digitalbits

Overview Version 2.2

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State of the Market:
Waiting to Cross the Chasm

Cryptocurrencies have experienced increased interest over recent years, specifically during the 2017 market run up. A highly speculative market saw a large injection of capital, but failure to drive true adoption exposed large gaps in utility. As such, the widespread adoption of cryptocurrencies remains low, with daily usage limited to likely less than 1% of the global population.

DigitalBits intends to drive the mass adoption of cryptocurrencies by addressing two issues in the current blockchain ecosystem

1. An inability to easily trade and transfer tokenized assets
2. A lack of user-friendly solutions - current wallets and applications are clunky and hard to use

What's Needed?

In order to drive rapid cryptocurrency adoption amongst the masses, a project should look to achieve the following:

Mass Market
Tap into a pre-existing market with large amounts of capital and millions of users

Learned Behaviour
Target a pre-existing digital asset category familiar to an active, global user base

Transformation
Enhance the functionality of the pre-existing digital asset category to benefit both consumer and enterprise adopters alike

Integration with Existing Consumer Applications
Integrate with existing applications, allowing consumers to leverage the benefits of blockchain technology without having to alter learned behaviour

Enter DigitalBits

DigitalBits is a protocol layer blockchain, designed to facilitate the transfer and trading of digital assets on-chain, enhancing day-to-day interactions and helping foster the mass adoption of cryptocurrencies. A fork of Stellar, DigitalBits shares many of the benefits of Stellar, but differs in key aspects such as not subjecting its native tokens to inflation, developing a token name certification service and an automatic algorithmic token distribution.

DigitalBits addresses the issue of cryptocurrency adoption by integrating with existing consumer applications for seamless market adoption. These applications are able to leverage the DigitalBits protocol to help facilitate mass market liquidity across various digital assets. Multi-hop technology further enhances liquidity by creating a flexible trading environment and enables the trading of asset pairs even if no direct market exists.

Built
DigitalBits has successfully launched its mainnet. The protocol supports high-throughput transfer and trading on-chain of various digital assets.

Liquid
DigitalBits built-in decentralized exchange, equipped with multi-hop technology, creates a flexible trading environment that allows users to interact directly or indirectly with one another, proposing any number of asset pairings. Multi-hop allows users to trade their assets even if no direct market exists, helping to enhance liquidity in previously illiquid markets. The protocol can complete trades up to 6 hops, and the matchmaking is completed automatically – the user does not have to become a day trader, but instead simply inputs the asset pairing they wish to trade.

Integration Ready
Easy integration processes for existing brands, systems and strategies. Businesses and third-party developers can easily develop custom apps by leveraging the DigitalBits API and SDK library. DigitalBits also provides wallet source code that can be used to create a brand-specific wallet.

"Go-To-Market Strategy"

DigitalBits technology has been developed over time and is ready for enterprise adoption. However, many DigitalBits contributors support the notion that technology only becomes a great product if consumed by a market, hence a strong go-to-market execution strategy is key. The team has positioned the technology to support industry verticals with specific developer tools, on-going support, grant opportunities, and industry-specific experts to effectively penetrate each asset category.

First Use Case

Multi-Billion Dollar Loyalty and Rewards Sector

Loyalty and Rewards Points is a multi-billion dollar industry. Sitting in the pockets of millions around the globe, it is an industry ripe for disruption. In the United States alone, approximately $48 billion worth in points is generated across retail ($12 billion), travel & hospitality ($17 billion) and financial services ($18 billion). However, over 1/3 of this value goes unredeemed, amounting to in excess of $16 billion dollars in wasted value.[1]

Why? Consumers are subject to constantly changing program rewards and rules. Additionally, existing points and reward providers operate in silos, creating large barriers to consumers wishing to transfer their value across programs in order to gain goods and services that they want.
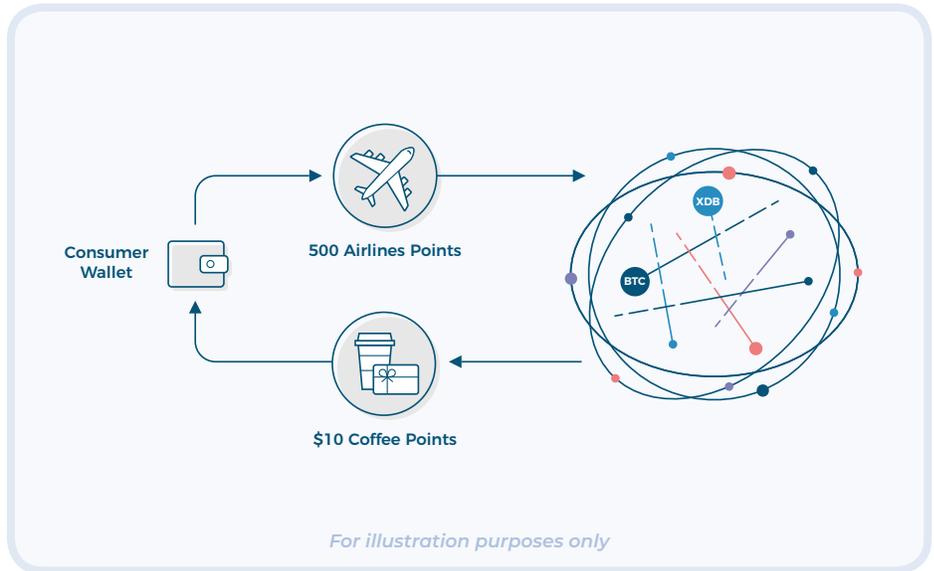
Enterprises are challenged by high maintenance costs and incompatible program infrastructure that limits the interoperability potential with other rewards programs.

