

# WHITE PAPER



**DANDELION is China's Social Media Platform Using Blockchain  
Technology**

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## **I. What is DANDELION**

DANDELION is China's non-ad funded social media platform. It is a new and novel platform where many individuals can create and find useful articles. With DAN tokens as the key driver, we remove ads and stealth marketing so that people can quickly access and find high quality articles and trusted individuals. To be honest, we were intrigued by STEEM (<https://steem.io>), which helped to inspire the conception of DANDELION.

We were surprised and at the same time wanted to know how such a scheme is possible, so we researched STEEM thoroughly. The more we researched about STEEM, the more we liked what we found.

At STEEM, the platform itself is being evaluated. This results in STEEM's tokens increasing in value, which can then be traded in exchanges at a higher price. This scheme is possible because the increase in value is being distributed to creators and evaluators of articles.

We now truly feel that there is a new era in media. Traditionally the media has relied on ads for their revenue (as you may know, more than 70% of both Google and Facebook's revenue rely on ad sales), and it is unavoidable for users to see ads or ad-like articles when browsing. Under such conditions, there have been various counter-measures in the ad industry.

For example, incentives are paid when users allow the ads to appear, or show only the ads users truly are interested in by means of machine learning, etc. However, none of them seem to be successful so far, and users are still forced to consume unwanted and meaningless ads that are inspired by native ads trend (these are much worse since they don't even look like ads).

STEEM has the power to change the rules of economics from the ground up. STEEM is a great service and we are inspired by it however, we saw two big shortcomings. First, the token scheme, which is the backbone of the platform, is too complicated and takes a long time to understand. STEEM has several types of tokens: STEEM, STEEM SP and STEEM dollars. In order to acquire them there is complex and the rules of operating the platform are very

difficult to understand for first-time users. This prevents new users with lower literacy from joining, which is negative in terms of activation and retention. We consider these to be the most important points for a media platform. Secondly, STEEM is not localized for the China audience at all.

We launched the DANDELION project to solve this. DANDELION has three features the traditional social media lack:

1. Many high quality articles that can be accessed quickly and easily
2. The value of the platform is passed onto the users
3. Reliability of data that is possible with Blockchain at a lower cost than before

## **II. Target market size and the appeal of the Japanese market**

### **1. Overview of the Social Media ecosystem in China**

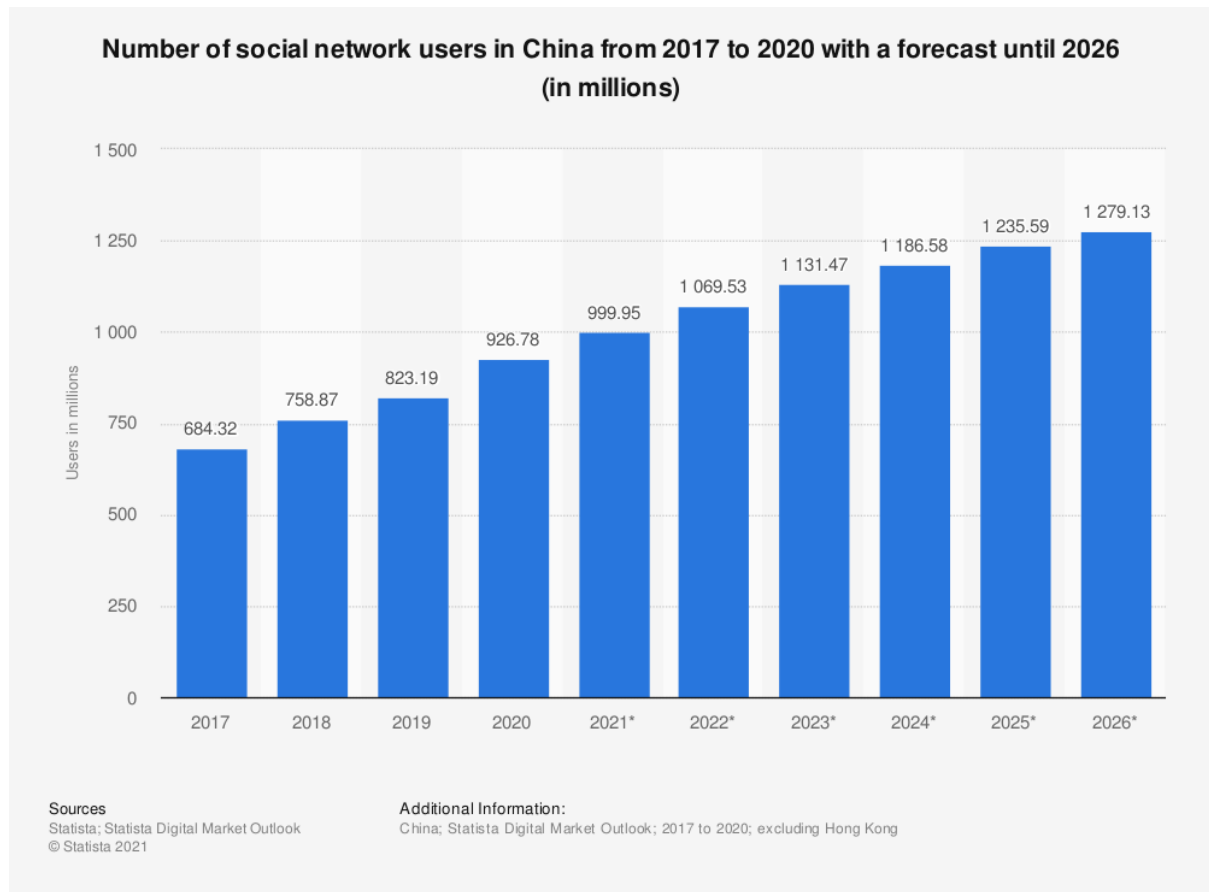
According to Statista, there were around 926,8 million social media users in China in 2020 and it is expected to grow significantly. Despite Facebook, YouTube, and Twitter being blocked in the country, Chinese social media sites such as Douyin, WeChat, and Weibo have been attracting millions of users, making China the world's biggest social media market. Chinese people increasingly depend on these platforms as a place to share their opinions, ask for product advice and connect with others. Out of the 904 million Chinese people now using the internet, 897 million people are on a mobile device showing how much the mobile is used in China.

