THE DECENTRALIZED AND DISTRIBUTED SOCIAL APP

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1. Introduction
   1.1 Introduction

2. Social Media Today
   2.1 Social Media Platforms - Revenue Model

3. Problem Overview
   3.1 Social Media
      3.1.1 Centralization
      3.1.2 Censorship
      3.1.3 Lack of Transparency
      3.1.4 Distribution of Value
      3.1.5 Income Alternatives
   3.2 Online Business
   3.3 Charity Foundations

4. The Solution
   4.1 Blockchain Technology & Cryptocurrencies
   4.2 A new cryptocurrency: APPICS
   4.3 Mass Adaptation
   4.4 Traditional Ways: Mining & Buying

5. A Social Network: APPICS
   5.1 Main Objectives
   5.2 Mission Statement
   5.3 Ways of Contribution
      5.3.1 Capital
      5.3.2 Creation & Curation
   5.4 Core Values
6. The Application: APPICS
6.1 Features
6.2 Wallets & Transfer
6.3 Categories
6.3.1 Category Influencers
6.4 Verified Status
6.4.1 Verification Conditions
6.4.2 "Like"-Bar
6.4.3 Livestream
6.4.4 Shop

7. Business Model
7.1 Minimal Fees per Trade
7.1.1 Direct Transfer
7.1.2 Donation Button
7.2 Discovery Page
8. The Technology: STEEM Blockchain
8.1 Case Study: Steemit
8.2 Performance and Scalability
8.3 SMT Meta-Token
8.4 Storage

9. Token Economy: XAP
9.1 Purpose of the Token (XAP)
9.2 APPICS Power
9.3 Like Mechanism & Regulation
9.4 Reward Distribution
9.5 Payout Process
10. Marketing Strategy
   10.1 Marketing Agency
   10.2 Influencer and Ambassador Network
   10.3 APPICS Tour

11. Challenges & Solutions
   11.1 Content Regulation
   11.2 Security
   11.3 Abuse of Accounts
   11.4 Fake Accounts
   11.5 Account Hacking
   11.6 Blockchain Education
   11.7 Support

12. Outlook
   12.1 Scalability
   12.2 Summary
1. Introduction

1.1 Introduction

APPICS is a next generation, reward-based social media application that runs on top of a blockchain and enables people from around the globe to connect allowing all participants to benefit.

APPICS introduces a new ecosystem that merges lifestyle with generated income inside a single mobile application. The concept of turning “likes” into currency has proven its feasibility and capability, as seen on Steemit.com with their upvoting system. With full support of and in cooperation with Steemit Inc., APPICS is one of the first meta-tokens to launch on the Steem blockchain that aims at eliminating all barriers for the average social media user to enter the crypto-world.

User Experience first!

The APPICS-team is unlike most cryptocurrency projects, being well-established in both worlds, mainstream, as well as crypto. The founders of APPICS happen to be the founders of a global digital marketing agency, and have been trading, programming and mining cryptocurrencies since 2011. Finally, they bring their expertise, strategies, tools and global partners to the crypto-space. The APPICS-team knows what it takes to bridge the gap for the average person, to enter the crypto-world without prior knowledge and benefit effortlessly.
Social media has never been more rewarding!

We believe in our mission to return merits back to the user for the time they spend on social media.

Based on a decentralized contribution-reward-system, the APPICS coin (XAP) is a cryptocurrency and reward-token that returns the value created via contribution back to the source, namely the creators and curators of the network. Rewards are attached to “likes” and by creating or recognizing the value of content, all participants get a fair share of the reward-pool.

Attention is the asset of all businesses, and social media companies are currently owning it. APPICS aims at bringing a system to life where the power doesn’t just come from, but stays within the network.

Cryptocurrency has never been easier!

With the ability to directly turn content into tokens users of APPICS don’t depend on advertising companies but instead gain instant control over their influence and income.

Unlike any other popular social media, APPICS presents full transparency via the blockchain and as a decentralized platform gives people back the control over their content, feed, and rewards. In this white paper you are presented with a revolutionary concept that introduces blockchain technology to a next-generation social media application.
2. SOCIAL MEDIA TODAY

In 2017, there were 2.789 Billion active social media users and the number is growing exponentially at a rapid pace (TNW. 2017). Social media has changed the world and sparked the beginning of a new digital economy.

There are some features that all popular social applications have in common and attracting the majority of internet users. Visual content displayed in an easy-to-use application is one of the most successful concepts for mobile applications.

Photography

Instagram was the first social network to recognize the photography revolution and structured their application based on that single feature, later on including video. It is commonly known that 90% of the information absorbed by the human brain is visual. The human, undoubtedly, is a visually-stimulated being and Instagram managed to design an environment that not only appeals to the human mind, but targets humans' favorite activities as well as, social networking.

Simplicity

Since Instagram is a visual application, the interface is simply structured, well designed and focused on the organization of images and conversations around them. The single chronological feed invites to explore while all other features such as commenting and messaging are easy to use.

Virality
High-profile influencers, in the early stages of Instagram, shared the application with their followers, which resulted in instant mass exposure and millions of downloads.

### 2.1 Social Media Platforms - Revenue Model

The user-generated content on social platforms has created billions of dollars worth of value that gets distributed among shareholders of the companies accordingly. However, without active users who spend many hours interacting, creating content, posting, sharing, and engaging via “likes” and comments, the platforms would not be of such value.

The value is stored in the database of users, accessed by advertising companies and exploited through product placement. The database is detailed and exact. In the case of Facebook, the valuable, reliable and accurate database has enabled highly niche and specifically strategic advertising for companies and business owners. Until now, the only source of value for social media companies remains solely in advertising.

