

WITTICISM White Paper

Internet Sensation E-Commerce Community under the Token Economy



Abstract

WITTICISM is a Token-driven Internet Sensation E-Commerce Community. Both KOL and ordinary users who sell and purchase products in WITTICISM have the opportunity to receive corresponding awards. WITTICISM will establish a fair and transparent system to reflect the value of each user's contribution and give it to WITI. WITI is a block chain Token issued by WITTICISM, which is used to reward users for their contributions in the WITTICISM e-commerce community and represents the use rights of WITTICISM and its surrounding ecology.

The latest revision was made on Apr. 9, 2019.

1 What is WITTICISM?.....	1
1.1 Background	1
1.2 Product Design	2
1.3 Acquisition of WITI	3
1.3.1 E-commerce Sales Mining	3
1.3.2 Get A Discount on the Purchase of the Product	4
1.3.3 Auction E-commerce	4
1.3.4 Other Forms of Gifts	5
1.4 Intra-Community Circulation of WITI	5
1.4.1 Incubation of KOL	5
1.4.2 Buy High Exposed Booth	5
1.4.3 Participation in Community Original Brand Creation	5
1.4.4 Pay in the Form of WITI	6
1.4.5 Participation in E-commerce Auctions	6
1.5 Users are Stakeholders	6
1.6 Conclusion	7
2 WITTCISM ID	8
2.1 What is WITTCISM ID	8
2.2 Achieve the Technology	8
3 Core Member of WITTICISM	9
4 Distribution of WITI	10
5 Road Map and Goals	12
6 Warning	14

It is said that there is no hot blockchain application to Customer, but we think that WITTICISM has this potential.

—— **WITTICISM team**

1 What is WITTICISM?

WITTICISM is a fashion Internet sensation e-commerce community, and the model of "Internet celebrity + fan community + e-commerce" can be understood as the use of Internet sensation KOL traffic attractiveness, relying on e-commerce sales for traffic realization. "Sale is mining", WITTICISM helps KOL to expand its influence through Token incentives, attract ordinary users to buy products, encourage designers to participate in the original brand design of the community and improve the supply chain, so that users participating in every step of e-commerce sales can get the benefits.

1.1 Background

KOL, also known as a key opinion leader, refers to those who have the ability to interact and influence others in specific circles or areas (such as fashion, culture, entertainment, and games). Fashion KOL is also known as "Internet sensation", especially for travel, wear bloggers and beauty bloggers who are active on social platforms such as Instagram, Weibo and Red.

Internet celebrity economy is a 100 billion-level market, and Zhang Dayi, the Internet celebrity blogger, promoted sales of 170 million yuan in 2017 on Taobao double 11 Day. Viya, the most popular female anchor on Taobao network broadcast , promotes

the maximum sales of 150 million yuan on a single network broadcast(five hours). Lijiaqi, the most popular male lipstick anchor, said:"Oh,my god" and then a kind of lipstick were immediately out of stock. By using the Internet celebrity resource in the hand and using it as a credit endorsement to make the products won the trust of users, this business model has been put into practice by Ruhan Holdings and Yedao Technology, etc, where Ruhan Holdings will be listed on the NASDAQ in the USA.

Why did WITTICISM choose to use the block chain? Once again, this business model has been put into practice by Token economy. Firstly, the Internet sensation e-commerce is an unsaturated market where KOL emerges endlessly and there are still many opportunities. Secondly, the block chain's Token economy makes the relationship between KOL and the fans closer because of the existence of Token, the distribution and circulation of products between designers, KOL and fan consumers smoother, and all participants will benefit from holding Token, especially the new small and medium KOL.

1.2 Product Design

WITTICISM is a fashion Internet sensation e-commerce community. The product design refers to the Xiaohongshu and WhatsMode and the final product form includes WeChat Mini Program and APP. The difference between WITTICISM and the traditional Internet sensation e-commerce community lies in the introduction of the original Token WITI which is based on block chain.

There are roughly two phases in the operation of the product. In the first phase, the small and medium-sized KOL Internet celebrities were invited to enter WITTICISM. WITTICISM provides fan community operation, e-commerce product management and KOL incubation function to help KOL expand its influence and enhance the influence of the WITTICISM Internet sensation e-commerce community. In the second phase, WITTICISM teamed up with designers, KOL and the supply chain to launch their own original design brand.

