First brand roll out: Lattesso — crypto to go!
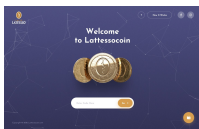
CAFFÈ LATTESSO®

Roll out details

For our first go-live, we teamed up with Lattesso, the swiss chilled coffee company. While looking for a loyalty program, Lattesso searched for something that would add value for their customers. So when they came across qiibee, it felt like a match made in heaven — it was exactly what they had in mind. By combining loyalty with blockchain technology, Lattesso maintains full flexibility over its reward and redemption structure and achieves even higher levels of engagement.

The initiative was officially unveiled at the Blockchain Summit in Zug in April 2018. On May 5, 2018, Lattesso began selling 2 million coffee cups in seven different countries across Europe and Asia. Each cup contains a special code on the lid that customers can use to earn Lattessocoins.
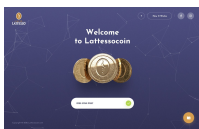
1. Customers buy Lattesso's coffee and receive a unique code hidden under the cookie
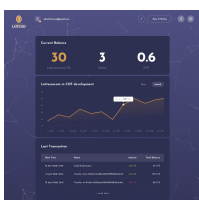
2. This code can be redeemed for Latessocoins (LTS) on latessocoin.com (https://lattessocoin.com)

3. Users are required to sign in to receive and store their LTS

4. If the code is valid, the Lattessocoins will be credited to the user's wallet
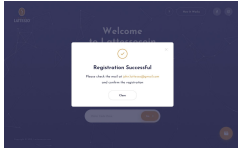
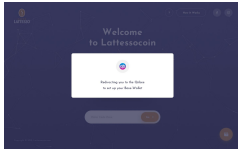5. Where they can collect, save, and view the value development of their accounts

New users are asked to open a Lattesso account. This new account connects to their user-specific qiibee wallet, where they can store LTS and other brand tokens.
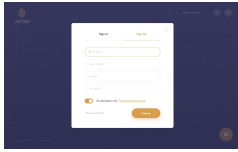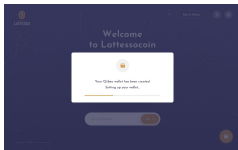
1. First time users have to sign up

2. By confirming their email address

3. A qiibee wallet will be created

4. and set up to store all the loyalty tokens

Customers only need to create one wallet for all loyalty programs. The wallet creation can be done through the brand's app (like Lattesso) or directly via the qiibee wallet app. That way, there's no need to create multiple wallets; instead, all loyalty programs are connected to a single wallet and users can manage them through the qiibee wallet generator.

Furthermore, the customer can create a secure backup of their wallet, so they can restore its contents even if they lose their phone. We're currently in the process of preparing engagement options for Lattesso, including token redemption options.

Lattesso created **'Lattessocoin'** based on the qiibee platform

2m coffee cups were redesigned and carried a code

4 weeks after token launch the coffees reached retail stores

Customers in **7 countries** were rewarded with Lattessocoins

Customers **open a wallet** and activate their Lattessocoins

Lattesso has rich opportunities to **engage loyal customers**

Technical implementation

<u>Wallet creation</u>
In order to make it as easy as possible for consumers to create a wallet, qiibee is building its own wallet generator (available at https://wallet.qiibee.com) that brands (in this case, Lattesso) can integrate into their apps.

As explained in section "Roll out details", after users open accounts on lattessocoin.com, a *qiibee wallet* is generated automatically.
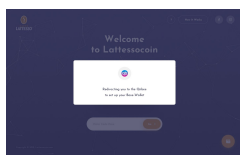
   3.   A qiibee wallet will be created

The users' *qiibee wallet* is generated by our *qiibee wallet generator,* which aims to make it easy for brands to generate Ethereum wallets for their consumers, while still allowing consumers to use one account for all their loyalty programs.
The qiibee wallet generator works locally on each consumer's computer or device (to ensure more security) and it grants them access to their wallet information, including their recovery mnemonic phrase and private key.

Let's consider the following scenarios:

- Alice wants to open a loyalty account in Lattesso. She's never had a qiibee wallet before — so she goes to lattessocoin.com and signs up. Then, Lattesso's site will detect, through the qiibee wallet generator, that she does not yet own a wallet. Thus, it will generate a wallet and send the QB wallet address to the Lattesso site.

Alice does not have a qiibee wallet

- Alice wants to open a loyalty account with Lattesso. She already has a qiibee wallet. She goes to lattessocoin.com and signs up. Then, Lattesso's site will detect, through the qiibee wallet generator, that she does have a wallet. Thus, it will just send Alice's existing wallet address back to Lattesso site.