The company, the advertiser and the users – each party plays a crucial part in maintaining a sustainable network and growth of the platform.
The Centralized Company

The role of the company is to attract and retain users to their platform. By working with the psychology of the user’s mind, the owners create a “free” playground on which people can share their interests and connect with their friends. By doing so, users give away their ownership of their content, thoughts, and messages to the owner of the network, often unknowingly and without compensation. The data is owned by centralized authorities and is the product of the company which they sell to advertisers, benefiting directly from their users. Attention of users directed towards advertising is the glory asset of social media companies and thus users pay with their time and attention, as well as the content they provide and distribute for free.

The Advertisers

The advertisers are those who use social media as a means for targeting an audience, buying the organized and detailed user-database and renting the attention of the user from the centralized company. Business is conducted between the owner and advertiser. The company sells, the advertisers buy and the users are the hot commodity product of the owner.

The Users

Despite the users playing an important role, in the traditional social media world only the shareholders and advertisers benefit from the value of the platform. While the shareholders and advertisers extract all the value from the platform, the users are not just left with nothing, but they are taken advantage of and leached dry.
The feed of social media users has changed drastically over the last years. New algorithms manipulate the user’s feed, which is no longer chronological, but changes depending on the user’s interests and behaviors, with the intention of presenting the user more relevant advertisements based on their personal interests. The ads are getting smarter at targeting the vulnerabilities of the users and the user is no longer in control over their presented feed. They often unknowingly become consumers of thousands of ads every month, despite their reason for initially being on and engaging with the platform to connect with friends/family/supporters and share their interests and ideas peacefully.

They have no other option but to accept being exploited by the platform and advertisers, or leave the platform entirely, disconnecting from their network and shared content.

APPICS will solve this problem, by giving all contributing parties a fair share of the created value. We put the user first and give them back the control over the network and their content. The users of APPICS are in control of the monetary reward distribution simply by participating and voting on content with their “likes”.

TRADITIONAL REVENUE MODEL
3. PROBLEM OVERVIEW

3.1 Social Media

3.1.1 Centralization

Almost all forms of media today are centralized, controlled and censored. While that offers some benefits regarding security, it also limits users from the opportunity to receive uncensored information and to express themselves in a completely independent way.

APPICS, unlike any popular social media platform, eliminates the ownership of the database and disrupts the traditional business model between owner and advertiser. APPICS is a decentralized platform, giving back to its user the freedom of speech, which they rightfully deserve, as well as the power to democratically decide on the direction of the platform and distribution of value.

3.1.2 Censorship

It is commonly known that censorship is widespread in many different ways on social media. While there’s a general censorship of nudity and violence across all media platforms, some have taken it further than others, limiting the creativity and possibilities of its users. YouTube, for example, recently started to remove advertisement revenue from smaller channels as well as those who expressed opinions different from the mainstream media, which resulted in an outrage by the community.
APPICS aims to be a fully decentralized and censorship-free app, allowing its users to share their creativity and passion without boundaries. Despite that, violent, hateful, racist, or detrimentally harming behavior towards others will not be tolerated to ensure a desired user experience as well as protecting users from such negatively damaging engagement.

### 3.1.3 Lack of Transparency

The demand for transparency of social media platforms, such as Facebook, has drastically increased in the last few years. The algorithm on Facebook and Instagram that determines the content in the newsfeed of a user has been questioned multiple times, because it interferes with the privacy of the user. It now presents unique feeds, according to the data statistics of the individual user. It filters out most of what the user would like to see as well as share, which most people are unaware of. Such filtering limits the content being displayed, the potential outreach of intended audiences as well as the user’s growth, influence and usability of the social media platform. Therefore, the user is “abused” and is ultimately controlled by the owner and their platform’s manipulative and highly profitable regulation system.

APPICS runs on a blockchain that offers the advantage of full transparency, via its decentralized structure. Since submissions and transactions are manifested on the blockchain with a timestamp, there is no way to alter it afterwards, ensuring security, trust, and a manipulation-free environment.

### 3.1.4 Distribution of Value

The distribution of value in traditional social media is clearly disadvantageous to the users. While they are doing all of the work - creating content, posting, liking and sharing - they don’t receive any rewards. But despite this well-known fact most people are not aware of the injustice; and those who are, mainly feel powerless without a clue of what to do.
While there are some platforms, which share a tiny fraction of their revenue - in contrast to the large sum of generated value - with the content creators (e.g. YouTube), other social media companies disregard the situation completely. APPICS has a fundamentally different approach by distributing the rewards to its rightful owners, the creators of the content, the community of the network.

Influencer Payouts

There is a minority of users on social media platforms who get paid a small cut by the company, for doing a particularly good job at growing an audience of hundreds of thousands, to tens of millions of users. YouTube is one of the few social media platforms that pays influential content creators, with an above average performance. Still, the split is highly unjustified compared to the total revenue. It used to be the job of every child’s dreams to become a singer, performer or an actor - recently for many this has turned into becoming a YouTuber, Facebook Blogger/Vlogger or Instagram Model. From this movement a new type of dream job was created: “The social media influencer”.

Few companies like YouTube and Dailymotion have recognized the value of contribution and have created partner-programs, where users with a large follower base are directly paid by the companies for their contribution, which in this limiting economy results in the user’s dependency on the company.

APPICS utilizes the power of social media influencers by integrating them into the ecosystem as judges for a category. This way, they not only get rewarded, but can also support and put other users into the spotlight with their vote - their “Like”. On APPICS, every user can generate an income, while simultaneously growing an audience.
The payouts of YouTube can vary each month depending on the AD-spend ratio. The users are clearly disadvantaged, and several influential users are angry at the company and threaten to quit their jobs, but most retract their statements due to their dependency on the platform as there has never been a better alternative.

