

Netkoin (NTK)

Reinventing the retail business and customer relationship

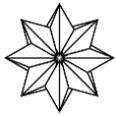
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Abstract

Netkoin (NTK) is an ERC20 token based on the Ethereum blockchain. The NTK token will be used to power Netkoin's universal rewards system on Netkoin's location based mobile application and business management platform.

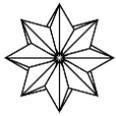
Netkoin's location based mobile advertising application aims to make retail shopping relevant and rewarding for customers based on their location. The mobile application will contain numerous features and filters in order to provide the customer with a personalized retail shopping experience, while maintaining the highest level of user's data security and privacy.

Netkoin's business management platform will be utilized by retail stores to enable business owners to manage their stores advertising on the Netkoin mobile application. Businesses can integrate their store's social media content, providing them with a single place of advertising their businesses content with shoppers. Therefore reducing content marketing management by the retail business marketing team.



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1. Value Proposition

Netkoin proposes an ecosystem designed to change the way customers perform their shopping and help businesses to advertise and drive customers to their stores. The Netkoin ecosystem includes:

- **NTK token:** The Netkoin token will be used to power the universal reward system in Netkoin's location based mobile application and business management platform.
- **Customers:** Providing customers access to local trends, promotions, deals and rewards based on their current or any location. Enabling customers to become aware of social media posts and trends from businesses around them.
- **Retail business owners:** Affordable and more effective advertising, enabling businesses to target nearby shoppers with incentives to visit their stores.

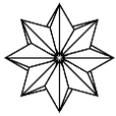
2. Introduction

2.1 Retail Market Challenges

The current brick and mortar retail market has been experiencing a number of challenges due to the rise of online retail. Coupled with the increase usage of mobile devices and a dramatic switch to mobile advertising. Online retail has been gaining momentum in recent years, offering customers goods and services at lower prices with the convenience and simplicity of delivery. Therefore brick and mortar retail stores are finding it increasingly difficult to drive customers into their stores, especially nearby and local customers.

Advertising and marketing a retail store has become an increasingly time consuming task. Brick and mortar retail stores are struggling to direct their businesses online advertising to their physical retail stores. Brick and mortar retail needs to adopt incentivized mobile location based advertising systems to attract nearby customers to their stores. This advertising process needs to be seamless and linked to their social media accounts and easily manageable.

Retail stores are often required to double their marketing efforts to ensure that their brand, name and products are in front of customers as often as possible. Online businesses are constantly available to consumers on the Internet and this is part of their presence. In most cases brick and



mortar retailers social media marketing are not fully optimized can be drastically improved to target their online customers and incentivizing them to visit their store.

The new generation of shoppers has proven to be a difficult task for retailers to pin down. Customers are now demanding a simplified and relevant shopping experience. They also tend to focus more on investing in experiences more than products, this forces retailers to change their traditional marketing model and adapt.

2.2 Retail Customer Challenges

The recent surge of mobile device usage, rise of online retailers, high penetration of social media adoption and the merge of mobile and social media is changing customers shopping expectations and how they do their shopping.

it is becoming increasingly difficult for customers to find nearby stores around them that fulfill their shopping needs without doing immense amount of research on social media and the internet. Customers are also finding it difficult to discover promotions or deals from retail stores that are available to them, and if they are close by. These are some of the many reasons why many retail customers are flocking to online retailers for their shopping. Retail shopping has become inefficient and generalized for all customers.

Shoppers are faced with a multitude of non-compatible and diverse loyalty and rewards systems. These loyalty systems are individually independent to the business offering the loyalty system. Loyalty reward systems need to be compatible across multiple and different stores and businesses. Enabling customers easy use access of these rewards based on their needs.

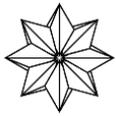
2.3 Mobile advertising spending

Mobile advertising will continue to be an important part of the retail business marketing strategy.

According to eMarketer, Mobile will be responsible for a rising share of total media ad spending, accounting for nearly one-fifth of all ad investment in 2016.

