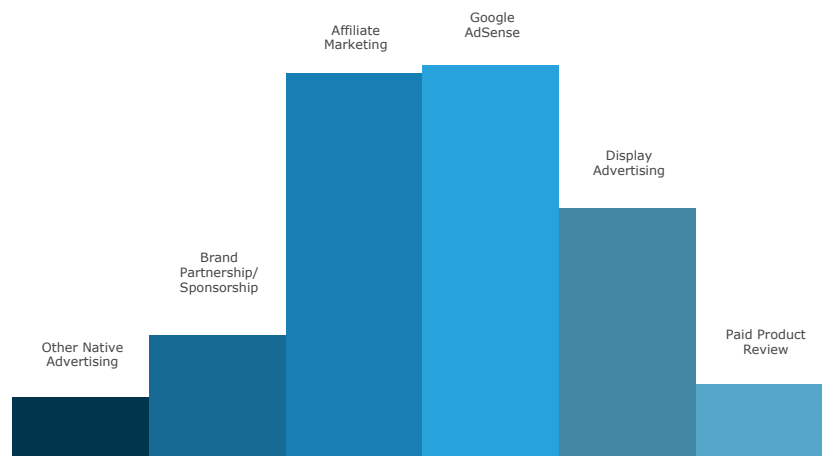
# ONLINE ADVERTISING PAYMENTS

The online advertising markets has a huge amount of companies who are buying and / or selling ads and therefor offer a wide variety of payment options. When looking at the top advertising companies of the world, the most commonly used options are Credit Card, PayPal or bank transfers.



**Intermediaries/third-parties**
+fees, restrictions, slow, closed

# THE CREATION OF ADCOIN

A lot of great products were created by trying to solve a personal frustration. The idea for AdCoin also came from such a frustration. It's hard to imagine anyone who has not seen any online advertising, whether it's a banner on a news page or a short commercial before you are able to view an online video. Advertising is an important part of the internet ecosystem and is needed to continue to publish content for free. There are a lot of discussions about online marketing, ranging from the number of ads that are shown to privacy regulations. However what seems like a trivial part of online advertising is paying for the ads, but we experienced that this can lead to extremely time-wasting frustrations, while spending significant amounts of money.

First of all, not every country has Credit Card or PayPal as their primary payment method. This makes it hard for a lot of people to pay for advertising on some of the biggest (social) platforms on the world. While we used corporate credit cards ourselves when running our businesses (all founders were already entrepreneurs before starting AdCoin), we ran into other problems. When you are scaling up your business you have increasing marketing expenses. We found that, especially around national holidays, we were unable to fund our credit card fast enough to pay for the online marketing costs. This resulted in advertising accounts being suspended and a major headache over getting our business back on its feet. While these are just two things that we thought that could be solve through blockchain we found there are a lot more benefits to using an advertising specific cryptocurrency.

In March 2017 we started brainstorming and meeting multiple times a week to discuss how we could create a blockchain project to serve our purpose. We did our research and spoke to all types of advertising companies and individuals to confirm our assumptions. After spending countless hours reading and coding we launched the AdCoin blockchain on July 8th 2017.

# WHY ADCOIN

There are a lot of advantages for using cryptocurrency over fiat currency which we will describe thoroughly further down the whitepaper, but why do we need AdCoin? There are multiple reasons for choosing our own blockchain and cryptocurrency over existing solutions.

**Timing.** At the time of the creation of AdCoin the first big Bitcoin fork was heavily debated and the future of Bitcoin was uncertain. While there were other cryptocurrency alternatives, such as Litecoin, it showed that the consensus around the future of a cryptocurrency is very important.

**Individuality.** The technological advancements of blockchain offer great opportunities but also forces to make choices on what to adopt. Since we want to focus solely on advertising related transactions there could be a potential conflict of interest with cryptocurrencies that are used for a more general purpose.

**Exchange rate.** It should not come as a surprise that the cryptocurrency market has been very volatile up until this point. By using a separate cryptocurrency, it is possible to stabilize the price per AdCoin. The more AdCoin becomes used in real applications the more stability it would bring to the volume and therefor price. With the focus on a niche market, AdCoin should be less influenced by external factors.

**Focus**. With a clear focus on facilitating advertising related transactions AdCoin can use all its resources on creating value for this market. From creating awesome integrations to making decisions on blockchain improvements, everything is done with our target group in mind!