The value of a brand lies in how many users support it. We use the Token economy to simulate the operation of the original brand. The WITTICISM community, designers, KOL and fan community all offer WITI's participation in the design, production and sales of original brands, and WITI's right to reward brands. Every user involved in brand operation will benefit from the sales of branded products. Designers solve the problem of product survival and development. KOL and users get high-quality products and long-term rebates that they deeply participate in, until the end of the product life cycle. This is an ecosystem that is a closed loop, where ecosystem participants create value and enjoy value.

1.3 Acquisition of WITI

WITI is the block chain Token issued by WITTICISM, representing the use of the WITTICISM community and surrounding ecosystems. WITI is a kind of value voucher that encourages more contributions by rewarding users who make "contributions" and promotes rapid development of the community.

1.3.1 E-commerce Sales Mining

E-commerce sales mining is an important concept in the WITTICISM ecosystem. KOLs sell their own products through their own online stores, or WITTICISM docks design resources and supply chains to produce and sell their own brands and products. Earn WITI awards by the percentage of sales in the total time period as a percentage of total sales in the community.

These WITIs are gradually released by the community from the "E-Commerce Incentive Pool" according to established rules, and the release amount within the specified time is limited, so all KOLs will compete with each other for limited WITI awards. As the value of WITI increases, the WITI release of the e-commerce incentive pool will decrease year by year.

Reward rules:

$$\text{Turnover} = \text{ATnor} + \text{BTnor} + \text{CTnor} + \text{DTnor} + \text{ETnor} + \text{FTnor} + \dots$$

$$\text{AWITI} = \text{ATnor} * \text{MWITI} / \text{Turnover}$$

Notes: Turnover: Sales within the specified time

ATnor: Sales of Internet celebrity A

BTnor: Sales of Internet celebrity B, and so forth

AWITI: WITI Reward for Internet celebrity A within the specified time

MWITI: WITI total reward within the specified time

1.3.2 Get A Discount on the Purchase of the Product

Users or fans who purchase KOL products will receive a discount in the form of WITI. Product sales in the WITTICISM community are priced in RMB or other legal currency. There are two ways for users to get discounts:

- a) Paying for the purchase of the product in the form of a legal currency, and obtaining a certain value of WITI as a rebate;
- b) Paying for the purchase of the product in the form of WITI, and the pricing of the product with WITI will be less than the price of the legal currency; (eg. WITI with an actual payment value of 90 yuan will receive a product of 100 yuan)

This measure promotes the natural flow of WITI within the WITTICISM community.

1.3.3 Auction E-commerce

WITTICISM will select some of the products to be sold by auction. 1 WITI starts with the price increase, the last bidder gets the product itself, and among the remaining bidders, The former bidder will receive a certain percentage of the increase of the latter bidder as a reward. With this trading method, each player can benefit from the auction, which can maximize the incentive of the auction and the attraction to the

buyer, and attract more buyers to actively participate in the auction bidding, so that WITI can flow faster and better, and the acquisition and consumption of WITI can form an effective closed loop.

1.3.4 Other Forms of Gifts

Users can get WITI rewards by log in, inviting friends, WeChat sports step redemption, mini-games, and participating in KOL published events.

1.4 Intra-Community Circulation of WITI

We think that as a block chain project, WITTICISM can not extrude all the users' liquidity wishes to the exchanges, but should make WITI circulate in the ecosystem of WITTICISM.

1.4.1 Incubation of KOL

Users of WITTICISM community can participate in KOL incubation with WITI in their hands. They can offer incubation suggestions from the perspective of "investors" and "brokers" to help KOL expand its influence, increase sales, and then they can get dividends from sales mining.

1.4.2 Buy High Exposed Booth.

The exposure of KOL shop and display location are always closely related. KOL and investors can spend the WITI in hand to get better display location to improve the attention on the stores and then get better sales performance.

1.4.3 Participation in Community Original Brand Creation

Community brand creation is an ecosystem. A group of users with common aesthetic value gather together with WITI as the value hub to form a common aesthetic

consensus. Independent designers combine the flow resources of KOL, enthusiastic suggestions of early fans and domestic high-quality supply chain resources to create a brand with distinctive characteristics. Users participate in the creation with WITI as a value certificate can obtain the benefits of community creation.

