THE ROUGE PROJECT

BLOCKCHAIN COUPON PLATFORM

THE ROUGE PROJECT: BRIEFLY

THE BUSINESS OF COUPONS AND THE ROUGE PROJECT

The coupon market is huge. And as all commerce moves into a digital ecosystem, so will coupons. With the advent of the Rouge Protocol these coupons will be unique, unfalsifiable, traceable, monetizable and represent true value for both sellers and customers. These Ethereum backed ÐApp-issued coupons provide certainty of provenance for sellers, marketers and consumers, and can be linked with absolute precision to CRM, loyalty systems and other data-mining initiatives.
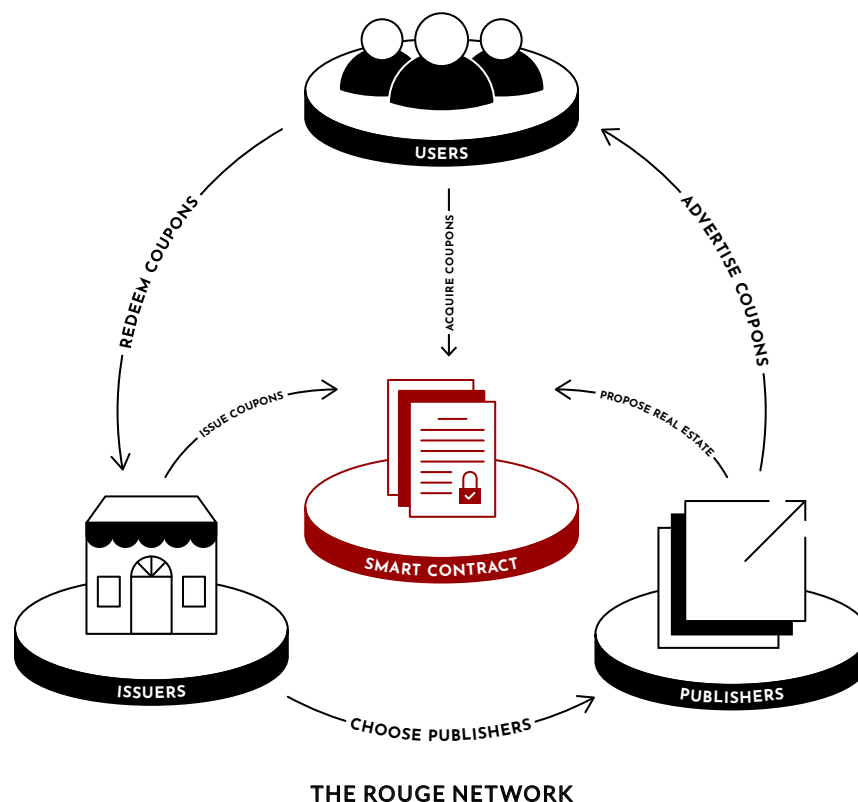
The coupon market is expanding. By 2019 there will be an estimated one billion coupons on mobile devices alone. Researchers predict a compound annual growth rate (CAGR) for mobile coupons of 73% between 2016 and 2020. Coupled with an increased value proposition from unique, token-based coupons, this number is set to grow as marketing and data utility augments.

1 B

104 M

61 M

2013   **2016**   **2019**

GROWTH OF MOBILE COUPON USERS*

source: www.statista.com
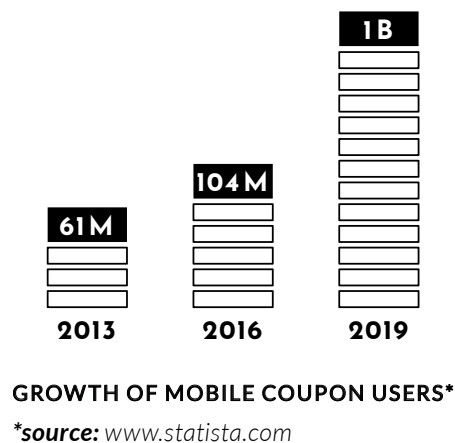
THE ROUGE NETWORK

The Rouge Network is a global, trustless, permissionless and decentralized coupon platform between three types of actors: brands, the general public and content creators or publishers. It effectively "outsources" complicated systems of tracking coupon issuance, redemption, loss and ownership. Because of blockchain validation it eliminates the possibility of common fraud and the expense of "guesstimating" the efficiency and returns of a coupon marketing drive. It also renders harmless the bottom-feeders of the industry: coupon and promo-code reproduction websites. Finally, payments between all actors is extremely efficient, permissionless and risk-free as they are handled, irreversibly, by smart contracts on the Ethereum Virtual Machine.