Especially right now while YouTube has cut earnings the demand for a solution increases daily. Furthermore, YouTube changed their policy, so that creators won’t be able to monetize their videos until they hit 10,000 views on their channel, which adds to the fact that there is a need and demand for a new method for online income to be provided for and utilized by content creators.

3.1.5 Income Alternatives

Currently, since content creators only receive a very small share of the revenue they generate, income alternatives like Patreon have become increasingly popular.

Patreon is a platform that offers influencers and creators a tool to earn revenue through the support of their fans. Supporters can tip their favorite influencers to help them make a living and be able to continue their creative work. This method however can harm the reputation of a social media influencer tremendously and creates a different kind of dependency that puts pressure on and demands a lot from the audience.
The dream of all social media users: “If only likes could directly turn into currency”

The social application APPICS distributes the content-generated reward among all contributors and lets the people decide over the distribution.

APPICS will give its users the opportunity to receive rewards directly from their content, instead of a 3rd party platform, or even their own audience. Content creators no longer depend on the money of their following, but can earn from receiving “likes” directly via blockchain technology using smart contracts, which enables users to give and support creatives without losing on their end, but incentivizes users to earn simultaneously as they “like” posts of other content creators.

So you earn income for posting and sharing your created content, and users who “like” it, benefit income from supporting the content and user as well?

Yes! Exactly, you got it right. This is a brand new win-win concept!

3.2 Online Business

Those who seek to become financially and location independent, without turning themselves into a brand and becoming famous, have turned into digital entrepreneurs, creating online businesses, e-commerce shops, using social media to sell their brand and drive targeted traffic.

In the sea of endless opportunities that the internet has to offer, amongst all the guides to read and strategies to implement, it’s easy to feel overwhelmed. The people successfully running online businesses understand, that it
is crucial to build a brand and audience first, before conducting business. There are simple steps to follow in order to build a brand, expand it, and then create an online store with physical or digital products.

A minority of people has figured out how to create a website, link the different social medias accordingly and drive traffic consistently, but for the majority of people the many possible approaches still create confusion and financial independency is still regarded as something very difficult to achieve.

Imagine a platform, where the control and dignity is given back to the users of the network. Imagine a platform, where the value is distributed among all parties, mostly the users. Imagine a social media application where everyone benefits.
3.3 Charity Foundations

The biggest and commonly known problem that charity organizations have been facing for years is the lack of transparency. When a nonprofit lacks transparency, it’s easy for someone to abuse the funds and take advantage of donors and the organization. Stories about such abuses have unfortunately become popular in the media, consequently starting to create distrust. However, if a nonprofit becomes transparent, that trust can be restored.

With APPICS, foundations have a new incentive to offer transparency by posting on the APPICS application and sharing insights through images and videos and thus allowing users to re-build trust in their organization while directly receiving donations in form of APPICS tokens. Through APPICS the world is likely to become more charitable.

Furthermore, for people living in third world countries, where the banking system is on a constant downward spiral, earning cryptocurrency via content sharing has the potential to change lives on a global scale.

“Ok now you mentioned this blockchain thing a few times. But what really is it and how does it work?”
4. THE SOLUTION

4.1 Blockchain Technology & Cryptocurrencies

Social media is a new form of communication, exchange of information and way of interaction for people all over the world. The trend towards social media usage, especially on mobile devices, is increasing every day.

Right now, more than ever, people live in the digital world rather than the real world and it has become a norm for people to chat with their peers, share their lives and follow the lives of others on social media. This trend emerged as a consequence of people being fed up by centralized media as well as the censored and misleading information resulting from the unreliability of authorities.

People began to rather trust their peers and listen to those whom they regard as authentic. The desire for freedom, transparency and a decentralized economy describes the values of the mining, trading and investing cryptocurrency-community.

The Peer-to-Peer Era

In 2008 under the pseudonym “Satoshi Nakamoto” a paper was published describing the digital currency Bitcoin protocol and solving the problem of double spending. In 2009 the first Bitcoin network was launched.
Bitcoin: A Peer-to-Peer Electronic Cash System

A purely peer-to-peer version of electronic cash would allow online payments to be sent directly from one party to another without going through a financial institution. Digital signatures provide part of the solution, but the main benefits are lost if a trusted third party is still required to prevent double-spending. We propose a solution to the double-spending problem using a peer-to-peer network.

The network timestamps transactions by hashing them into an ongoing chain of hash-based proof-of-work, forming a record that cannot be changed without redoing the proof-of-work. The longest chain not only serves as proof of the sequence of events witnessed, but proof that it came from the largest pool of CPU power.

As long as a majority of CPU power is controlled by nodes that are not cooperating to attack the network, they’ll generate the longest chain and outpace attackers. The network itself requires minimal structure. Messages are broadcast on a best effort basis, and nodes can leave and rejoin the network at will, accepting the longest proof-of-work chain as proof of what happened while they were gone.

"I would be surprised if 10 years from now we’re not using electronic currency."

(Satoshi Nakamoto 2009)

But if blockchain technology and Cryptocurrencies offer such amazing benefits, why do only a few people know about it?

The era of cryptocurrencies is at the very beginning and up until now Bitcoin is by far the most widespread if not the only cryptocurrency that has made an appearance in the mainstream world.

Bitcoin surpassed the fiat currencies of over 125 countries in 2016 and has risen from a 16 Billion Market Capitalization in 2016, to over 332 Billion in Market Cap in 2017, which led to the total market capitalization of crypto-
currency rising above 645 Billion. Japan, South Korea, India and Australia have taken steps to accept Bitcoin as a legitimized and trusted payment method. At the moment there are several countries discussing the welcoming of blockchain technology into their systems and regulations.