1.4.4 Pay in the Form of WITI

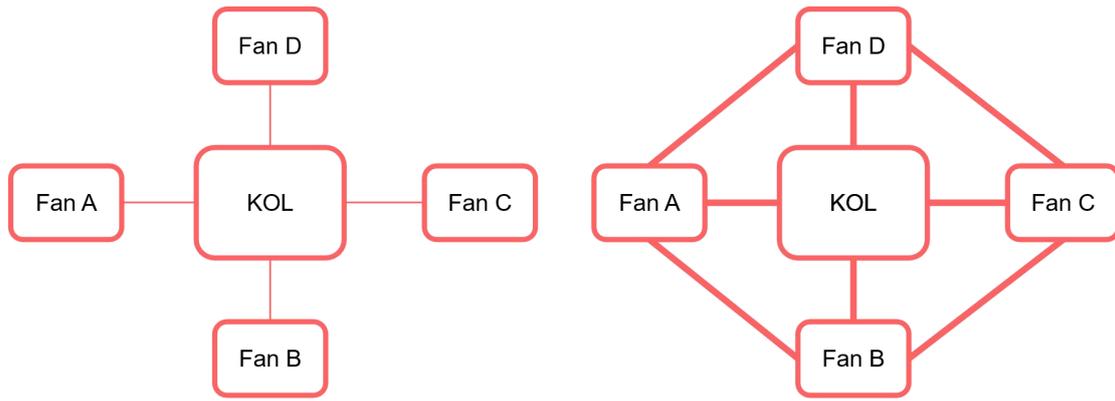
More discounts will be obtained for purchasing products in the form of WITI. Details refer to 1.3.2

1.4.5 Participation in E-commerce Auctions

Participation in e-commerce auctions can make consumers more active. By paying a small amount of WITI, customers can get their favorite products, which promotes the circulation of WITI within the community. Details refer to 1.3.3.

1.5 Users are Stakeholders

WITI is the value link for all WITTICISM users. For traditional fans economy, fans gathered around KOL because of KOL's own charm, which is extremely unstable. In the internet sensation economy under the influence of Token economy, Token is the common economic demand between fans and KOL. WITI is the value carrier of WITTICISM. The larger the number of community users and the stronger the influence of community creation, and the greater the market demand of WITI as a limited Token, the higher its market price will be, and all WITI holders will benefit. The role of WITTICISM users is no longer only the users of the community, but also the interest community. With the development of the community, the benefits of each user will be improved, which fundamentally changes the user's behavior pattern and collaboration mode.



KOL and Fans Contact Map of Traditional Economy

KOL and Fans Contact Map of Token Economy

1.6 Conclusion

WITTICISM is a fashionable online internet sensation e-commerce community, which incubate internet sensation KOL. WITTICISM takes the use of KOL's flow to transfer the dividends into cash. KOL and ordinary fans are rewarded with WITI through electricity sales and purchases. WITI is the value certificate of the community. It encourages users to participate in the construction of original brand in the community to promote the birth of more original brands in the community, and achieves better sales performance and better development.

Access to WITI	Intra-Community Circulation of WITI
E-commerce sales mining(KOL)	Product purchase (user)
Rebate (ordinary user)	Buy high exposed booth
Participate in e-commerce auction (FOMO)	Reward (Very Very richer users)
Buyer show	Participate in the auction of e-commerce
Other forms of gift	Participate in original brand creation

2 WITTICISM ID

WITTICISM ID is the proof of transparent operation of WITTICISM. Otherwise, it will be questioned that WITTICISM may be a black box of centralized operation.

In the first stage of WITTICISM operation, WITI holders store WITI in WITTICISM community by hosted mode. In the second stage, WITI stored in the user's own private WITTICISM ID, which the owner has the keys. WITTICISM server monitoring block chain, access to the number of WITI information in each account. The WITTICISM server monitors supervise the block chain to obtain the quantity information of WITI in each account.

In the first stage of our assessment, more than 50% of WITI will be stored in the WITTICISM community, which is not only a security risk, but also against the spirit of decentralization. The outside world needs to believe that WITTICISM community operators will not carry out malicious operations in the server background, such as set up false accounts, false increase in the number of WITI and so on. Therefore, if WITTICISM and WITI want to prove their own value, they must use block chain technology to eliminate potential evils in operation.