1 Gordon, N., Hlavinka, K.: The 2011 Forecast of U.S. Consumer Loyalty Program Points Value. URL: http://www.swiftexchange.com/Content/Documents/2011-COLLOQUY-Liability-Talk-White-Paper.pdf, (Accessed August 14, 2018)

DigitalBits can revolutionize the loyalty and rewards points industry, allowing both consumers and enterprise adopters to effortlessly utilize blockchain technology and cryptocurrencies.

Reimagining the Points Economy:

Loyalty and rewards points is the first digital asset category to leverage the DigitalBits blockchain. With billions of dollars in value sitting in the pockets of millions, this category is well positioned to drive the mass adoption of cryptocurrency. Consumers are familiar with utilizing and interacting with these assets, and will be able to use blockchain and cryptocurrencies without even knowing it!

Consumer Wallet

500 Airlines Points

$10 Coffee Points

XDB

BTC

For illustration purposes only

DigitalBits is revolutionizing the loyalty and rewards space by focusing on easy-to-integrate blockchain solutions across both industry verticals and horizontals in the points economy.

Points Trading

End-users trade directly in a rapid peer-to-peer environment through multi-hop technology. Multi-hop automatically matches asset pairings even if no direct market exists, making transactions and order fulfillment near instant and frictionless.

Migrating Millions to the Blockchain

With this enterprise go-to-market approach, each and every enterprise that tokenizes their existing digital points scheme results in millions of active wallets being instantly transferred onto the DigitalBits blockchain. This creates a massive ecosystem of users and value, and enables consumers to easily engage with cryptocurrencies. The success of this strategy is expected to result in the DigitalBits blockchain supporting one of the highest number of active wallets and transaction volumes in the industry, in addition to contributing to the exponential growth of global cryptocurrency adoption.

Infrastructure Protocol

DigitalBits will serve as the underlying infrastructure, integrating with various applications aiming to support the tokenization of legacy consumer points and rewards. The integration of these applications will enhance liquidity, expand access to asset classes, and introduce better options for consumers.

DigitalBits Blockchain

Legacy Apps

dApps

API/SDK Suite

DEX Layer

DigitalBits Blockchain
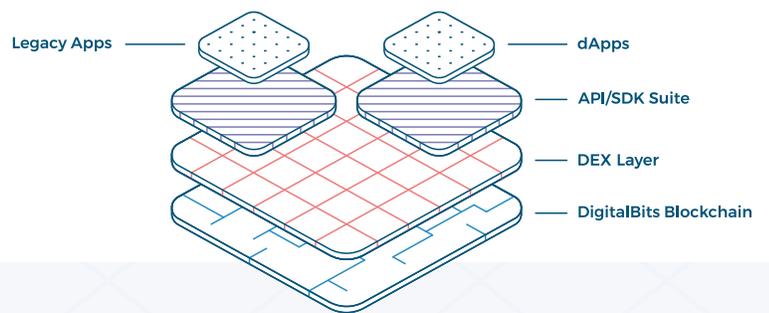
Crossing the Chasm
The Time is Now

By pursuing an enterprise go-to-market strategy and integrating with existing applications, DigitalBits aims to help drive the mass adoption of cryptocurrencies. The current approach seen in the market attempts to forcibly push complex blockchain terminology into society, which has been met with apprehension. DigitalBits looks to transparently fit blockchain into society, allowing both consumers and enterprise adopters to seamlessly benefit from the technology. It's time to bring cryptocurrencies to the masses.

Disclaimer:

This overview document is for information purposes only and has been created to provide a general overview of the DigitalBits project. It will outline some of the key characteristics of the project, creating a concise vision of what we look to achieve. For further details, please reference our whitepaper.

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