Alice already has a qiibee wallet

What happens if a consumer wants to collect other loyalty tokens? Must they generate a new wallet each time?

❖ No. So long as a consumer uses the same device, our wallet generator will detect their wallet. Whenever a new wallet is generated, its information is locally stored on the device's browser.

If a consumer switches over to different device, they can import the existing wallet by copy-pasting the mnemonic phrase generated (available at https://wallet.qiibee.com/mnemonic.html). The qiibee team is working hard to provide a host of options to make exporting-importing as painless as possible. Such options include: automatic export from your mobile device browser to the qiibee mobile applications, QR scanning, etc..

Private Key storage

At qiibee, we don't store consumers private keys. Whenever a customer creates a wallet, this process is performed client-side. That means that the generation process is executed on their desktop computer or mobile device, not on our nor external servers. This ensures (1) anonymity, as we never ask consumers to provide personal data that may be linked to their wallet address and (2) security, since we don't have any way to access consumer funds, neither will any bad actors.

However, consumers should note that if they lose a device, they could lose access to their funds as well. Because we don't store any wallet information on the backend, we don't have a way to recover it. This is why it is so important that users save their private keys or mnemonic phrase [https://en.bitcoin.it/wiki/Mnemonic_phrase] in one or more safe places.

Sending of Lattessocoins

We've designed hybrid architecture, where we combine the public Ethereum chain with our own private chain, which is also Ethereum-based. Our own private blockchain allows us to ensure high-speed transactions, thereby achieving our main objective: the high speed, low cost exchange of loyalty tokens.

To give you a better understanding of this model, we've provided a general overview. Here, you can see that the qiibee ecosystem stands on the two aforementioned chains, which interoperate.

Public Ethereum Blockchain | Private Ethereum Blockchain
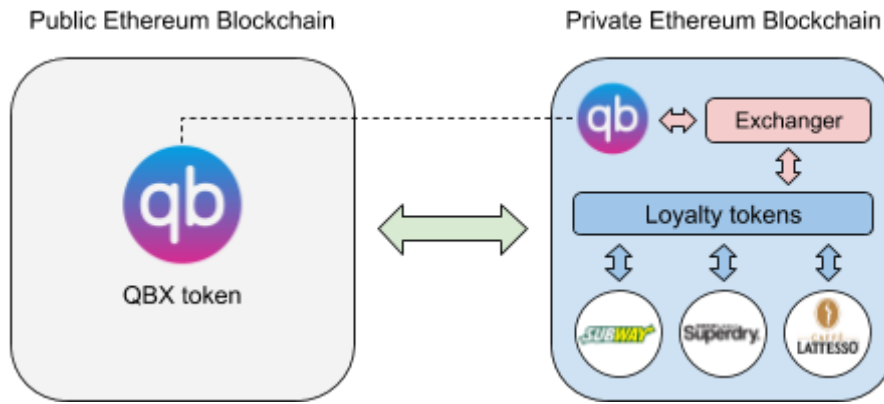
The QBX Token is deployed on the public Ethereum blockchain and is mainly used as a backing for loyalty tokens generated on the private chain. In this way, the QBX functions as sort of entrance and exit point to the qiibee ecosystem, while the loyalty tokens exist only on the private blockchain.

This relationship ensures that the value of loyalty tokens inside the private chain always correlates to the value of frozen QBX on the public Ethereum Blockchain and will in/decrease in value according to the QBX price development. Before creating the Lattessocoin, Lattesso set the fixed exchange rate of Lattessocoin for QBX. One QBX equals 10 Lattessocoins.
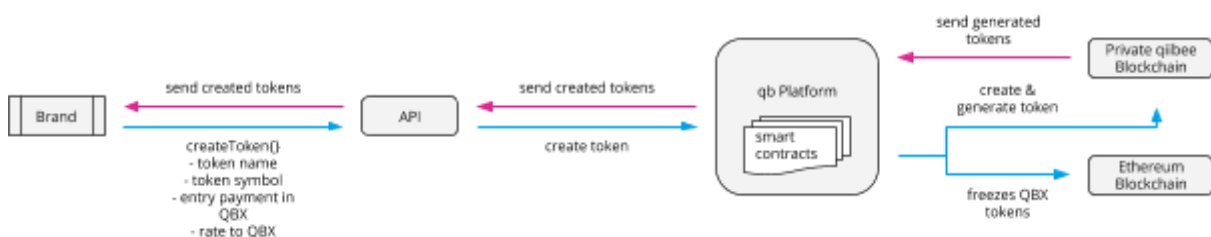
Lattesso is able to reward their loyal customers within seconds and at almost zero cost via the private chain.

While customers get full freedom of choice and a value backed by QBX, Lattesso remains in complete control of the total Lattessocoin supply, which they can easily increase or decrease.

