Universitat de les Illes Balears

Facultat de Turisme

Plan of launching an innovative idea applied to the tourism sector

Antonio Reina Artigues

Grau de Turisme

Any acadèmic 2018-19

DNI de l'alumne: 78219236P

Treball tutelat per Francisco Julio Batle Lorente
Departament d'Economia de l'Empresa

TABLE OF CONTENTS

1. INTRODUCTION TO TONI REINA

Before starting to explain my project, let me introduce myself. My name is Toni Reina and I am a student of the Tourism degree at the University of the Balearic Islands.

I would say that there are two things that mark my character and who I am.

The first one, is that since I was young I have had an entrepreneurial mindset. I remember a very funny anecdote from when I was about 12 years old. My mother asked me what I wanted to be when I grew up and I answered "I do not want to work for anyone, I'm going to have my own company". I still remember my mother's surprised face from that day.

At 25 years old, I have participated in 3 projects of which I have learned a lot from each of them. The first project, Sintattoo, was when I was 20 years old. I opened a clinic specialized in laser tattoo removal treatments with my brother. Three months later, I went alone to Newcastle to open a series of clinics in Newcastle and London with a British investor. He put the money and I did all the work, I had a salary and he gave me a percentage in shares of the company. After 9 months of work and market research, we decided that it was better not to open the clinics. I returned to Mallorca and some time later the Luks&Bau project came up. This third project was focused on the purchase of villas or buildings in prestigious areas such as Andratx, Son Vida or Bóquer, among others, that needed reform and then use them for tourist rental or also the purchase of land and construction, using my brother's company called ModularHaus, to obtain a modular construction at cost price for the subsequent sale or tourist rental of the property.

The second one, is that I am passionate about new technologies and investment. Since I was young, I have been learning in a self-taught way about fundamental and technical analysis and the importance of psychology in trading, among other things. First, I was interested in investing in shares on websites such as www.plus500.es, but being not a very volatile market, you could not earn much money if you did not have a very large capital. That was the reason why from around 2015 I started, increasingly, to get interested in bitcoin and blockchain, and after analyzing it for a few months, in 2016 I started to invest in cryptocurrencies.

When I started, it was a very intense months of learning since the world of cryptocurrencies was basically only suitable for developers and computer scientists. At that time, if you wanted to invest in an ICO, you had to send money from your bank to Coinbase, buy Bitcoin with that money, have a wallet for Bitcoin, create a wallet where you can send the Bitcoin you had bought in Coinbase, know everything what is needed to create that wallet, to know what are PrivateKeys or PublicKeys, to know how to send the Bitcoin from Coinbase to the wallet without mistakenly copying the wrong address of the wallet because otherwise you would lose all your money, register for the ICO, send all the necessary information, to know what is a KYC (Know Your Customer), wait until the day of the ICO to send the Bitcoin to the correct wallet address, receive the

tokens that you bought from that ICO, create another account in an exchange in case you want to sell those tokens, know all the functions of the exchange so that you don't make a mistake selling those tokens, to know what is a market price or limit price, to know how to withdraw your money (in Bitcoins) to the Coinbase wallet once you sold the tokens in the exchange, to know how to convert those Bitcoins into fiat, to know how to withdraw the fiat to your bank account, etc. As you can see, it is an arduous process, and also very technological and computerized. That is why much work is now being done to simplify this whole process and thus favor the adoption of the masses.