You

The AdCoin Network
Open, peer-to-peer, secure, instant, free

Other people and businesses

# ADCOIN FOR ADVERTISING NETWORKS

## SAVE MONEY

Directly cut costs by saving on transaction fees. The average fee for AdCoin is below 0,1%. AdCoin found that a lot of money has exchanged hands within the advertising market without adding value. On average 7% of advertising spend is wasted on transaction fees. That is over $15.000.000.000 per year!

## ELIMINATE PAYMENT RISK

Most advertising networks use periodic billing to charge their fees to advertisers. Around 80% of businesses don't survive their first operational year, which means that not all bills will be paid. Reduce the risk of not getting paid by using AdCoin and charge your clients on a daily (or even hourly) basis. With only a variable percentage fee it doesn't matter how often you charge them!

## MICRO TRANSACTIONS

Enable micro transactions and attract a whole new group of publishers! With the normal processing- and administrative fees it's not sustainable to pay the small publishers on a regular basis. With AdCoin the fees are close to zero and you can use the API's to handle the administrative costs of your payouts.

## ANONYMOUS CAMPAIGNS

Want to offer anonomity for your publishers? AdCoin transactions are placed on the blockchain, but it will not reveal the identity of the publisher.

# ADCOIN FOR ADVERTISERS

## ONE CURRENCY FOR ALL YOUR PAYMENTS

Fund your advertising accounts with AdCoin. You don't have to convert to exotic fiat currency and can pay everything with one currency! No more hassle with bank-transfers and waiting for the processing of your payment. Just one wallet for all your advertising accounts worldwide.

## CHEAPER ADVERTISING

AdCoin-powered advertising networks make use of the extremely low fee, so they can offer a more competitive price per click or price per mille! A perfect win-win situation in which all parties benefit using the blockchain.

# ADCOIN FOR PUBLISHERS

## MICRO- OR INSTANT PAYMENTS

With regular fiat currencies, you need to wait several days or weeks for your payout to arrive. This is because advertising networks experience traditional bank- and transaction costs by paying their publishers so they want to batch their payments as much as possible. With AdCoin, advertising networks can payout instantly and experiencing almost zero transaction fee on the network.

## BENEFIT FROM INCREASING VALUE

As a publisher, you can choose to convert AdCoin to fiat currency, however a lot of the publishers would like to use invest in cryptocurrency. You can either keep the AdCoin and speculate on the scarcity or exchange it for other cryotocurrencies (e.g. exchange it for GameCredits and buy a games).

## REINVEST

A lot of publishers don't just receive money for showing advertisements, but also advertise themselves. With the low transactional fees and 24/7 processing of payments AdCoin is ideal to reinvest your advertising earnings.

# STRATEGY

To create real value and a financial ecosystem the AdCoin team has chosen to facilitate their partners as much as possible. This means that the team will continuously provide tools to partner up with advertisers, advertising agencies and publishers. The development is roughly divided into four different categories.

## GETADCOIN.COM BACKEND

The AdCoin team found that the wallet is one of the biggest obstacles for new cryptocurrency users. AdCoin therefor created a user-friendly web wallet which is linked to an order management system (converting fiat currency to AdCoin) and all partners using the AdCoin payment gateway are able to accept payments in AdCoin.

## API

The API is a way to interact with an AdCoin Wallet without using the provided interface. With the API you can see your account details, orders, transactions and addresses. You can also create orders, addresses and pay people with AdCoin. Create payment requests via our payment gateway etc.

All features of the web wallet are available through a solid and detailed API. Our goal is that, with a development team in place, any project should be able to fully integrate with the AdCoin wallet within a day. Integrate with AdCoin through https://www.getadcoin.com/api/

**Wallet API features**
GET /me
GET /orders
POST /orders
GET /paymentmethods
GET /addresses
POST /addresses
POST /payto
GET /balance
GET /transactions

**Payment API features**
POST /api/payments
GET /api/payments

## PAYMENT GATEWAY

AdCoin has created a payment gateway which is linked to the web wallet. This means it is extremely easy to pay or receive AdCoin. It can be as easy as entering your e-mail and password to do a payment, which is instantly broadcasted to the AdCoin network and verified after 6 blocks. To get a better idea of what this payment gateway looks like we have created some images in combination with the WooCommerce Payment plugin (see below).