2.1 What is WITTICISM ID

WITTICISM ID is a digital wallet based on block chain technology and users own the private key. Its mission is to protect users' data, property and privacy.

2.2 Achieve the Technology

After evaluating the common chain of each block chain, WITTICISM chooses Nebulas as the common chain, using NRC20 Token standard, and realizes WITI's use demand through WITTICISM community autonomous technology scheme.

WITTICISM community is likely to generate a large number of WITI transactions and transfers. In view of the limitations of block chain technology on transaction throughput, transaction delay and transaction cost, the WITI payment in product purchase is not directly operated on the block chain for the time being.

The implementation of WITI will be divided into two stages:

In the first stage, the function of WITI is realized in a centralized way, that is, the user's WITI is stored centrally in the WITTICISM community. For more than 90% of WITI, the WITTICISM community will store it as a cold wallet; 5-8% as a warm wallet; and only about 1% as a hot wallet on the WITTICISM server.

In the second stage, WITI is stored in the WITTICISM ID where the user controls the private key himself. WITTICISM monitors the block chain and obtains the quantity information of WITI under each WITTICISM ID, which makes the use of WITI more convenient.

3 Core Member of WITTICISM

Li Feng, founder and CEO of WITTICISM Internet Sensation E-commerce Community. He worked for 4A company Mcken, Bright and Platinum Tao Group. He was a serial entrepreneur. He founded Parigo Travel Short Video Community and Yuzhu.me.

Wang Haiou, co-founder of WITTICISM Internet Sensation E-commerce Community, CTO. He is Nebulas Eco-developer and founder of FixedEx as well as Neber Wallet. He has many years of Internet development experience and during the period of serving a listed company, he led the development of a number of Internet projects.

Special Thanks

Thank Arron Li, Wang Guan, Wu Pengfei for their advice and help to the WITTICISM community.

Arron Li, Doctor of Computer Science, Carnegie Mellon University, Serial Entrepreneur of Block Chain and Artificial Intelligence, Founder of Silicon Valley Artificial Intelligence Company, Qokka. ai.

Wang Guan, Co-founder of Nebulas, COO.

Wu Pengfei, Managing director of BN Capital.

4 Distribution of WITI

WITI has a total of 2 billion copies and will never be issued. WITI allocation consists of six parts: 30% e-commerce incentive pool, 20% sales discount pool, 15% ecological construction pool, 15% marketing promotion pool, 10% foundation operation management pool and 10% team option.

1. WITI of e-commerce incentive pool is used for e-commerce sales and mining, rewarding KOLs, who have sales performance. The number of WITI is 600 million, accounting for 30% of the total. The WITI in the content incentive pool is initially locked by the intelligent contract and released gradually according to the time. The amount of WITI released within the prescribed time is reduced by half and when it is reduced to a certain value, it will not decrease any more.