The price of QBX increases with every brand that joins the platform. Thus, qiibee doesn't pit one brand against another, but build an symbiotic ecosystem where growth entails profit for everyone — from brands to loyal customers.

Results

Especially during happy hours, where customers had the chance to earn double the amount of crypto within a 24h period, the coffee producer witnessed a sales increase of incredible 61% and a traffic increase of 57%! Not only that, more importantly, within the first 1.5 months of the roll-out, more than 10'000 digital wallets have been created—and that was only with our first brand roll-out.

These results exactly represent what MindNow, one of our partnering marketing agencies, discovered in their recent study. They conducted it with 2'000 people to understand the psychology behind loyalty on the blockchain, or, more simply put, how people feel about crypto rewards. And the results are stunning—84% of the respondents claimed to prefer crypto rewards over traditional loyalty points.

Future

While owning a wallet with Lattessocoins may be exciting for customers, it's typically not the end product they've been waiting for.

We're all looking forward to the day that QBX gets listed on crypto exchanges. Once that happens, users will be able to see the value development of their token portfolios over time in qiibee Tokens (QBX), FIAT (USD, Euro, CHF, etc.) and other cryptocurrencies (e.g. ETH). The total FIAT and crypto value of the token portfolio will constantly change, incentivizing the user to log in and check their balance.

The qiibee team is already working on engagement options for Lattesso and a redemption strategy for collected Lattessocoins. Meanwhile, other brands can set up the reward side of their program and attract participants throughout the qiibee ecosystem.

Not only can users send Lattessocoins and other loyalty tokens to friends and family, but they can also combine and exchange them for qiibee Tokens (QBX) and traded for other cryptos through third-party integration.

The qiibee ecosystem provides additional information on new and ongoing loyalty programs, providing customers with full transparency and a chance to compare the programs, while brands can push their own campaigns.

Below, you can take a look at qiibee's product roadmap for the next few months through the end of the year. The roadmap is pretty barebones, since we continuously adapt it based on customer and brand feedback.
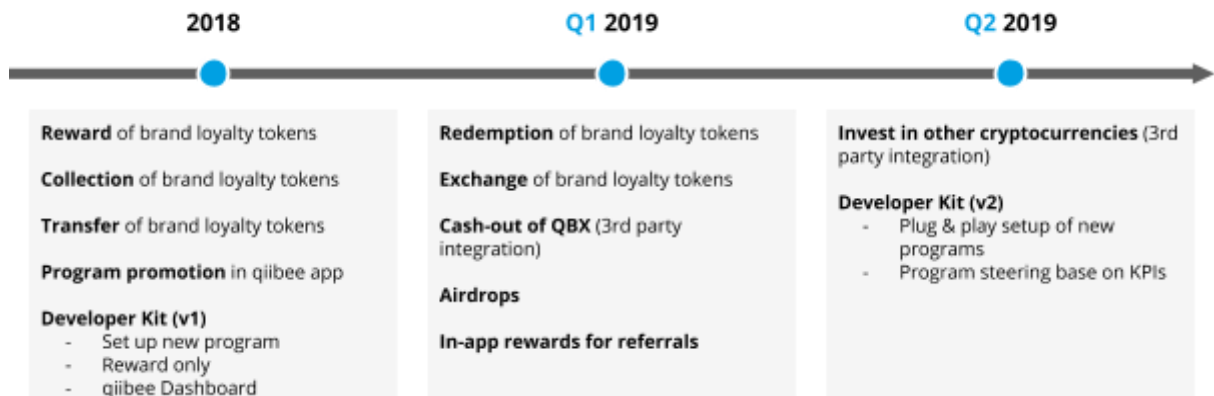
About Lattesso

Lattesso isn't your average cup of joe. This five-year-old chilled coffee company was founded by Erich Kienle, former CMO of Emmi, Switzerland's largest milk producer, and creator of the famous "Emmi Caffe Latte." With Lattesso, Kienle sought to bring a more natural, sophisticated, and convenient product to the coffee market and aims to sell 14 million cups in 2018.

The global coffee brand operates in seven different countries worldwide (DE, CH, AT, BE, NE, LUX, RU). Lattesso combines natural ingredients, innovative packaging, and a eager team who make a drink that is one-of-a-kind. They offer the first takeaway coffee made with high quality Swiss milk, sustainable sourced Arabica coffee beans, and without any additives.

Most importantly, the people behind this Swiss brand are passionate about their work. They pour their hearts and souls into every cup of their chilled coffee, ensuring that it's perfectly natural and naturally delicious. Ultimately, it's that passion that sets them apart from the rest.

Lattesso points of sale