## INTEGRATIONS

To increase the adoption of AdCoin as the advertising payment standard some integrations will be facilitated by the team. The goal is to create plugins and off-the-shelf integrations for the most common content management systems and e-commerce platforms.

Our first release (March 1st 2018) was a WooCommerce payment plugin. The rest of the integrations (including a stand-alone payment solution and advertising plugin for Wordpress) are scheduled for the upcoming half year and can be found in the roadmap.

## ADCOIN PAYMENTS FOR WOOCOMMERCE

Since a lot of websites are working with Wordpress and Woocommerce, the AdCoin team decided to integrate the AdCoin payment API (see above) into WooCommerce. The plugin offers the following features:

- Accept payments directly into your personal AdCoin wallet.
- Accept payment in AdCoin for physical, digital downloadable products and/ or services.
- Add AdCoin payments option to your existing online store with alternative main currency.
- Automatic conversion to AdCoin via realtime exchange rate feed and calculations.
- Zero fees and no commissions for AdCoin payments processing from any third party.
- Powerful dashboard on wallet.getadcoin.com to easily keep track of your payments.
- Fast in-house support. You will always be assisted by someone who knows our products in-and-out.

Image: AdCoin for Woocommerce


Image: AdCoin for Woocommerce

# BLOCKCHAIN DETAILS

AdCoin is built on the Litecoin code. With the hardfork that took place in February 2018 it was decided to remove a lot of the custom code that AdCoin implemented in the initial release and move to a code as close to Litecoin as we could, of course with our own parameters. In addition, we added the Dark Gravity Wave 3 difficulty regulator to improve the block spacing.

SegWit was accepted on February 3rd 2018
Dark Gravity Wave 3 was accepted on block 27000

| Algorithm | Type | RPC port | P2P port |
|---|---|---|---|
| Scrypt | PoW | 19500 | 19499 |
| **Block reward** | **Block halving** | **Total coin supply** | **Coinbase maturity** |
| 25 coins | 600,000 blocks | 100,000,000 coins | 20 blocks |
| **Target spacing** | **Target timespan** | **Transaction confirmations** | **Seednodes** |
| 5 minutes | 10 minutes | 6 blocks | node1.getadcoin.com & node2.getadcoin.com |

# ROADMAP

**Q1, 2017** — Concept & market research. Validation of idea.

Started development — **Q2, 2017**

**Q2, 2017** — IT infrastructure setup

AdCoin v1.0 blockchain launch — **Q3, 2017**

**Q3, 2017** — AdCoin introduction to the public. Windows QT wallet.

Blockchain Explorer live. — **Q3, 2017**

**Q3, 2017** — Listed on CoinsMarkets.

Listed on Cryptopia. — **Q3, 2017**

**Q3, 2017** — Launching OSX wallet

Listed on CoinExchange.

**Q3, 2017**

**Q4, 2017**

Launched Android wallet collaboration with Coinomi.

AdCoin registered at the Chamber of Commerce

**Q4, 2017**

**Q4, 2017**

Launched web-wallet

New order management build on the web-wallet

**Q4, 2017**

**Q1, 2018**

DGW3 difficulty regulator fork.

SegWit protocol implementated.

**Q1, 2018**

**Q1, 2018**

Released REST API for advertisers, advertising agencies and publishers

Released WooCommerce (Wordpress) payment plugin for AdCoin

**Q1, 2018**

**Q1, 2018** Released of stand-alone AdCoin payment plugin for Wordpress

Release of WordPress advertising plugin **Q2, 2018**

**Q2, 2018** Release of AdCoin Advertising Network

Announcement of first partnerships **Q2, 2018**

**Q2, 2018** Starting AdCoin business development in the US

Releasing integration with Drupal **Q3, 2018**

**Q3, 2018** Starting AdCoin business development in South America (Brasil)

Releasing integration with Magento **Q4, 2018**

**Q4, 2018** Starting AdCoin business development in Asia (Singapore)

**Q4, 2018**    Releas of affiliate tools

Major networks are adopting
(micro-)transactions based on AdCoin.    **2019**

**> 2020**    90% of the online advertising related
transactions from our partners are
taking place in AdCoin

# ADCOIN WEB WALLET

AdCoin needs to be stored safely in a wallet. The AdCoin team developed wallets for Mac and Windows as well as a web wallet.