China is not only the world's largest social media market - it also boasts an incredibly rich and diverse online landscape.

After all, over 800 million Chinese internet users are looking for a place to share their opinions, ask for product recommendations, and connect with others. That's a lot of content.

While Facebook, Instagram, and Twitter continue to dominate the western world, China has seen the emergence of many innovative new social platforms. This includes video sharing platforms like Douyin, as well as shopping communities like Xiaohongshu.

In this changing environment, global brands looking to build their presence in the Chinese market need to keep a close eye on what's happening with these platforms.



## 2. Social media users in China

Around 90% of the Chinese population uses the internet. Social networking plays a huge role among netizens, especially the younger generation. In fact, after the '90s, people of the Z generation are the biggest portion of social media users. To maximize social media marketing in China, it is necessary to create content that targets this group to lead to positive results efficiently. Chinese social media not only serves as a way to communicate online, but also as one of the main sources of news and entertainment, shopping advisors, dating channels, and e-payments.

## 3. Why is Chinese social media important for global brands?

The numbers tell you everything you need to know.

According to a Chinese government study, 802 million people in China are now active internet users. This amounts to 57.7% of the country's population.

Compare the US's estimated 300 million internet users, or 78.2% of its population. While China might not yet have the same market penetration, it has a greater potential for growth.

Even more interesting is the incredible level of mobile uptake in China: 98% of Chinese people using the internet do so via mobile devices. Compare that with just 73% in the US.

This makes Chinese social media more immediate and dynamic, with mobile users looking to platforms like WeChat and Weibo for the latest recommendations, testimonials, and tips.

This high mobile penetration also helps drive the performance of massive online events like Alibaba's Singles Day.

For global brands, the sheer size of the Chinese consumer market makes it critical to dedicate time and energy to tracking trends on social media.

Not only is China a significant market, but many popular trends in wider Asia start in China.

#### **4. What makes Chinese social media unique?**

Chinese social media platforms are highly focused on attracting mobile users, meaning sites are geared for quick and instantaneous sharing.

Unfortunately, this strong mobile focus presents difficulties for social listening. Businesses need special expertise to track and analyze online discussions about brands, products, and topics.

As western social media platforms like Facebook, Instagram, and Twitter struggle to get a foothold in China, Chinese social media companies step up and take the opportunity to innovate. This has led to the rise of a huge number of social media platforms, giving users more choice.