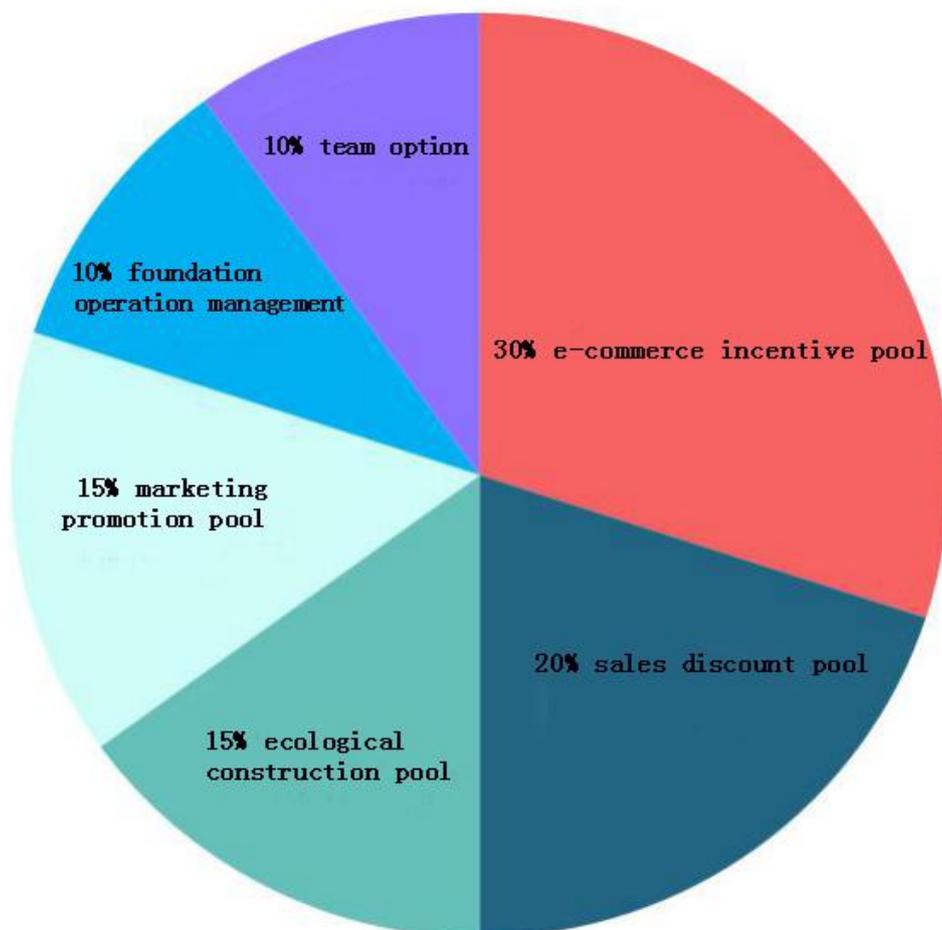
2. The number of WITI sales discount pools is 400 million, accounting for 20% of the total. Users buy products from WITTICISM community will have the opportunity to get price discounts in the form of WITI. WITI can invest in or consume again in WITTICISM community.

3. The number of WITI in the ecological construction pool is 300 million, accounting for 15% of the total. It is used for ecological incubation and incentive, business cooperation, industrial cooperation, academic research and strategic investment in WITTICISM community.

4. The number of WITI in marketing promotion pool is 300 million, accounting for 15% of the total. It is used for marketing promotion, rapid development of new users, attraction and motivation of KOL. The marketing incentive plan in the early stage is the strongest, but in the later stage, it will be gradually reduced according to the operation situation. The WITI of marketing promotion pool will be 100% transparent and open to the public regularly.

5. The number of WITI in WITTICISM Foundation is 200 million, accounting for 10% of the total. WITTICISM Foundation is a non-profit organization. WITI held by WITTICISM will ensure that WITTICISM, and technology development work of WITTICISM ID can be completed as well as paying for operation and maintenance costs.

6. The number of WITI in WITTICISM development and operation team is 200 million WITI as options, accounting for 10% of the total. The team locks the warehouse for 36 months, and the amount of unlocking per half year does not exceed 10% of the total amount of WITI held by the team.



5 Road Map and Goals

In December 2018, the WITTICISM Fashion Content Community began to invite bloggers to take an internal test. There are nearly 100 active bloggers take the test. (Wechat applet: WITTICISM)