On the Rouge Network platform, the Issuer, Publisher and User of a unique coupon will only transact when a coupon is acquired or redeemed. Thus Cost Per Acquisition (CPA) and Cost Per Redemption (CPR) are known, and payouts transpire only when validated transactions are indelibly written into the blockchain. Simple rule sets and APIs guarantee that a coupon campaign's parameters (duration, users identities etc.) are respected and verifiable. This suite of utilities will be developed and expanded over time, and play a part in defining ecommerce 3.0.

USERS

REDEEM COUPONS

ACQUIRE COUPONS

ADVERTISE COUPONS

ISSUE COUPONS

PROPOSE REAL ESTATE

SMART CONTRACT

ISSUERS

CHOOSE PUBLISHERS

PUBLISHERS

THE ROUGE NETWORK

THE ROUGE TOKEN (RGE)

The RGE token is the utility token used by the Rouge protocol. It is a fixed supply of one billion tokens. Its utilities include:

- A base cost, as a negative incentive against abuse or spam (Tare)
- Escrow price discovery for the issuance and usage of coupons on the Rouge Network
- Price discovery for the CPA or CPR payouts on the Rouge Network

Individual coupons carry a reserve value in RGE, calculated using their tare value (to prevent abuse), added to their current bid price for creation from the Rouge Network. These values are locked upon creation, until the campaign smart-contract releases the RGE back to the Issuer and Publisher, when campaign parameters having been fulfilled — i.e. acquisition, redemption or expiration. The supply of RGE is always inversely proportional to its current usage.

A campaign smart contract may permit users to exchange, buy or sell coupons, permitting secondary, verifiable, scam-free markets to emerge around the coupon ecosystem. The Rouge ecosystem also includes a reputation grading system to allow coupon issuers to determine if potential publishers of their coupons should be white-listed as coupon distributors for a campaign (using Token-Curated Registries).
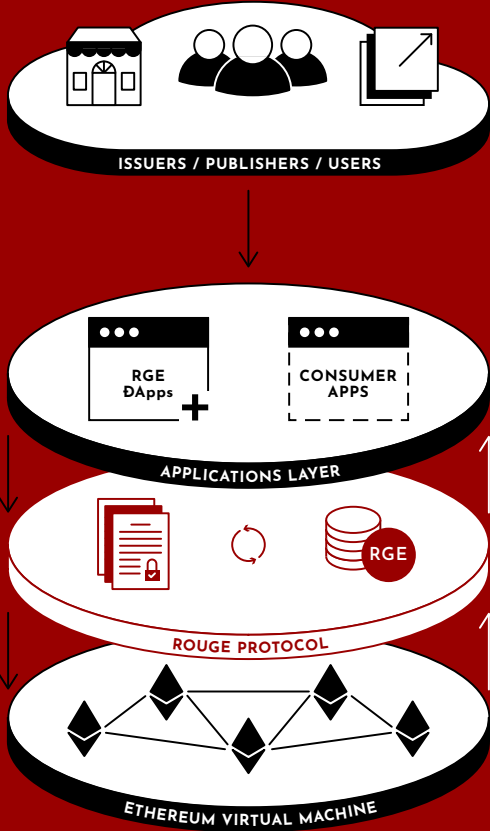
Finally, coupons that are not redeemed are burned, with their corresponding tare value in RGE disappearing as well, as an incentive against spam, abusive campaigns or unrealistic campaign parameters — this safeguard of "good behavior" is another element of building trust in the Rouge ecosystem, for all actors. Indeed it is a strong incentive for higher quality coupon terms and intelligent use of the Rouge Network — effective campaigns (where all coupons are redeemed) have a cost of near zero, less effective campaigns carry the cost of the tare value of the burned coupons. The result is the creation of real value in Rouge / blockchain backed coupons — with a secondary result of having real quantitative and qualitative data about the effectiveness of campaigns.

A proof of concept ÐApp named CouponDemo and the corresponding smart contract is available online at the following address:
http://demo.rouge.network/
Integrations with MetaMask has already been implemented for this CouponDemo ÐApp.

THE ROUGE ECOSYSTEM: OPEN-SOURCE

ISSUERS / PUBLISHERS / USERS

RGE ÐApps +   **CONSUMER APPS**

APPLICATIONS LAYER

RGE

ROUGE PROTOCOL

ETHEREUM VIRTUAL MACHINE

The Rouge Foundation, a legal entity of Estonia, is supporting the Rouge Project to build, maintain, promote and facilitate the use of the Rouge Network. As an Open-Source project, 3rd party integrations of the Rouge platform are encouraged.

The Rouge Foundation will continue to develop the protocol and ensure its scalability and efficiency. The Foundation finances its ongoing development: a coherent framework of smart contracts, ÐApps and Open-Source tools useful for the platform.

R O U G E