• I have been learning on my own about technical and fundamental analysis and risk management and these are some of my best investments in ICOs:
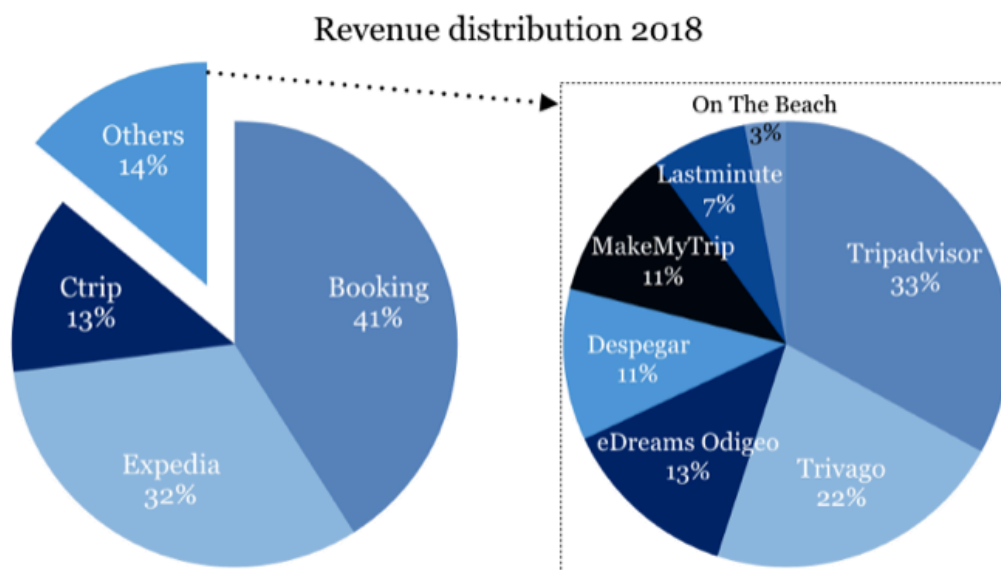
- Tron (TRX): 18x since ICO
- Quarkchain (QKC): 12x since ICO
- Seele: 8x since ICO
- Ethlend: 7x since ICO
- Credits: 4x since ICO

2. INTRODUCTION TO THE TRAVEL INDUSTRY & THE BLOCKCHAIN

The travel industry is dominated by a couple of companies which, at the same time, have developed a high dependence on the intermediaries, such as tour operators, travel agencies, etc. These intermediaries are charging high commissions to the hotel chains and put under pressure smaller hotels, which can't survive with that commissions and can't compete with higher hotel chains.

The actual hotel distribution platforms create a situation where the intermediaries have no incentive to use innovative technologies and they spend their resources on locking their customers into using systems that were created a few decades ago, creating extremely high barriers to entry for new platforms.

The model of the online travel agency was an innovation years after the potential of the Internet was seen and it was decided to bet on online travel agencies back in 1996, but today we could say that this model is broken (Prieto, 2019), with a market based on oligopoly (as we can see in the image, 73% of all revenue comes only from Expedia and Booking, followed by Citytrip with 13% and then all the other players fight for the remaining 14%).

Revenue distribution 2018

(https://medium.com/traveltechmedia/the-state-of-online-travel-agencies-2019-8b188e8661ac)

This business model has worked well for two decades, but it is beginning to see alternatives arise from this obsolete model with examples such as Airbnb. With this, we realize that consumers are willing to migrate to new platforms that empower smaller providers and prioritize transparency above all else.

Thanks to the blockchain, AGATON would make possible a significant improvement in human connectivity, allowing all tourism providers to reach the

entire world population regardless of whether it is a large or small provider, empowering transparency in all transactions, eliminating oligopolies and high percentages in commissions, eliminating intermediaries to obtain instant payments, get comments and reliable reviews that have not been manipulated by third parties, and, finally, distributing part of the benefit obtained to all those users who use our platform.

In addition, consumer demographics and preferences continue to evolve. Younger generations are betting more and more on new technologies and are being the key to spread the word about technologies such as the blockchain to other generations. As we can see in the image (Allen, 2017), 39% of Bitcoin users are between 25 and 34 years old.

WHO USES BITCOIN?

AGE 25-34
39% of users are young adults

MALE
Over 90% identify as Male

AMERICAN
53% are from either North or South America

NON-RELIGIOUS
61% of Bitcoin users do not consider themselves to be actively religious

$50-100k
23.9% have a yearly household income of $50 - 100k per year

MARRIED
56% of users are either married or in a relationship

EMPLOYED
Over 43% have full-time employment

LIBERTARIAN
37% consider themselves Libertarian, or anarcho-capitalist

GENEROUS
77% spend coins as gifts, donations, and for purchasing legal goods

SOURCES:
Who really uses Bitcoin? - http://www.coindesk.com/research/who-really-uses-bitcoin/
Demographics of Bitcoin - http://www.zerohedge.com/news/2013-03-10/demographics-bitcoin

(https://thebitcoinmag.com/who-bitcoin-users-are/1614/)

On the other hand, year after year the number of people using the blockchain is increasing, just as it happened with the Internet. According to InternetWorldStats.com, the percentage of the world population that used the Internet in 1995 was 0.4%. In 2019, the percentage is 56.1%.