Mobile Internet Ad Spending Worldwide is estimated to reach USD \$247.36 Billion by 2020. This represents 76% of the total digital ad spending (Source: eMarketer, Sep 2016).

Netkoin location based advertising mobile application is well positioned to take advantage of this growing market through its innovative and unique offering.



2.4 Loyalty Management Market

The global loyalty management market has been valued at USD \$1.94 billion in 2016 and is projected to reach USD \$7.305 billion by the end of 2022, growing at a CAGR of 24.73% during the forecast period 2017-2022. Loyalty programs are specially designed to reward customers for their past purchases and to provide them with incentives for making future purchases (Source: Orbis Research, January 18, 2017).

Netkoin is well positioned to cover both areas of mobile advertising and loyalty markets and the huge market revenue these both areas represent.

By combining both mobile advertising, location based service, loyalty and payments all through the Netkoin Token that is easily converted to a fiat value.

3. Netkoin ecosystem

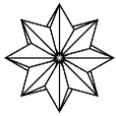
3.1 Token

Netkoin (NTK) is an ERC20 token based on the Ethereum blockchain. The token can be used as basic ERC20 token for sending and receiving NTK. The NTK token will also be used to power Netkoin's universal rewards system on Netkoin's location based mobile application and business management platform. In the location based mobile application the NTK token will also be used a unit of exchange when redeeming goods and services from businesses as listed on their store profiles.

The NTK tokens are not refundable, nor are they securities or for speculation. There is no promise of future performance. There is no promise or suggestion that NTK currently has or will hold a particular value. NTKs give no rights in the Netkoin company and do not represent participation in the company. The NTK tokens are sold as a functional good. Any value received by the Netkoin company may be spent without conditions.

3.2 Location based Mobile application

Netkoin's location based mobile advertising application aims to make retail shopping relevant and rewarding for customers based on their location. The mobile application will contain numerous features and filters in order to provide the customer with a personalized retail shopping experience, while maintaining the highest level of user's data security and privacy. The



components and features of the mobile application will be outlined in this section of the whitepaper.

3.2.1 Nearby stores

Customers will be able to discover nearby stores based on their current or any location they choose. These stores will be presented on the mobile app in order of distance from the user's current location. The stores on this list will include all their retail stores information as provided through their businesses social media page. The retail stores basic information will be presented on a store profile where all relevant information to the business will be stored. The type of information that will be available on the store profile will include the stores name, address, current deals, promotions and rewards.

3.2.2 Promotions and deals

Customers will be able to browse through promotions and deals from stores on the mobile application based on their current or any location. Promotion or deals are created by businesses to advertise aspects of the their store they would like to promote to nearby users. These promotions are pulled directly from the store's social media posts seamlessly, and are presented to the users on the mobile application.

3.2.3 Trends

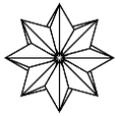
There will be a section within the mobile application which will enable customers to browse trending stores, promotions or deals based on their current or any location. Trends are determined by a number of factors such as number of NTK tokens collected from a store, views or visits to a store.

3.2.4 Wallet

A wallet will be built into the app to store NTK tokens which have been collected by customers while using the location based mobile application. The wallet will also be able to send and receive NTK tokens from addresses and wallets that are not on the mobile application. Essentially this Netkoin wallet integrated into the mobile application will have the same functionality as a normal ethereum based wallet.

3.2.5 Collecting Netkoin (NTK) tokens

Customers will earn and collect NTK tokens from stores by completing specific tasks. The NTK tokens collected from completing the tasks will be stored on the Netkoin wallet, that is included



in the location based mobile application. Customers will be able to collect NTK tokens by performing the following tasks:

3.2.5.1 Stepping-in

Customers will receive NTK tokens automatically when stepping into a store which is listed on the Netkoin location based mobile application. The customer will need to be inside the store to earn the NTK tokens. The amount of Tokens earned, frequency and availability for a customer will be determined, decided and managed by the Netkoin platform.

3.2.5.2 Barcodes

Customers can earn NTK tokens by scanning certain product barcodes as indicated on the businesses store profile. For example, a customer will be able to earn NTK token by scanning the barcode of certain product on a store shelf in the store they are in, following the instructions and conditions set by the business.