Rather than being dominated by a small group of companies, the Chinese social media landscape is more dynamic, with platforms rising and falling on a faster timescale.

Finally, these large user numbers allows Chinese social media platforms to gather a rich volume of content at the local level. Rather than reading depersonalized or bland product reviews, users can access meaningful, in-depth content tailored to their interests and location.

We want to focus on the Japanese market as a first step. DANDELION has the language capabilities for the China market and the advantage of potentially being a pioneer in China. This implies that it is possible for DANDELION to establish itself as a monopolistic player. As for the language barrier, Microsoft has already released a simultaneous translation tool, and we are projecting that the service will be available beyond any language barrier in 5 years. In addition, China's nominal GDP is 14.72 trillion USD (2020), which is 2nd in the world, which shows China is a big market.

This is the reason why we think Japan is the market we should go after. In order for DANDELION to reach initial success, we believe that the best strategy is to gain an overwhelming share of the China market. Additionally, the core members of the DANDELION project were born and raised in China, meaning that we have insight into the local and business culture. After establishing ourselves in China, we feel then we will be in a stronger position to take on the global market.

### **III. Platform growth strategy in China**

We have three growth strategy steps for the China market.

1. Establish market shares in niche areas (virtual currency, popular anime and manga)
2. Expand into word-of-mouth websites (restaurants, travel, dieting to life events such as school admission, marriage, and home purchase)

3. Based on an analysis of accumulated information from users, deploy a new service

Let's first take a look at step one. One of our Team members has experience developing an SNS platform for the Korean market. From that experience, he learned that the most important factor for growth of a social platform is "feedback from the users." This is rather obvious if you are a Facebook or Instagram user, since many users give feedback. so one of the biggest challenges is "feedback from users." Luckily, this challenge can be met by using token distribution logic. The logic will be described later, but basically people will be able to "find undiscovered articles and rate it by giving likes." This is a unique solution for how DANDELION can give rewards, and powerful since it is built into an economic rule. Also, a second important factor for growth we looked at is "how to start from a small circle," like Facebook . Facebook started as a community tool for Harvard University, both being from a "small circle." To implement this into our strategy, we will first increase the number of articles towards "people who are interested in virtual currency and tokens." The reasons are:

1. There is a lot of information about virtual currency that is not reliable, and people are looking for a trusted source
2. The information about crypto currency we find is mostly of low quality and useless
3. Most importantly, we are truly interested in virtual currency and tokens, which makes us feel passionate about working with these types of articles

With the above in mind, we will summarize the outline of our growth strategy below.

- A. Efficiently acquire users in areas that are niche and where many users require highly reliable information and sources.



B. Prepare a scheme where users can receive a lot of feedback, with rewards at the core (notification alert of new articles by specifying tags, notification alerts of comments on one's article)

Initially, since quantity is priority, we will build a logic system where creators of high quality articles will receive more tokens. However, as the platform grows, we feel this ratio should undergo a change. We want to change the reward parameters so that key drivers will be maximized at the right time for growth, but if we do that, it will be centralized. Therefore, we would like to have users of DAN tokens vote for the parameter adjustments when the time comes. As a reference, below is the system diagram at the time of the start of service. We would like to add that this is rather tentative, and as the situation changes, many modifications may be required.

If the strategy above succeeds, DANDELION will be able to establish itself as "the platform where trusted information and people gather." What we will do after achieving this is:

a. Expand into word-of-mouth websites

This strategy will be focusing on daily events such as restaurants, travel, dieting or life events such as school admission, marriage, and home purchase because people tend to look up information based on what others say regarding these topics.

Finally, in the long term:

b. Based on an analysis of accumulated information from users, deploy a new service

We are considering building a system where jobs can be ordered and received on DANDELION in China.

World and is facing a serious shortage of workers. In this situation, when productivity of each worker is not maximized, work is broken down into smaller roles, and productivity improvement is sought by people working beyond corporate barriers. The main obstacle to this is that "the reliability of an

individual is not visualized at all." To address this, we hope to utilize the trusted data, which will be accumulated through DANDELION. This is our hypothesis - people who do good work tend to disseminate good work tend to disseminate good information.