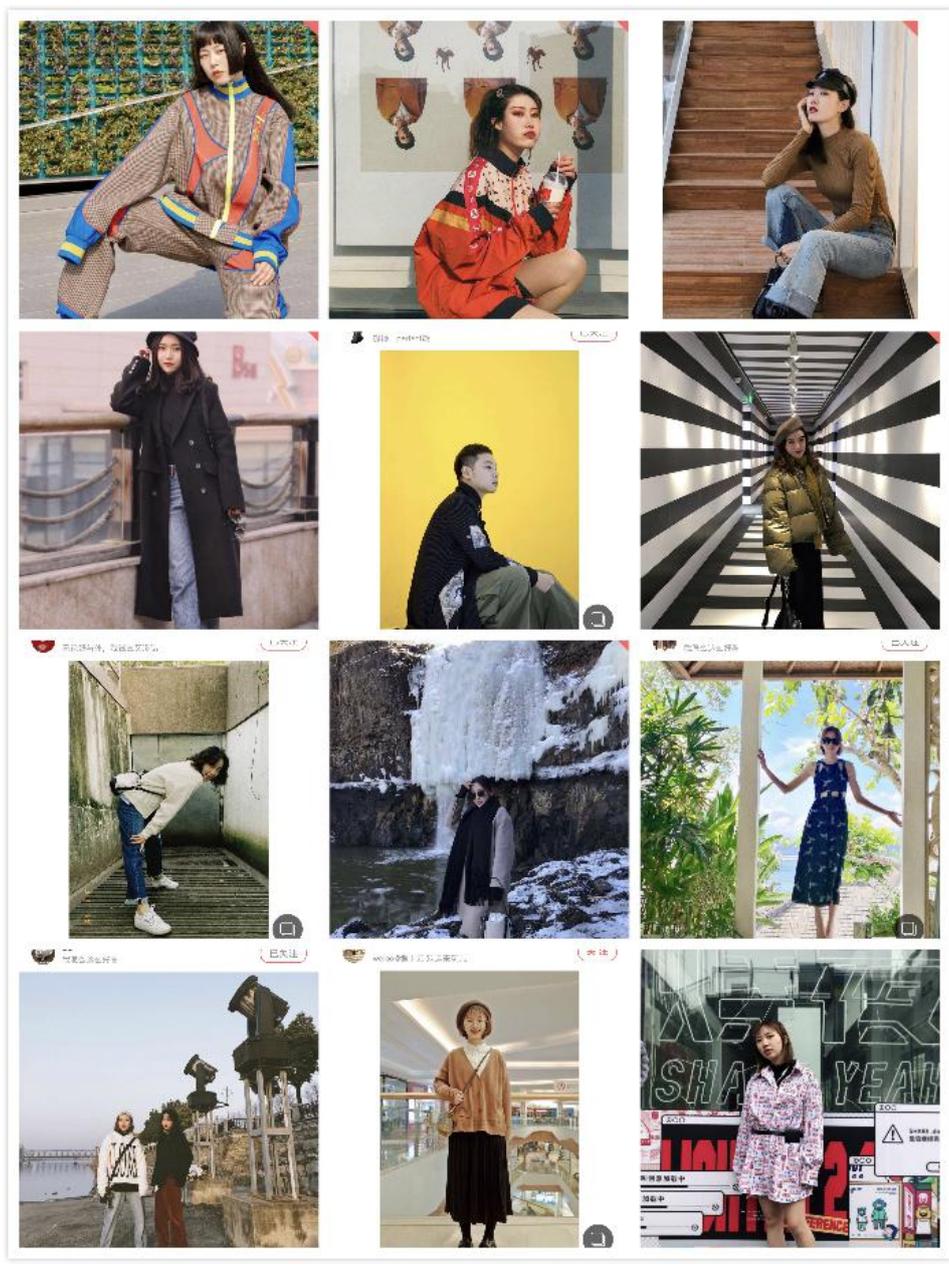
In February 2019, WITTICISM fashion community intends to run in the direction of online internet sensation e-commerce. We has talked with nearly 50 bloggers who have Taobao stores or sell goods in circle of friends. Bloggers all said that the operation of internet sensation e-commerce is particularly helpful for small and medium-sized bloggers to transfer customer flow into cash.

In May 2019, WITTICISM Greatest Hits, a applet, will be launched and there are no fewer than 30 bloggers plan to open stores.

In September 2019, WITTICISM APP will be launched soon.

In December 2019, there will be no less than 100 bloggers and no less than 500,000 registered users of WITTICISM, with sales of no less than 30 million RMB.

WITTICISM has the opportunity to become a hot To C application in block chain. The combination of WITTICISM and e-commerce makes it possible for WITTICISM to become a unicorn in the consumer field.



6 Warning

This white paper only notifies the implementation method and structure of WITTICISM's ecosystem. Given the unpredictable circumstances, the objectives listed in this white paper may change, and parts of the document may be adjusted as the project progresses.

This white paper is only used to convey information and does not constitute any investment proposal, investment intention or abetting investment, nor any form of contract or commitment.

Supporters of WITTICISM are invited to read the white paper and the relevant instructions on the official website carefully to fully understand WITTICISM. The WITTICISM Foundation has the final right to interpret this white paper.



<https://witticism.com>