3.2.5.3 Redeeming deals and rewards

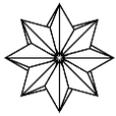
Customers can redeem goods and services offered by stores with the NTK tokens they have collected from stepping-in and scanning barcodes, the goods and services available for purchase with NTK tokens will be directly managed and decided by each store. All Netkoin tokens will be accepted on the location based mobile application including those tokens not collected within the mobile application.

3.3 Business management platform

Netkoin's business management platform will be utilized by retail stores to enable business owners to manage their stores advertising on the Netkoin mobile application. Enabling integration with the store's social media content that provides a single place of sharing advertising content with shoppers. Therefore reduce marketing content management by the retail business marketing team. The management platform will be used by business owners to manage all components and aspects of their businesses presence on Netkoin's mobile application. The components and features of Netkoin's business management platform will be outlined in this section of the white paper.

3.3.1 Social media registration

Business owners will be able register their business by simply logging in with their social media business account (i.e Facebook admin account of their businesses Facebook page). The platform



will automatically detect the social media pages (i.e Facebook) associated with the account, and will enable the business owner to add the pages to their Netkoin business account. Through this process the stores automatic registration is based on the details provided by the businesses social media accounts.

3.3.2 Promotions and Deals

Businesses promotions and deals can be manually created on the business management platform. Businesses can also use their social media (i.e facebook) posts as promotions and deals. If they opt for this option, their social media (i.e facebook) posts will be automatically pulled and regularly refreshed from their businesses facebook page and displayed on Netkoin's location based mobile application.

3.3.3 Business Users

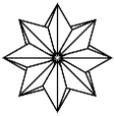
Businesses owner can assign admin accounts to manage certain features of their business on the Netkoin business management platform. Business owners will be able to assign admin or marketing staff per store or business area to certain store/s and manage what permissions the admins have access to. This feature is designed for business owners that have multiple stores added to the business management platform, and will need their staff or selected personnel to manage a designated store.

3.3.4 NTK tokens

The amount of NTK tokens a business can assign to store for their customers to collect for stepping-in and barcodes is based on the package they have selected for their Netkoin business account. Details of business packages will be outlined in future documentation.

3.3.5 Rewards

Businesses will be able to offer goods and services to customers, which can be purchased with Netkoin tokens. Businesses will be able to set the amount of NTK required to redeem each item. The number of goods and services a business can offer to customers using Netkoin's mobile app is determined by the package they have selected.



4. Token Allocation

4.1 Netkoin Ecosystem

200,000,000,000 NTK will be allocated to Netkoin's applications and platforms. The majority of the tokens will be collected by customers using Netkoin's mobile application. The tokens will also be used to power Netkoin's universal reward system.

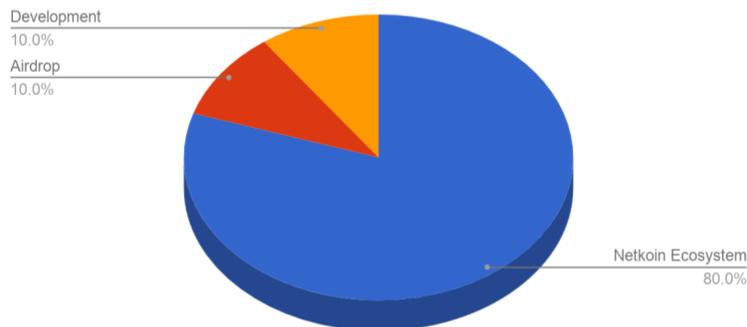
4.2 Airdrops

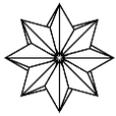
25,000,000,000 NTK is planned to be distributed to the community via airdrops. There is no set channel where these airdrops will take place. There is no set timeline on the distribution of all the airdrop NTK tokens.

4.3 Development

25,000,000,000 NTK will be allocated to Netkoin Development, expansion and improvement. The graph below shows the Netkoin (NTK) tokens allocation.

Netkoin Token Allocation





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