Bitcoin is the first and main cryptocurrency on the market and has the largest market capitalization among all cryptocurrencies as well as the largest trade volume daily. However, Bitcoin is only one of over 1500 cryptocurrencies and counting and many experts in the crypto-space believe that other cryptocurrencies offer advantages that Bitcoin doesn’t, which over time leads to successful mass adoption of other cryptocurrencies.
4.2 A new cryptocurrency: APPICS

APPICS has most of the main functions of Bitcoin - a decentralized, trustless payment network, only with a new incentive.

APPICS is designed to have an infrastructure that lets everyone participate in a community and “mine” tokens via contribution. The APPICS token (XAP) has intrinsic value through its real life applications as a technology, social media and monetary system.

APPICS is designed for commerce. Everyone can get involved in the APPICS ecosystem and earn some - even without an investment. This means that everyone who has access to the Internet can use APPICS and experience firsthand how it works.

There are no risks involved and no strings attached people have a chance to experiment with the network before deciding for themselves whether they would like to adopt it. This ensures a larger chance of attracting more users and getting more value into the system.
4.3 Mass Adaptation

In order for something to become massively adoptable, there are two main variables to consider:

4.3.1. Usability

In order to create a token-based economy and make cryptocurrency mainstream, all complexity and technical intricacy must be covered up and the interactive interface must be presented to the user in its most simplified form. Using the application has to feel natural, and easy to understand without prior crypto-knowledge.

“Simple can be harder than complex; you have to work hard to get your thinking clean to make it simple”

(Steve Jobs)

4.3.2. Timing

Every invention that has ever become widespread undergoes a period of time before being globally recognized and accepted. After being placed on the market, the invention transitions into the early adopters’ stage, from where it might slowly move into mass adoption. This pattern is nothing new and you might be surprised to know how long it actually took for electricity, television or the Internet to reach the masses.

It took 31 years for people to believe in radio, 18 years for color television and 7 years for people to believe that the Internet is real and a digital world exists. No matter how major the invention, mass adoption takes time, however, the time span has decreased tremendously in the last years, which
suggests that people have become more open to newer concepts and revolutionary technologies. Only a small amount of people knows about the crypto-world. Some have heard about Bitcoin from the mainstream media and even fewer feel compelled to do personal research on the topic due to Bitcoin’s complexity. Right now is the time to bridge the gap and introduce people to cryptocurrency, without them having to understand the underlying technology.

4.4 Traditional Ways: Mining & Buying

The concept of cryptocurrencies sounds exciting for people who are interested in it and are eager to understand how the technology works. But if the requirement for anyone using the Internet was to understand how the technology works, the world we live in today would not exist. The majority of people don’t want to know how the technology works - instead they simply want to be able to use it. If it can’t be understood in a matter of minutes,
adoption by the mainstream world is forlorn, regardless of the benefits. The process of mining cryptocurrencies requires technical background and holding or trading cryptocurrencies requires an interest in finances.

In order for blockchain technology to become widespread and popular on a global scale, there must be a user-friendly approach. Despite cryptocurrencies becoming increasingly popular, the issue of mass adoption is yet to be solved. APPICS offers the unique opportunity to get the average social media user into the crypto space by introducing a user-friendly cryptocurrency.

5. A SOCIAL NETWORK: APPICS

WELCOME TO APPICS

PASSION
FOLLOW YOUR PASSION, AND SUCCESS WILL FOLLOW YOU

Bridging the Gap

APPICS introduces the average social media user to the benefits of blockchain by turning contribution in a social network into cryptocurrency (XAP).
To use APPICS, there is no prior knowledge about cryptocurrencies needed. People from all over the world can benefit from the system effortlessly, receiving cryptocurrency reward tokens for their social media activity. This creates a unique community of APPICS users that represents both cryptocurrency enthusiasts and average social media users.

5.1 Main Objectives

- A next generation social network for content creators and curators
- A means for self expression through visuals and video
- A new economy, based on token-rewards
- A secure and user-friendly cryptocurrency
- A decentralized environment
5.2 Mission Statement

Content & Contribution is the new currency and APPICS is the environment appreciating this.

Content and engagement are the source of value of a social media platform. Users who spend their time and energy, creating and curating content are keeping any such platform alive. For the first time, it is now possible to turn the traditional social media hierarchy around and reward all contributors on the platform with a cryptocurrency reward-token via the benefits of blockchain technology.

The value of content has been overlooked by many, although it is the core of any social media platform. APPICS values and appreciates any content creator who contributes and actively engages in the social network and, for that reason, the generated revenue is distributed accordingly.

5.3 Ways of Contribution

5.3.1 Capital

The most appreciated and recognized value is money. Capital contribution is a way of participation. By buying the APPICS token users do not only buy into the cryptocurrency, but can also boost the reputation of their APPICS account and increase their “like” power. With APPICS you can buy as little as $1, buy a fraction of the token and spend it on your account, increase your “like” (voting) power and benefit from the appreciation of the market.
5.3.2 Creation & Curation

Until now, the only way to benefit from the platform was via financial capital. The most valuable asset, however, tends to go unnoticed: Every day humans spend more time online than ever before. Time is the human’s most valuable asset. We want to reward people for spending their time creating and curating content, contributing to the growth of the network and success of the platform.

Users who create content are passionate creatives who want to share their work and freely express themselves through writing, visual or video. Content creation requires the most time and energy, which the earnings are meant to reflect accordingly. The people who participate in the network judge the payouts by liking content.
**CURATING CONTENT.**

Users who are liking content are like the engine of the network. The more active engagement we find on a platform, the higher the value rises of the platform. Currently, the curators of social media networks are overlooked and there are no implementation plans that would reward those who spend their time interacting on social media networks.

