Peblet

"Enhance Your Surroundings"

Executive Summary

Overview

Peblet is a smartphone app for location-based social interaction and information sharing based on avatars and personal billboards, i.e. "Pebbles".

Users create customized avatars and broadcast Pebbles containing information, including text, links, pictures, and videos. Users will be able to see the avatars and Pebbles of other users within a specified geographic radius and respond to those other users via a public comment on the Pebble or direct messaging.

<u>Avatars</u>: Avatars not only can provide anonymity, preserving users' privacy and comfort which are of critical importance for mainstream adoption, but also be the foundation for a dynamic environment for (i) information sharing (e.g. Pebbles) and (ii) social interaction (e.g. messaging, games). Not unlike personalized Miis created by Nintendo Wii players, avatars are an avenue for expressing creativity and design, providing a subsequent feeling of ownership.

<u>Pebbles</u>: Pebbles will contain content (e.g. text, links, images, videos) that the user wishes to broadcast to other users nearby. Similar to a Facebook wall post or Twitter Tweet, a Pebble provides an avenue for the user to broadcast himself and his opinions. Conversely, through discovering other users' Pebbles nearby, the user gains previously unknown information surrounding him. In order to highlight interesting and informative Pebble content for users, a +1/-1 user voting system will be implemented and Pebbles with the highest approval will be the first displayed.

Opportunities in the Location-based Social App Marketplace

We believe that the current offering of location-based social apps do not meet users' requirements for privacy or ease-of-use.

Given the ubiquitous nature of smartphones, most of which currently have location-based capabilities, there are great opportunities for new apps that can gain mass adoption in the marketplace through enhancing the users' experience.

<u>Privacy:</u> In the current marketplace for location-based social communication apps, the most well-known apps (e.g. Lokast, Yobongo) are mobile real-time chat-rooms that encourage real identities and pictures. However, given that privacy and security concerns are amplified when users know that other users are only a short distance away, preserving anonymity through use of the customizable avatar concept will be attractive to a much larger audience than the one served by today's apps.

People have a natural curiosity to know about others around them, be they friends or strangers. The ability of Peblet users to remain relatively anonymous encourages mobile interaction and information sharing.

<u>Ease-of-use:</u> The current location-based social communication apps require users to actively perform actions in real-time order to utilize the app (e.g. actively chatting or responding to messages). The largest location-based apps that are not primarily social (e.g. Foursquare) require actively managed "check-ins." We believe that most people would prefer to be able to receive a benefit even through "passive" use, as opposed to constantly "checking-in" or responding to chats/messages in real-time throughout the day.

Therefore, in addition to actively managing and responding to Pebbles, the user will automatically collect a history of other users' Pebbles and avatars whenever those other users are in range. By simply having Peblet running in the background during the day, the user will have a record of the broadcasts of those around him. This record can be checked anytime during the day, similar to checking one's Facebook News Feed or email inbox.

Planned Future Enhancements

Future iterations will include games, 3rd-party developer system, aggregate data analyses and Peblet personal webpage integration.

<u>Games</u>: Social games will be created that maximize the avatar platform. Because avatars are optimal gaming characters, as evidenced by Nintendo Miis, Peblet can provide game possibilities not possible through other location-based apps, which utilize photos to represent their users.

"Passive" games in which users do not have to perform actions will be offered in addition to traditional active games. For example, games in which avatars automatically fight or produce offspring (with combined characteristics) with other avatars could prove to be viral successes, particularly since such interactions would only require the user to be logged in, not to grab the phone and perform actions. A record of such interactions and their results would be viewable later at any convenient time.

<u>3rd Party Developers</u>: Opening Peblet to 3rd-party developed apps will harness the collective inspiration of the app development community so 3rd-party developers will be encouraged to create "in-app" apps within Peblet. As Facebook users enjoy using a myriad of 3rd party developed apps to interact with others in their "Friends" list, Peblet users could do the same with others within a certain distance. Additionally, Peblet's avatar platform provides unique capabilities in both gaming, such as developing avatar strengths/weaknesses over time, and customization, such as limited-edition accessories.

Aggregate Data Analyses: As the location-based data history (e.g. Pebbles, aggregate user attributes) increases over time, users will be able to analyze aggregate user data, via user characteristics and data mining of Pebbles. For example, during the 2012 presidential election, users will be able to gauge the public sentiment, in specified areas and over specified periods of time, through information gleaned from analyzed Pebble activity. Marketers could utilize aggregated Pebble activity in particular areas to determine demographic information, and thus, provide more targeted advertising. In order to preserve users' privacy, Peblet will only provide analyses based on aggregate, not uniquely identifiable, data.

<u>Website Integration</u>: Rather than being confined to the small screen and keyboard of a smartphone, the user will be able to view his Peblet history (including his own Pebbles, others' Pebbles, interaction history, game results, etc.) through his personal Peblet webpage. The aspiration is that, at the end of the day, a user will not only check his email and Facebook

account, but also his Peblet account because of a curiosity about what was going on around him throughout the day.

Monetization

Peblet will generate revenue through in-app purchases and targeted advertising.

<u>In-App Purchases</u>: Peblet will offer various "in-app" purchases for the user that wants specialized options for his avatar and Pebbles. Through unique avatar customizations/accessories, special gaming items, and other specialized options, Peblet will pursue the Freemium business model where the core product is free and virtual goods are available for purchase.

<u>Targeted Advertising</u>: Peblet will be in great position to serve as a conduit for targeted advertising to its users through utilization of aggregate data from Pebbles, user information and user location. For users in a certain geographic area, historical information regarding users present in that area would allow more targeted advertising to be delivered.

Conversely, for the user seeking deals or knowledge about certain products and services (e.g. restaurants, haircuts), such user could set an option to automatically collect surrounding deals and information from advertising partners.