To be more direct, people who do good work are usually trusted. In other words, the data gained via information gathering and dissemination can also be utilized for work, and an eco-system tied to national policy is possible to be realized. When this eco-system is realized, naturally payments will occur. In order to increase the usability of DAN tokens as currency, we will focus on strengthening the wallet function.

#### **IV. Platform introduction and its features**

In DANDELION, we will distribute more DAN tokens to creators of articles rated by users as good, and to those who evaluated such articles. In other words, this is social media platform where one can find trusted articles and people by means of rewards. Such media itself is rather a new concept, and features of our platform in comparison with existing STEEM are:

1. We have only token for simplicity and rules of platform evolution are also simplified
2. We allow for the virtual currency's instability, and by limiting inflation more than STEEM, our platform will achieve long-term sustainability
3. We will set the final goal of the "visualization of people's trust" and our vision is promoting this in connection with national policy

DANDELION also lists reliable people with their tags of specialty. You can search highly reliable articles and people through tags. The author of the article will attach the tags, but we are also planning to develop a function to assign the best tags automatically by natural language analysis using the topic model ([https://en.wikipedia.org/wiki/Topic\\_model](https://en.wikipedia.org/wiki/Topic_model)). With these kind of functions, DANDELION provides the value of immediate access to the articles / people that are trustworthy on topics of interest. This function, the ability to search for people, makes DANDELION different from STEEM.

## **V. How high quality articles are attracted**

How can requiring the creation or evaluation of articles be considered good? It is when more rewards are paid to the people who created or found articles that are deemed good. Additionally, some other strong motivations are the desire to contribute to others and fulfilling the need of approval. Designing with these needs in mind provides some pre-conditions for creating a social media platform. DANDELION's reward system will motivate users along with these needs. By being evaluated by those with more DAN tokens, one can receive more rewards. Also, for evaluators of high quality articles, being early in evaluating articles deemed good by many people means they can receive more rewards. In addition to these, the more DAN tokens one has, the more rewards they can get. The more one creates or finds high quality articles the more DAN tokens they will get, and such an incentive results in a positive spiral effect. This is the reason why it attracts good quality articles.

This clearly shows that the reward system is the key driver for the growth of the platform. We have been describing the monetary side of rewards only, but this reward cannot be separated from the need of approval previously described. Since the rewards are shown as numbers, this is an index, which indicates their contribution to others and the platform. Even if we disregard the monetary aspect, it may be able to achieve same effects as number of likes on Facebook, in the context of need for approval alone.

## **VI. How DANDELION can continue to grow for the long-term**

The most important factor in order to be deemed a truly valuable platform is the user retention and desire that makes them want to continue using a platform. There are ways to do this and we have tied this to the characteristics of our token, which we would like to mention here. We think it is important to create a scheme where those who own DAN tokens strive for the development of the platform. It is therefore important that they receive more tokens. However, the next reward rate will be based on the participation period as well as the amount of DAN balance. This gives users a reason to hold DAN for a long time instead of withdrawing it for trading.

## **VII. How tokens are created and distributed**

DANDELION is set to procure funds with an ICO, issuing 500 million tokens and exchanging half of them with Tron Blockchain. The upper limit of distribution is 250 million and the remaining tokens (250 million) will be owned by our stakeholders and us. The reason why we plan to own 50% is that we ourselves will have a healthy incentive to develop the platform. However, we must mention that just because we own the largest percentage of tokens, doesn't mean we decide how the value of this platform will be created. Also, we cannot sell the tokens we own on a whim (we will have a contractual limit on our ability to sell tokens).

With regard to amount of distribution

1. Distributed to those who create great articles
2. Distributed to those who give early evaluations on articles

We will create a logic system where the more DAN tokens one owns, the more they can receive from this distribution. In other words, we consider those who contribute to DANDELION's platform long-term and who hold more tokens as the most important stakeholders, so we set the rules in order for them to have more benefits. This is similar to PoI (Proof of Importance) and if the user is important and cares about the platform, they will contribute to the platform in a healthy way. If this is the case, one potential concern is that if someone purchases a large quantity of DAN tokens they will be able to suddenly change the value of platform as they wish. Regarding this concern, as already mentioned, it takes time for DAN tokens to become effective on the platform. In other words, we will prevent users with a large amount of tokens from any wrongdoing. We will maintain the incentive to hold the tokens on the platform.