We want to reward active users who give value to the content creators, by giving them back a proportional share of all payouts and distribute it accordingly.

For example: When user A “likes” a post by user B on the APPICS platform, user A plays a part in contributing, giving the content created by user B value. User B receives a payout for creating the content and user A is also receiving a share of user B’s income for his supportive action.

This is a win-win situation, encouraging and incentivizing support and engagement.

**5.4 Core Values**

TIME  FREEDOM  TRANSPARENCY  SIMPLICITY
Core values are what support the vision and describe the mission of a company; they shape the culture and reflect what the company stands for. They are the essence of the company’s identity: the principles, beliefs and the philosophy of values.

1. We believe time is our most valuable asset and that an economy must be formed that rewards time spent contributing accordingly.
2. We believe in freedom of speech and expression.
3. We believe in giving people back their value for the time they spend on social media.
4. We believe that user experience comes first, always.
5. We believe in simplicity.
6. We believe in a decentralized economy, where the power belongs to the people.
7. We believe in fair distribution of power and rewards.
8. We believe in our ability to introduce the world to blockchain technology and smart contracts, through our social network.
9. We believe in the technology behind our network and are aware of its unique benefits.
10. We believe in deep collaboration, the power of social media and its influencers.
11. We understand the rapid growth, market and technology revolution, and work to constantly improve, prepare for, and be ahead of future changes.
12. We believe in the power of social media users. We believe in you.
6. THE APPLICATION: APPICS

6.1 Features
6.2 Wallets & Transfer

The wallet shows the tokens belonging to an account and can be compared to a digital bank account that enables the user to transfer, withdraw and deposit tokens. The wallet account will be directly connected to the user’s APPICS account.

When a new account is registered the APPICS user automatically creates a personal online wallet. Since the blockchain is transparent all transactions are visible, however for the average user the wallet maintains his privacy due to pseudonymous accounts and the interface, which displays the appropriate transactions and allows access for the owner only.

The digital wallet stores the generated coins and can be compared to one’s own personal banking account on the blockchain. Besides the features of direct messaging and instant transfer: APPICS users will have the option to directly send tokens to another user’s wallet within seconds. For the first time a wallet is integrated inside a social media application that is simple, fast and secure.

Imagine being able to securely send tokens from your phone to your friend’s in a matter of seconds, and never having to go through the hassle of traditional remittance.

6.3 Categories

There will be 15 categories within the application that provide structure and visibility for the user experience. While the option to search for “normal” hashtags remains, there will be fifteen separate categories that make it sim-
INSIDE THE APP

ple for content creators to be found and for curators to find what they are interested in. The 15 categories can be adjusted depending on the interests of the market. The following is an example of the 15 categories:

1. Fashion
2. Beauty
3. Gaming
4. Sports
5. Fitness
6. Art
7. Music
8. Dance
9. Comedy
10. Lifestyle
11. Travel
12. Food
13. News
14. Tech
15. Purpose

The last category mentioned will be static and gives charity foundations a new solution for transparency. Under the hashtag “charity”, foundations and individuals can ask for support from the community. The community can help by donating via the “donate button” besides up-voting (liking) the content. In cooperation with APPICS, foundations will have the unique opportunity to provide insight and build trust within their community and in return receive a reliable reputation score and funding.
Besides the 15 categories there will be 4 extra categories that each serve the purpose of highlighting different posts and giving users a chance to become visible. The category „popular“ features trending content, the category „challenges“ consists of viral trends picked up by the community, „live“ shows users that are currently live streaming and with the category „welcome“ new users get an opportunity to highlight their first post, introduce themselves and gain followers from the start. All extra categories will be managed by the APPICS team.

6.3.1 Category Influencers

Each category has a representative in the field, an experienced social media user who has built a reputation and audience on other social media platforms, namely a social media influencer. The influencer’s “like” will have a large weight on the rewards due to a stake (frozen funds) being put into their account wallets. They will be able to judge content and give advice within their specialized category and act as a moderator, filtering valuable content as well as bringing their existing audience to APPICS, allowing them to benefit as well.

On other social media platforms every “like” is equal whether that “like” is from Pop Queen Beyoncé or anybody else. APPICS changes that by implementing a mechanism that considers the power of an account. Essentially, that means the higher the influence level, the higher the weight of the “like”. Depending on how many funds the influencer has in his wallet, the “like” can have a larger impact. The category influencers will be chosen annually via voting by the APPICS community.
6.4 Verified Status

6.4.1 Verification Conditions

Certain features of the application can only be enabled once a user gets verified. The verification badge can be earned via one of the following conditions:

1. Verification status on another social media platform
2. A follower count of min. 10K (the number can change over time)

6.4.2 “Like”-Bar

This feature lets you distribute your voting power (“like”). The power of a verified user’s account generally is larger and if every “like” would consume the same amount, the voting would be highly limited per day. With the “like”-Bar you can choose what percentage of your voting power you want to “like” a post with.

6.4.3 Livestream

Visual content has gained a lot more popularity in recent years, which is already proven by the huge success of photo and video-based apps like Instagram and Snapchat. This trend will continue in the future, which is why APPICS is focusing mostly (but not exclusively) on visual content like photos and videos.

Livestream Conditions:
Livestreams won’t be available for all APPICS users. In order to minimize the abuse of live streaming, only verified users are able to unlock this feature.
INSIDE THE APP

This has several benefits:
Users with the ability of live streaming will already have a follower base, so their streams will be popular and active. Live streaming provides the influencer with another option to communicate with their audience and receive feedback in real time. When live streaming is treated as something special, something you have to achieve, users will be a lot more excited about using it and appreciate the benefits even more.