Our AdCoin team took great care in developing the web wallet. The wallet is packed with great features such as QR-codes, two factor authentication (2FA), search by email, integrated order management and a clear overview of the user's current balance and past transactions.

Digital security is a high priority in all releases from the AdCoin team. Our web wallet is secured with the lastest protection details, to make sure that the AdCoin are stored safely.

The AdCoin web wallet is currently available in English aswell as in German. More languages are coming in the near future.
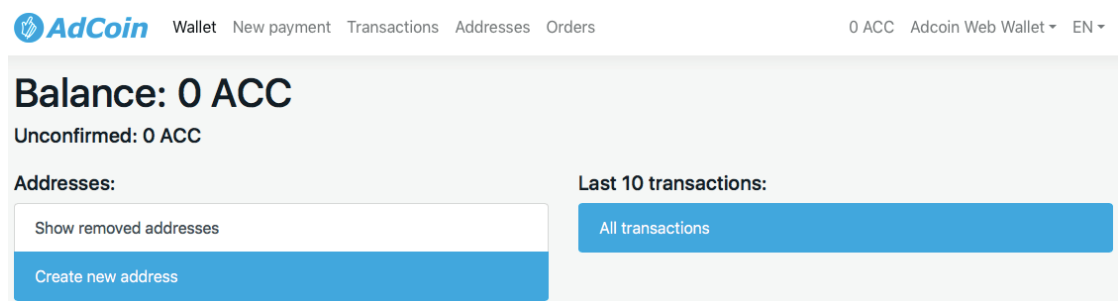


Image: Interface AdCoin Web Wallet
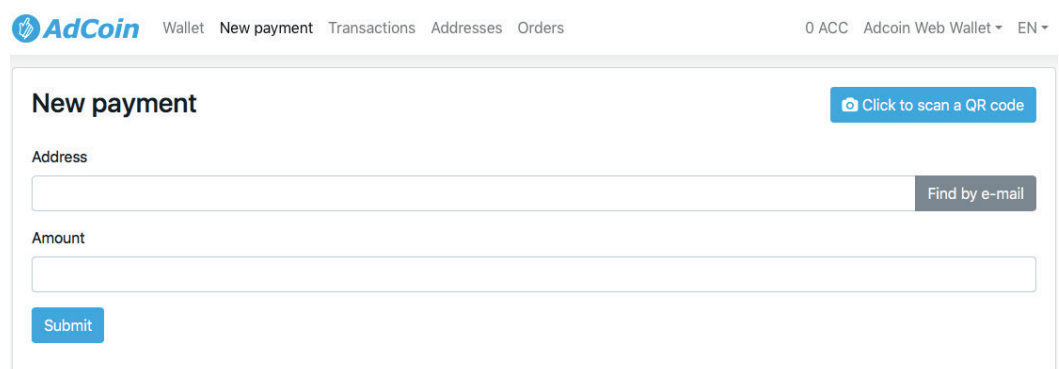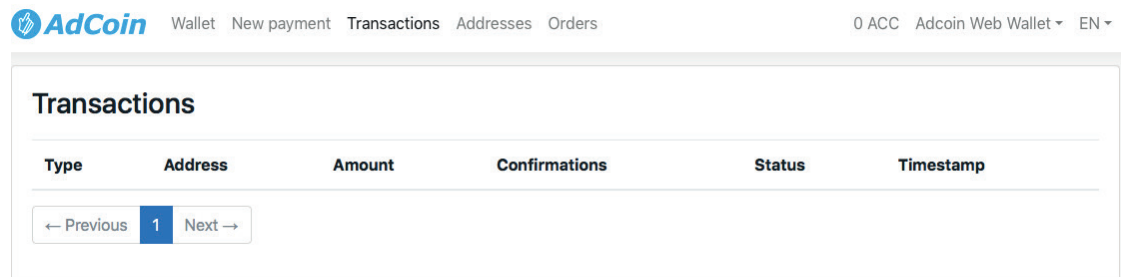