DATE	NUMBER OF USERS	% WORLD POPULATION	INFORMATION SOURCE
December , 1995	16 millions	0,40%	IDC
December, 2000	361 millions	5,10%	Internet World Stats
December, 2005	1018 millions	15,70%	Internet World Stats
September, 2010	1971 millions	28,80%	Internet World Stats
December, 2015	3366 millions	46,40%	Internet World Stats
March, 2019	4346 millions	56,10%	Internet World Stats

(https://www.internetworldstats.com/emarketing.htm)

According to Statista (2019), in 2016, there were just over 5 million Bitcoin wallets created and in just three years, this figure has risen to 35 million wallets. Still, it should be mentioned that this represents only 0.45% of the total population has a Bitcoin wallet (35.000.000 wallets / 7.700.000.000 world population = 0.45%) so, the possibility of growth in case of being adopted by the masses as happened with the Internet, is extremely high.

(https://www.statista.com/statistics/647374/worldwide-blockchain-wallet-users/)
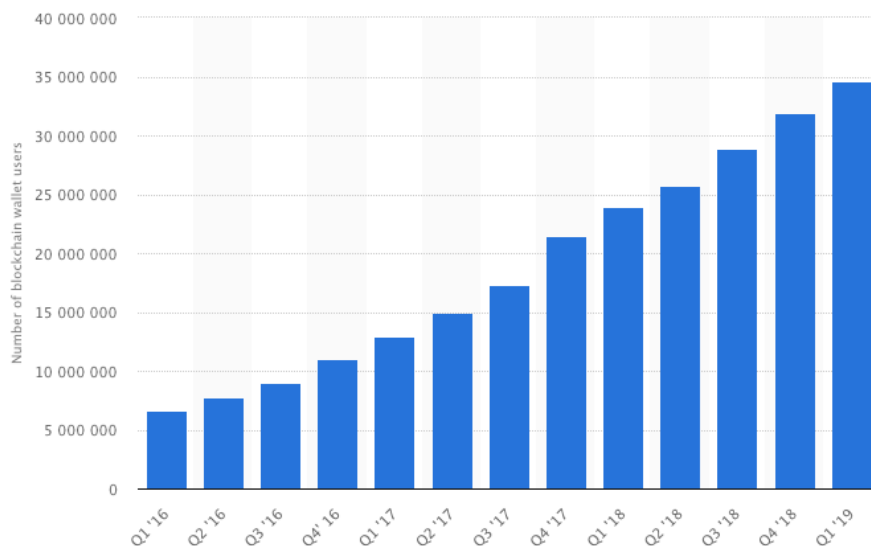
The global hotel industry revenue reached 508.57 billion euros in 2017 (Statista, 2018). The industry revenue was worth 393 billion euros in 2011, which showcases an increase in revenue of 115.57 billion euros. But, let's look at other important figures.

On the one hand, if we look at the total revenue of the 8 biggest hotel chains, that would be 55 billion euros, and on average, commission payments are the second largest expense within the rooms department, behind labor costs (Mandelbaum, 2017). So, 11.4% (average of annual % paid by hotel chains in commissions) as a commission expenses would be 6.270.000.000€. If we look at the total hotel industry revenue (508.57B€), this would be 57.976.980.000€ just in commissions.

(https://www.statista.com/statistics/247264/total-revenue-of-the-global-hotel-industry/)
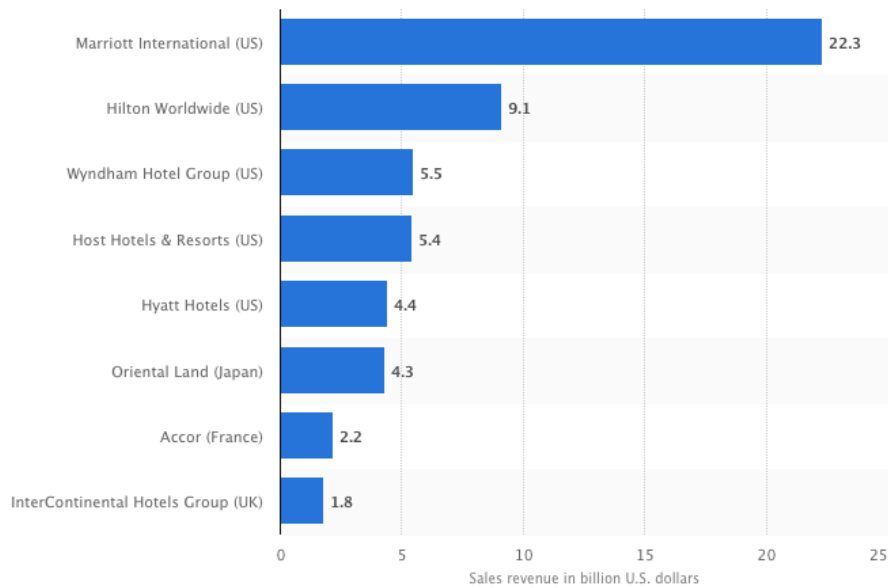
On the other hand, taking into account that the average credit card processing cost for a retail business is roughly 1.95%-2% and for card-not-present businesses, such as online shops, is roughly 2.30%-2.50% (Dwyer, 2019), so if we make an average of 2% on credit card fees, that would be 1.100.000.000€, only taking into account the 8 biggest hotel chains, 10.171.400.000€ if we consider the total industry revenue (the majority of the payments are done by credit card but we should take into account that there are other available payments methods).