Furthermore, there will be a “one-time per user” voting on the livestream, which gives the livestream the same value as other forms of content.

6.4.4 Shop

With APPICS, the road to online success has never been easier. APPICS will implement a shop feature that enables business owners and verified users to integrate their business directly into their social media profile. By only enabling the “shop function” once the verification status level has been reached, the built-in strategy automatically puts users on the track of building a brand and reputation before starting a business. Other users can directly buy items with their earned tokens.

During the main launch the focus will be on bugfixes and stability. Once all main features are added and the community has established, we will introduce the shop feature as an additional bonus feature for verified users. That way it incentivizes users to be active and by growing their following on APPICS, earn the ability to create their own integrated shop during the first period after the launch, as well as giving users a new option to make use of the tokens they have earned.
7. BUSINESS MODEL

7.1 Minimal Fees per Trade

Justifying fees:
Since APPICS honors fairness, particularly concerning the distribution of value, the fees will be lower than one cent. Not only does a small fee benefit the growth of the platform, but it also helps to prevent spam. The revenue will go towards sustaining and scaling of the network. APPICS will release new marketing incentives every month.

7.1.1 Direct Transfer

Everytime the „direct transfer“ feature is used and APPICS tokens are being transferred from one user’s account wallet to another, there will be a minimal fee per trade of the magnitude of 0.001 APPICS tokens for the sender. The average transaction fees of Bitcoin in 2017 are round peaked at $55.

7.1.2 Donation Button

Beyond supporting other users via the „like button“, users can choose to donate APPICS tokens by clicking the „donate button“ underneath a post. This feature is another way of directly sending APPICS token to another user, this time however publicly visible on the post.
7.2 Discovery Page

APPICS introduces the discovery page, which is a page solely for sponsors, brands and advertisers. As stated in the core values of APPICS, the user experience comes first and will remain the focus of the application. Users feel abused and taken advantage of by advertising companies, who sneak into their personal feed, which makes the user become upset with the brand being displayed on the AD. With APPICS Users can choose what ADS they want to see, pick a category and consciously scroll through the latest trends, including ADS. That way the trust between user and advertiser can slowly be rebuilt.

7.3 Marketplace

Retailers, brands and verified users have the opportunity to directly link their social media account to an integrated shop system, allowing them to sell their goods, tickets and services to APPICS users with APPICS tokens as the payment method. A typical fee for payment processing will apply.
8. THE TECHNOLOGY: STEEM BLOCKCHAIN

The decentralized cryptocurrency technology behind APPICS will be based on the well-established Steem blockchain which is the first blockchain focused on the requirements and features for the building of a stable social network. By introducing the APPICS token on top of the Steem blockchain, we are able to address some of the core problems social networks are facing due to the reliance solely on advertising, as well as, the issue of mass-adoption that blockchain-based projects haven’t solved yet.

Steem is a blockchain database that supports community building and social interaction with cryptocurrency rewards. Steem combines concepts from social media with lessons learned from building cryptocurrencies and their communities. An important key to inspiring participation in any community, currency or free market economy is a fair accounting system that consistently reflects each person’s contribution. Steem is the first cryptocurrency that attempts to accurately and transparently reward an unbounded number of individuals who make subjective contributions to its community.

8.1 Case Study: Steemit

The viability of the proposed concept has been proven with Steemit, the first blogger platform based on blockchain technology.

Steemit is a social service platform, which runs a blogging and social networking website on top of the Steem blockchain database. The project was founded in 2016 by Ned Scott and Dan Larimer, creator of Bitshares, and has grown to be in the top 2100 Alexa website rankings, solely from integrating a cryptocurrency based incentive model. The Steemit Inc. company runs the Steemit website and funds the ongoing open-source development of the platform and Steem blockchain.

Steemit is similar to other blogging sites like, e.g., reddit.com, with the difference of it running on a blockchain and by that enabling the monetary rewarding of posts and comments as well as storage of all textual content on the blockchain. The underlying network of Steemit is the Steem blockchain, which is a database that is specialized in supporting a social network, textual content, it allows other applications to build on top of it and benefiting from the new concept. Steem uses a new concept for the block creation process called Delegated Proof of Stake (as opposed to Proof-of-Work in traditional blockchains like Bitcoin), a method where block-creating accounts called witnesses, who are elected by Steem stakeholders, actively work on improving the time of block creation.

The Steem blockchain features two new concepts designed to allow for the fair rewarding of contributors. The first is the so-called rewards pool - a pool of tokens dedicated to incentivizing content creation and curation. The second is a voting system determining the value of contributions through the wisdom of the crowd and distributing rewards accordingly.
Combined these two concepts are referred to as Proof-of-Brain which emphasizes the human work required to distribute the tokens and makes Steem the perfect tool for building perpetually growing communities, encouraging their users to contribute high value content.

Steemit.com presents a nearly perfect case study for the technological concept and has proven its feasibility during operation.

8.2 Performance and Scalability

The Steem network is built upon a technology called Graphene which has proven to sustain over 1000 transactions per second on a test network. After more than one year of successful operation Steem has exceeded the number of transactions processed of both Bitcoin and Ethereum. Graphene also powers BitShares as well as EOS and experts assess that it can “easily scale to 10,000 or more transactions per second with relatively straightforward improvements to server capacity and communication protocols.”

For further information on the Steem blockchain, including technical details, please visit:
https://steem.io/steem-bluepaper.pdf

8.3 SMT Meta-Token

APPICs is going to be one of the first meta-tokens launched on the Steem blockchain - so-called Smart Media Tokens (SMT).

