



Improving efficiency of gift cards and prepaid vouchers ecosystem

Market challenges

The total volume of gift cards is projected to reach \$400 billion by 2019. In 2017, consumers spent more than \$130 billion on gift cards per year, but roughly \$1 billion went unspent. One reason is that gift card fraud is surprisingly easy for fraudsters to pull off and currently costs the industry an exorbitant amount of money every year. Card security is so low that balance theft is rarely reported or legally pursued due to the lack of personally identifiable attributes proving ownership of a card. By transitioning to online services, e-gift cards have been additionally exposed to the fraud mechanics that all digital goods are inherently vulnerable to, such as double-spending. This has led to them having an even higher percentage of fraud attempts than traditional plastic gift cards. Some issues regarding using existing gift card systems:

- Lack of the secondary market;
- Fragmentary accountability;
- Physical interaction with the client is required;
- Inability for buyer to verify the origin of the card.

TokenD helps issue and management of gift cards

TokenD blockchain powered solution helps retailers offering to make those systems secure. Due to the lack of middlemen needed to process the issuing of cards, the process of acquiring and using blockchain-reliant gift cards is secure. The confidence that there will be no double-spending can provide a way to enable efficient ownership transfer and secondary market because the token can be transferred online to another user, without the risk that the previous owner can use it after it has been sold. A gift card represents a digital token and a user's wallet is used as a storage method. The implementation of blockchain will help to reduce fraud at the token exchange.

Distributed Lab utilizes benefits of blockchain by providing the ability to create a fully integrated solution. TokenD includes production-ready web and mobile wallets, admin panel, and integrations with external systems like fiat payment gateways, blockchain networks as well as identity verification systems. We offer transferring cards without a need of physical interaction, verifying that the gift card (token) is indeed issued by the business using the TokenD-based platform. It enables creating a single transparent accounting system within the retail ecosystem.



Key benefits of TokenD platform

Values that TokenD platform brings to business:

- Provenance of gift cards can be easily tracked;
- Simple gift cards accountability process;
- Secure transfer of ownership to another person;
- Simple issuance and distribution of cards without a physical interaction.

Values that TokenD platform brings to IT operations:

- Protection against the re-used gift cards;
- Elimination of gift card fraud;
- Easily customized mobile and web wallet;
- Full control high level security.

Summary

TokenD is a state-of-the-art white label blockchain platform that consolidates the experience gained by Distributed Lab in building the production-ready distributed ledger solutions. It is designed for enterprises that are willing to take advantage of the blockchain technology without the need of maintaining the expensive team of blockchain experts and within the shortest time to market. Besides the flexible DLT functionality, TokenD includes production-ready web and mobile wallets, admin panel, and integrations with external systems. With intuitive REST API, SDKs documentations and reference implementations the required customization efforts are reduced to minimum, which makes it even more valuable in an emerging but rapidly growing industry.

For more information contact enterprise@distributedlab.com

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