As we can see, commissions are really high. The standard commission rate by the retail travel agents is about 10%-20% of retail price. Tour wholesalers and Inbound Tour Operators commission's rates are between 25%-30% (Lenoir, 2014).

In addition, we should highlight that hotels also have problems with their loyalty points programs. More than 89.19 billion euros in loyalty points were unclaimed in 2017, only counting the United States and Canada (Kaye, 2017). Moreover, most companies offer a loyalty reward system that if there is no activity in the account for a period of 1 or 2 years, all points earned are lost.

Knowing that, our company will help hotels eliminate intermediaries such as Booking.com, thus being able to directly contact customers, but we will also help hotel chains eliminate their useless loyalty reward programs by establishing a new point system based on security tokens that you can stake on our platform with which you will be entitled to a percentage of the company's profit of up to 75% in relation to the number of tokens you have. Moreover, the client will not have to worry about them expiring and they can also get tokens to give a review on the quality of the hotel service, and these will be verified by smart contracts.

To achieve this, AGATON will create a security token requesting all the necessary licenses to be traded around the world and will complement it with blockchain.

But, maybe you are wondering what the blockchain is? Let me first give an example.

The normal thing is that if a person called Toni wanted to send 500 euros to a person called Antonia, it is normal for the operation to be carried out through a bank. That bank acts as an intermediary of all the transactions, centralizing the movement of capital from one side to the other.

Toni would ask his bank to withdraw 500 euros from his bank account and transfer them to Antonia's account: in a matter of time, the bank will have written down the transaction in Toni's account, subtracting 500 euros from his account and communicating to the other bank that you must add 500 euros to Antonia's account. Someone in Antonia's bank will note that in Antonia's account there are 500 euros more coming from Toni's bank account.

This transaction has not needed a transfer of bills from one side to another, but there have simply been one or two banks that have been responsible for making the money pass from one to another with a simple change in the balance of their accounts. Everything seems to be perfect but there is a problem:

Only banks have all the information. Toni and Antonia have no control over the process. Both depend on those banks and their way of doing things to complete that transaction. They are subject to their conditions and their commissions (Pastor, 2017).

That's where the chain of blocks comes in, which basically eliminates intermediaries, decentralizing all management. The control of the process is of the users, not of the intermediaries such as banks.

So, what is the chain of blocks? It is like a huge book of accounts in which records are linked and encrypted to protect the security and privacy of all types of transactions, not only economic transactions (Fourtney, 2019). This chain of blocks has an important requirement: there must be several users called nodes that are responsible for verifying those transactions to validate them and register them.

If Toni wants to withdraw a bitcoin from his account to give it to Antonia, he warns of his intentions and all the users of the network will first check that Toni's wallet has enough money to send it to Antonia's wallet. If this is the case, they all write down that transaction, which is completed and becomes part of the transaction block. This whole process is anonymous as users do not know that Toni is the one who sends bitcoin to Antonia.

3. DIFFERENCE BETWEEN ICO & STO

When I started this project about 2 and a half years ago, the main idea was to do an ICO because of the ease of launching one, but after maturing the idea, to see a series of events that took place in 2017 and 2018, and as a protection measure for investors, I changed the idea to organize an STO. Next, I'll show you the differences between an ICO and a STO, as well as their advantages and disadvantages.