## **VIII. Details about the distribution of logic and adjustment of parameters**

First, we mentioned the overall issuance of DAN tokens. As described, we plan to issue 500 million to begin with, and sell up to 250 million in a crowdsale.

Our team will receive the unsold DANDELION tokens, but we contractually will not be able to withdraw the tokens for Five years.

We are going to describe the logic of this distribution, but first we would like to share our principles here.

1. Both creators and evaluators are important, but the creation of article takes more time, so creators should receive a bigger incentive.
2. The creator of an article will receive more coins as they get more likes. Similarly, the evaluator of an article will receive more coins as they evaluate more articles that get more likes.
3. The amount and logic of the distribution of coins should change as the platform evolves.

According to these principles, we will have logic in place where 70% will go to creators and 30% will go to evaluators .

This is because we believe it is important to have more articles to start with. However, after that, the importance index will shift to the evaluation of articles. In that case, we need to increase the distribution to the evaluators. These parameters should change in value in accordance with stages of the platform, but if we implement that as operators of this platform, it would be too centralized. When we receive a request to adjust this parameter from the community, we will have the DANDELION token owners vote, and based on those results (with a vote of more than 51%), we will change the parameter.

## **IX. How fraud is prevented**

When the above distribution logic is followed, the following are examples of possible fraud for users in token acquisition, and the majority of users can suffer losses if:

1. A user creates multiple dummy accounts and gives likes to articles created by themselves, gaining DAN tokens

2. Certain users collude and give likes to specific articles, gaining tokens

We already have taken measures to prevent fraud. Firstly, we will have measures to prevent the easy creation of dummy accounts. Specifically, users must authenticate their accounts with SMS or registration with a Facebook account. Secondly, we will monitor potential fraud by:

1. When a user evaluates an article and evaluates another article immediately after, the evaluation will be nullified (because statistically there aren't many users who can read articles that quickly).
2. By checking the dislike evaluation ration of a disliked article, the distribution of dislikes to the user that are considered to be taking part in fraud will be nullified.

This idea is used by the fraud prevention logic already employed by STEEM, and since STEEM is functioning well, we can expect the same for our platform too.

## **X. The Blockchain technology used in DANDELION**

Needless to say, the most fitting technology for securing the trust that we are aiming for is with Tron Blockchain, DANDELION's underlying technology.

### **Tron is a decentralized e**

TRON is an online platform built for the widespread distribution of media and entertainment, and the platform's native cryptocurrency is known as TRONix (TRX). This decentralized system leverages the strengths of blockchain to empower creators with access to low-cost distribution. The TRON blockchain platform is designed to foster the development of decentralized applications (dApps) and generally requires fewer computational resources for application development than other dApp-focused blockchains. The TRON blockchain network has already realized significant success, drawing comparisons with Ethereum and achieving a market capitalization of 2.1B USD (as of January

2021). The platform was launched in September 2017 by the TRON Foundation, a non-profit entity led by CEO Justin Sun, and is based in both Singapore and California.

TRON's open, decentralized platform and distributed storage technology allows creators of digital content to cut out middlemen such as the Apple Store and Google Play Store. Content producers are thus able to obtain funds directly from consumers.

Using the Tron cryptocurrency's ecosystem, not only can you share content with other people, but you are compensated as a content creator for the content and data that you create. This model serves in direct opposition to how traditional social media companies, such as Facebook, monetize user data. They often do it without the user knowing, reaping in the benefits for themselves. When you use Tron cryptocurrency, you are in control of your data and you will be compensated for your content.

We will use the Blockchain technology for keeping record of evaluations and reward articles created by users. The approval is done by users who have valid DANDELION coins in the DANDELION wallet. These users will judge whether the points calculated are appropriate, and distribute them to users as such. The Tron Blockchain technology is well suited for the distribution of coins where fraud is most likely to occur, so we chose this technology.

Unlike STEEM, we plan to use both on chain and off chain depending on the situation. For example, posted articles should not be saved in the blockchain, because the data structure is not suitable for searching and deep learning. We plan to develop using MySQL, Elastic search, or etc.