Image: New payment
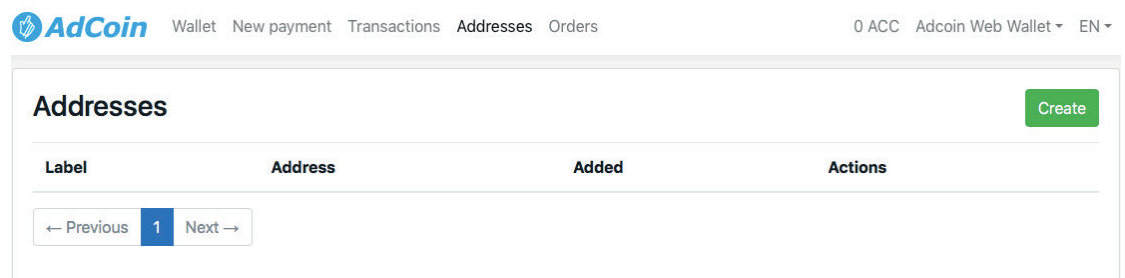
Our development team focussed on usability. It is very easy to send your AdCoin to other people. You only need to enter a valid email address and the amount of AdCoin you want to send in the 'New payment' option and press 'Submit'. Or transfer AdCoin by scanning a QR Code.
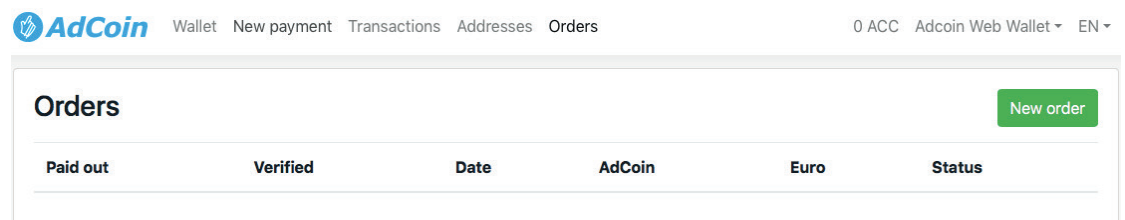


Image: Overview last made transactions



Image: Addressbook for (frequently)used contacts



Image: Overview Orders

# ADCOIN TEAM

The team started with 4 entrepreneurs, each with their own specialism. The team grows rapidly and is getting more community driven. Below we present the current team structure. We want to emphasize that the people working to improve AdCoin are not necessarily holding AdCoin or working for the AdCoin company.

## FOUNDERS

**Patrick van Dijl**

*Fintech enthusiast who enjoys the human-to-human part of business.*

**Niels-Jan van der Hoek**

*The networker who connects AdCoin to executives and the media.*

**Jerry Donker**

*The serial entrepreneur who lives the "getting things done" philosophy.*

**Ricardo Oosterling**

*Prefers to talk in Linux command lines while working on our security.*

## DEVELOPERS

**Anne Douwe Bouma**

*Core developer and the brains behind the web wallet and API.*

**Melissa Gol**

*Enjoys working on big projects and chooses coding over sleeping.*

**Maxim van Dijk**

*The integration guru. Work hard, integrate harder.*

**Peter Willemsen**

*Blockchain and C++ genius, the go-to guy for the AdCoin chain.*

## MARKETING & PR

**Lars Berger**

*Breathes optimism and reaches out to all AdCoin customers.*

**Matthijs Munter**

*Translating the wishes of the stakeholders to the best possible UX.*

## CUSTOMER SUPPORT

**Yvonne Keemink**

*A happy customer is a happy Yvonne.*

## COMMUNITY MANAGERS AND MODERATORS

**Jeroen van IJzendoorn**

*The Telegram moderator who always smiles and thinks in possibilities.*

**Nick Hoedemakers**

*Our first miner and crypto enthusiast who helps out wherever he can.*

## ADVISORS

**Ivan Ho**

*Only thinks in solutions and connects us to the outside world.*

# ADCOIN COMPANY

We firmly believe that the community around AdCoin is the foundation of (future) success and that decentralization is what makes cryptocurrency great. Unfortunately, regulations force us to centralize in some way. AdCoin is registered at the Chamber of Commerce in the Netherlands under the name AdCoin Click B.V. The company's main purpose is to perform the conversion between fiat currency and AdCoin. In addition, it is the legal entity for partnerships with advertising companies.

## CONTACT US

If you have any questions for the AdCoin Team: Feel free to contact us through one of our communication channels:

www.getadcoin.com
Telegram: adcoinacc
Facebook: getadcoin
Twitter: @getadcoin

AdCoin
Whitepaper
Version 2