What is an ICO? The acronym ICO stands for Initial Coin Offering and is a method of fundraising where a company that has a business idea, seeks investments to develop that idea (Sherry, 2019). This company, thanks to the ICO, will be able to raise money easily from investors around the world and in exchange it will give investors a percentage of tokens, which will be like "shares". For example, a company seeks to raise 1 million euros to develop an automatic system of allocating tickets to attractions in theme parks to avoid people having to queue. This company establishes that 1 token will be worth 0.1 euro, therefore, it will have a total of 10 million tokens. If an investor invests 10,000 euros, he will have a total of 100,000 tokens that will be as if he had 1% of the company.

Maybe you're wondering, and how do investors make money? Well, imagine that this company develops this new system and gets a collaboration to implement it in all Disney theme parks. Besides this brilliant collaboration and what it will mean for the company to manufacture and sell millions of devices for each of the Disney parks, there is a factor that is even more important in the world of cryptocurrencies, which is the hype. Only the news that this company gets a collaboration with an industry giant such as Disney, would mean a massive increase in the price of each token. At a minimum, it would mean that the market cap would increase to 20 million (which would mean that the price per token increases from 0.1 to 2 euros) only with the announcement of the collaboration, so for the ICO investor it would be x20 in its investment since the market cap was previously 1 million and now it is 20 million. That means that for this investor who has invested 10,000 euros in the ICO, after this company has worked hard to develop a product that lives up to its expectations and that overcomes a major problem such as the problem of queues in the theme parks and has gotten the interest of Disney, this investor has managed to multiply his investment by 20, so he has gone from having 10,000 euros to 200,000 euros. This is how an investor in ICOs makes money.

• The ICOs boomed in 2017 thanks to the advantages they bring. Some of them are:

- There are hardly any entry barriers neither for buyers nor sellers
- Once you have invested, the tokens are sent to your wallet automatically and simply
- The company can do with the funds what they want and the investors do not have the right to vote
- To execute an ICO successfully, you only need to make a good marketing strategy

- If the company develops a good product, investors will opt for a great profitability
- Some ICOs let their investors invest anonymously since ICOs are not regulated by law

As I mentioned, the process to launch an ICO is very simple, so along with the boom that occurred at the end of 2017 and the beginning of 2018 where many ICOs made x100 and even x1000 and x2000 returns, it made almost everyone launch their ICO without hardly having a product developed, only with a sketched idea, and even some cases like "The Useless Token" that raised $300,000 and as the name itself indicates the token is useless and was all a joke of a guy who wanted to see up what point there was a boom or not (Buntinx, 2018).

As we can see in the images below (Statista 2019), in 2016, 90 million dollars were raised and 29 ICOs were carried out. One year later, in 2017, 6.2 billion dollars were raised and 875 ICOs. Finally, last year, 7.8 billion dollars and 1257 ICOs. This shows the huge boom that has occurred in ICOs in the last two years.

Funds raised in 2016

Total raised: **$90,250,273**

Number of ICOS: **29**

2014 2015 2016 2017 2018

(https://www.icodata.io/stats/2016)
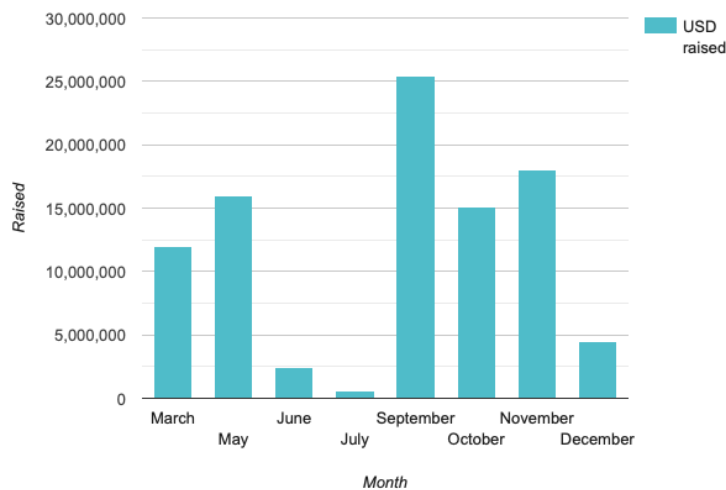
Funds raised in 2017