SMT is a token protocol based on the Steem blockchain allowing to launch and sell an application-specific Proof-of-Brain token which aligns incentives between users and the application.
Due to transaction costs that are not suitable for basic actions such as posting content and voting as well as private key hierarchies that are constructed with financial entities in mind rather than social media accounts as well as slow transaction speeds not capable of supporting real-time websites, the existing protocols, such as Ethereum and its ERC-20 tokens, could not support a desirable user experience for a content-driven social network application. SMT solves this problem by allowing applications to leverage the unique properties of the Steem blockchain within their own community and ecosystem.

For further information on the SMT protocol please visit: https://smt.steem.io/smt-whitepaper.pdf

8.4 Storage

The Steem blockchain supports storage of text within the blockchain’s transactions. Larger media data like images and videos have to be stored externally and linked to the transaction on the blockchain. The immutability of the content can be secured by storing a hash of the media content on the blockchain, allowing the client to mathematically verify the media content’s authenticity.

The independent storage of media content and textual meta-data of a post will allow the flexible usage of different storage providers for storing the media content. Media items will be referenced by id from the post’s blockchain transaction and verified against the hash contained in the same. Storage providers may initially include classic cloud storage providers like, e.g., Amazon AWS, but as soon as decentralized storage solutions like, e.g., IPFS, FileCoin and SiaCoin get available for large-scale operation, these will be used instead – completing the fully decentralized storage of the APPICS content.
9. TOKEN ECONOMY: XAP

9.1 Purpose of the Token (XAP)

APPICS token (XAP), a SMT meta-token, is the network’s currency. Its market value determines the value of the pool of rewards paid by APPICS to contributors. Instead of traditional mining, the tokens are generated via contribution. The idea is to have the APPICS token to be traded and exchanged for any cryptocurrency or fiat currency. The tokens serve as credits, which contributors can earn on the application and easily exchange for any other currency. The purpose of this is to reward active content creators and curators within the application, creating a new tradable asset: contribution.

9.2 APPICS Power

APPICS power represents APPICS tokens, which have been integrated into a smart contract. The amount of APPICS power represents the level of influence that an account has compared to the rest of the network.

Additionally, the amount of tokens also represents the power of the “like” of a user. Thus, the more APPICS power an account has, the more impact its “like” has. Furthermore, every account shows a number on the profile page that describes the level of influence of the user. The more APPICS power, the higher the account number, which creates a game-like competitive environment.

There are different milestones of APPICS power to be achieved that unlock features within the application and encourage the long-term commitment of new users even further.
APPICS power show the believe in the platform and its future. APPICS wants to create a sustainable economy and therefore we use the mechanism of APPICS power to eliminate the risk of short-term dumping. Receiving APPICS power is like a commitment, which also encourages users to recognize the value of long-term commitment.

9.3 Like Mechanism & Regulation

Each user can decide how much power they want to “like” content with. Example (parameters subject to change during growth of platform): If someone „likes“ with 100% (full power) per post, he uses 2% of his remaining “liking” (voting) power. This means that each user can initiate 50 “likes“ (votes) per day with full power to leverage the entirety of his daily “liking” (voting) power.

A full-power “like” will add a large amount of reward to any content. The specific amount of reward depends on the amount of APPICS power the user is holding.

Water Analogy

Users can continue to simply upvote-at-will because a vote only consumes a percentage of the remaining voting power, not the total. Imagine “voting power” as a swimming pool that is constantly being refilled by the rain. Every time you upvote you reduce the amount of water (in this case “voting power”) from the pool by a percentage (i.e. it’s not like you are constantly removing 500 gallons from the lake). The next time you vote you are removing another percentage from an already diminished supply. That means there are still no limits on how much you can vote.
The more you vote the more you incrementally decrease the amount of voting power you have (the water in the pool). To get a better sense of how powerful your votes are and the rate at which that power diminishes simply observe how much your full power upvotes increase the rewards of content creators and you should get an intuitive sense of how the algorithm works.


9.4 Reward Distribution

Unlike other popular social media companies where 100% of the created value goes to the shareholders, APPICS uses smart contracts to distribute the created revenue among all contributing parties as follows: 65% goes to the content creator, 25% to the voters/curators and the remaining 10% will go towards sustaining the network of a social-influencer based economy and scaling of the platform.

Traditional social media
Content -> 100% Company & shareholders

VS

APPICS
Content -> 65% content creator, 25% curation-pool, 10% company
9.5 Payout Process

Every post can earn rewards for a period of 7 days after which the user receives the income in form of APPICS tokens. Afterwards additional “likes” on the post will still be displayed, but without monetary rewards being added, since the cryptocurrency will detach from the “like” function and the generated tokens will be distributed as explained above.

With help from the community, the APPICS help center as well as a series of tutorials anybody can easily learn how to exchange their token for any other currency.

APPICS Power

For every post the user can decide between 50% of their payout to be received in liquid XAP tokens and 50% APPICS power, or choose to receive the rewards in 100% APPICS power to boost their account influence and “liking” power. Just like on Steemit users and investors can convert liquid APPICS (XAP) tokens into APPICS power via the feature “powering up”.

APPICS power cannot be transferred or traded directly, but the account owner has the option to convert it back to liquid APPICS (XAP) tokens in weekly payments through the feature “powering down”.

Once the power down is initiated, the APPICS tokens will then be paid out in weekly payments, representing up to 1/13th of the total APPICS power that the account holds.

As the APPICS power decreases, the account also loses “like” power proportionally to the amount of tokens withdrawn.
10. MARKETING STRATEGY

10.1 Marketing Agency

WeCare4U is a marketing agency based in Germany, founded by the team prior to APPICS. The agency’s creative department turned into APPICS’ marketing sector, where unique approaches, modern marketing strategies and highly niche specific marketing tools are common practice. In order to ensure consistent growth and global success, the different mediums for communicating value must be understood thoroughly and accordingly be consistently acted upon. Furthermore, the development team of WeCare4U has built systems that are able to organically grow an audience and reach thousands of targeted people daily. All resources from the marketing agency will be readily available to APPICS, to ensure a successful launch.