## **XI. The vision and mission of the team**

The DANDELION team's vision and mission are clear. Our vision is to visualize useful information for people and accelerate the speed of our growth in the economic .The nation's vision of a "one hundred million people active society" is in the process of carrying out the mission of "work style reform." There are ways to improve productivity of each citizen, but one of the most important ones is "increasing the range of work one person takes part in." This, known as a side occupation, is increasing, but it has a major obstacle. That is,

since an individual (not an organization) is doing the work, it can be difficult unless the individual's trust is secured. To address this problem, DANDELION is a platform where reliable articles and people can meet through networking. In other words, our mission is:

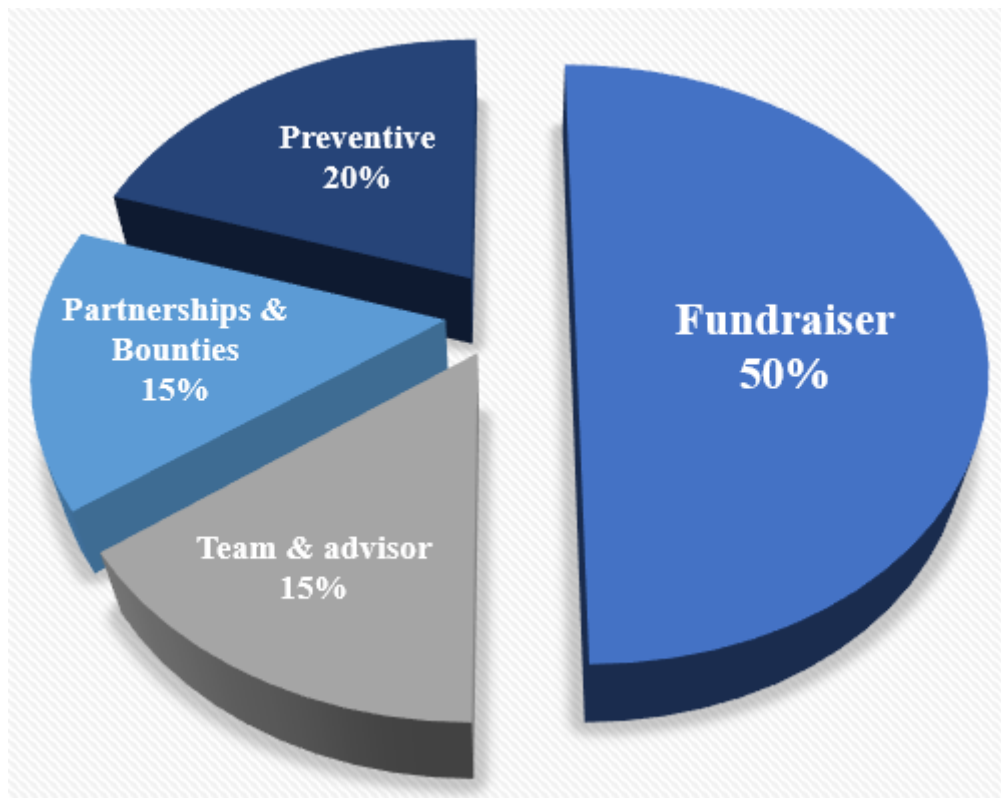
1. By use of rewards, useful vs. useless information and trustworthy vs. untrustworthy people can be distinguished.
2. No matter how much an individual lacks trust, trust is awarded to those who have created or found the useful article.
3. Realizing a platform where people can take part in an autonomous economic sphere.

We believe we can achieve this vision since we are serious, and we think it is a mission we should carry out. Also, we would like to mention that the core members are all rather well versed in management, business strategy, service development, marketing and engineering, each with their own specialization, therefore being a balanced team.

## **XII. DAN Token**

All funds received from the Fundraiser will be used for the development, maintenance and deployment of DANDELION ecosystem. DANDELION issuing 500 million tokens on Tron Blockchain .





### **XIII. The conclusion**

Thank you for taking the time to read this. Our vision is to create a media platform, which allows the reader to quickly access trustworthy articles/people, freeing people from meaningless advertisements and stealth marketing. In addition, we hope to transform into a platform where receiving and placing of job orders are possible for B2C and C2C.

The China market has great potential although there are only a few domestic players with an advantage in the field of Blockchain technology today. China is also well known for its difficulty to enter for overseas entities. These points show that the China market holds a huge opportunity for a competitive strategy. We have a high chance of succeeding in the China market.

As you can see, we are ready and fired up about the DANDELION platform. We believe this is an opportunity to realize what we view as an ideal world, and it is an opportunity to take on the challenge with the backing of our supporters.