The biggest advantage of the APPICS-team is a network of influential people in both worlds, the crypto-scene and the mainstream media. While most crypto-projects aim at reaching people who are familiar with cryptocurrency already and thus mainly attend important crypto-events, APPICS aims at introducing the entertainment industry and mainstream-world to the crypto-space as well, by simplifying the matter and putting cryptocurrency into relatable context that anyone can use without prior crypto-knowledge.

10.2 Influencer and Ambassador Network

Influencer marketing has evolved as a result of the digital revolution. Social media in particular has allowed normal people to become highly influential and turn themselves into a brand. Influencer marketing is becoming more important and yet still is highly undervalued. The reason for its incredible
importance is the fact of it creating engagement that is far more meaningful than traditional advertising. Influencers don’t appear as if they want to sell, but rather recommend something to their followers as a friend. Meanwhile, the human mind has become numb to traditional, obvious advertising and influencers are stepping in and becoming ambassadors or the faces of a certain brand. When influencer marketing is done right, brands will choose influencers with a fitting personal brand that can credibly represent their own brand.

Influencers are turning into the direct connection between brands and consumers. They are role models, idols and they are the ones who set the trends. APPICS is aware of the important role of influencers, which is why a team of influential moderators will be introduced from all over the world, becoming the judges for the different categories. Their votes will have a significant weight on the rewards. By working hand-in-hand with influencers like this, the influencer will introduce APPICS to their audience, attracting new users for APPICS.

Furthermore Ambassadors from across the globe are lined up, ready to represent APPICS and build communities of members and influencers of their own. APPICS will have representatives around the globe to expand effectively.

**10.3 APPICS Tour**

The annual tour is an essential part of APPICS, to demonstrate our mission under the motto “PASSION REWARDED”. The APPICS Tour is the first attempt ever to directly bring the crypto sphere to the mainstream-world. Each representative of a category is going to be included in a show, where influencers will represent and showcase each category. The show also includes blockchain education, an exhibition and networking opportunities for selected crypto-projects and investors.
11. CHALLENGES & SOLUTIONS

11.1 Content Regulation

Although APPICS is a decentralized application without direct censorship, there will still be regulations upheld for the content that can be posted. Any content promoting violence, hate, criminal activity, racism or inappropriate nudity will not be tolerated. Abusive content will be filtered by moderators. Users have the ability to report certain content, which will be reviewed by moderators within 24 hours and if the content doesn’t comply with our regulations, the visibility in the app will be removed immediately.

11.2 Security

The SMT protocol employs separate private keys for distinct sets of actions such as voting, token transactions and recovery of compromised accounts. This allows for appropriate wallet security while at the same time preserving usability.

11.3 Abuse of Accounts

The abuse of accounts will be prevented through several methods: automated security systems to reduce spam, and the use of fake accounts will be reduced through methods like the following:

- NSFW blocking
- The role of moderators!
- Reporting from the community!
11.4 Fake Accounts

While all network transactions will be completely secured by the nature of the Blockchain, APPICS accounts will be secured by passwords and mobile phone number verifications, as well as, Google ReCaptcha. It’s our priority to provide our users with a platform that is secure and safe in every way.

Measures to prevent multiple account creation:
A downside of the gamification of social media is that people will attempt to create more than one account, subsequently post and “like” multiple times, thereby manipulating the system and subverting its purpose. APPICS will require users to register also through their Facebook accounts. Furthermore, APPICS will ensure the authenticity of accounts through several methods, such as Google ReCaptcha, mobile phone verification and e-mail verification.

11.5 Account Hacking

APPICS has the advantage over traditional social media of running on a blockchain. The blockchain is the most secure technology, because it is a decentralized network as previously explained. Account hacking will be reduced by requiring users to use secure, long and unique passwords when setting up an account. Furthermore, multiple separate passwords/private keys are used for different account functions like posting, transferring tokens, etc. Finally, with a special private key it is possible to recover compromised accounts.
11.6 Blockchain Education

Despite APPICS aiming at introducing the mainstream world to the crypto-space without the need of prior knowledge, APPICS also believes in education that is appropriate to the world post-digital-revolution. For that reason, APPICS will provide a series of tutorials and informational videos for those looking to understand the world of finances, currency and how blockchain technology has introduced a revolutionary concept to the way banking works and how it provides a solution to over 2 Billion people in the world who are unbanked today. Blockchain Education serves the purpose of helping people to understand crypto currency as an asset, to understand how it functions and giving the average person a chance to get into long-term investing, as well as trading currencies.

11.7 Support

APPICS provides a support chat, where users can ask any questions regarding cryptocurrency and blockchain technology and receive instant support from the community. Furthermore, there will be the Help-Center: Coin Kitchen offers premium support and consultation for companies and foundations.
12. OUTLOOK

12.1 Scalability

APPICS is a social media application built to scale without limitations. The innovative pioneers of Instagram managed to sustain 30+ Million users in less than 2 years. APPICS will be designed to scale the database, just as the Steem blockchain itself is able to process 10,000 transactions per second.

12.2 Summary

The long-term mission of APPICS is to introduce non-crypto people to the benefits of blockchain, by offering a decentralized peer-to-peer social communication-based platform that brings people together and turns contribution into rewards in form of cryptocurrency. APPICS introduces an ecosystem where anyone can benefit from investing their valuable time, creativity and admiration for other people’s work. Finally, APPICS revolutionizes the payment system by providing a fair alternative that gives people back the control not only over their content and social media feed, but also their wallet and transactions.