Total raised: **$6,226,689,449**

Number of ICOS: **876**

2014 2015 2016 2017 2018

(https://www.icodata.io/stats/2017)
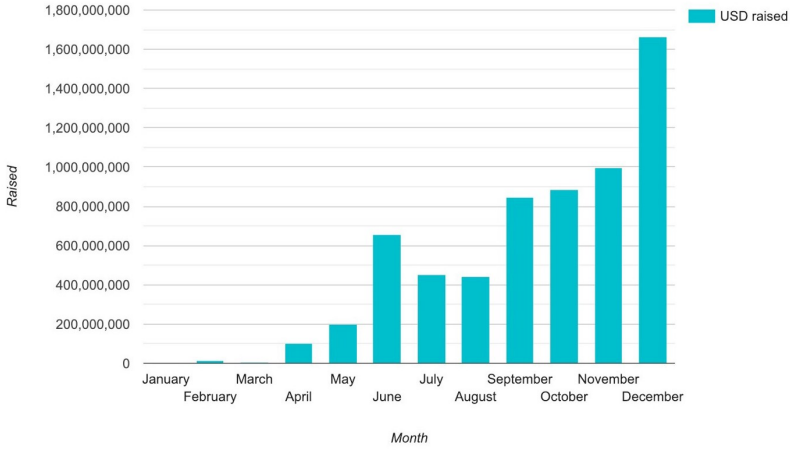
Funds raised in 2018

Total raised: **$7,850,727,041**

Number of ICOS: **1257**

2014 2015 2016 2017 2018

(https://www.icodata.io/stats/2018)
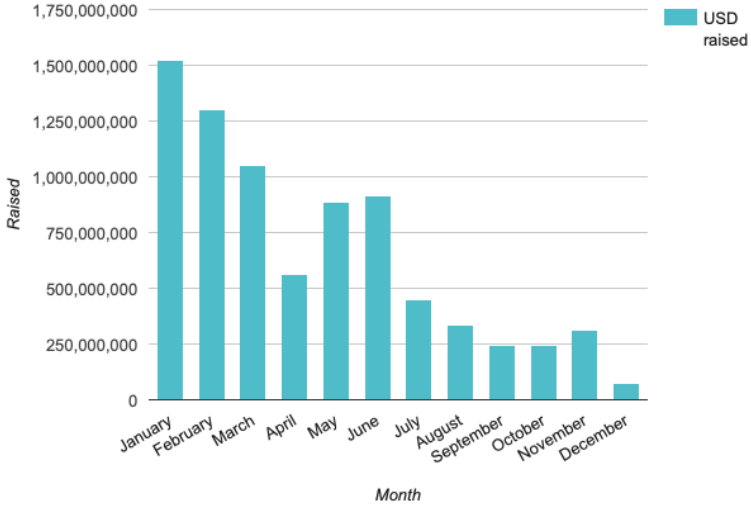
But, what is the negative part of the ICOs? The worst part is that by not being regulated, the risk of the investor losing all the money invested is very high because, as has happened in several ICOs, the "CEO" launches an ICO promising to develop an innovative and fabulous product and then takes the money raised and runs, leaving the investors with tokens whose value equals 0. Also, according to the study produced by Satis Group LLC, 81% of the ICOs they analyzed turned out to be scams (Dowlat, 2018).

• Some of the most important scams that have been in ICOs are (Gareth, 2018):

1. Pincoin and iFan: Two ICOs carried out by the same company and that have swindled 660 million dollars to a total of 32,000 investors.

2. Bitconnect: a well-known ponzi scheme that promised high profits by recommending more investors. It was giving the "benefits" to the first investors with the money of the new investors until one day the "company" reported that they had no more money to continue operating, going the price of the token from more than 300 euros to 0. It is not even known which team was behind this "company".

3. Centratech: its two founders were arrested for defrauding the 32 million that were raised in their ICO, which was promoted by celebrities such as Floyd Mayweather and DJ Khaled.

• The most used ways to scam investors are:

- Promise that you will develop something incredible and have an incompetent team that can not develop what you promised
- Absolute scam without product/team/roadmap
- Exit scam

The reasons I have cited above are the reasons why most ICO investors are now hesitant to invest in them since finding an ICO that can generate profits is much more difficult than before. In the absence of regulation, people are afraid to invest as many people have lost all their savings. I have even read many comments from people in the crypto community I am in, who say that their relatives have committed suicide for having invested more money than what they could afford to lose. Some have even lost their homes, the money they had saved for their children to go to college, some had borrowed money from the bank to invest it and lost everything, etc. You could say that there was a bubble that exploded and caused many people to lose everything they had and that caused the cryptocurrency market to crash from a market cap of 830 billion to 100 billion in less than a year (Coinmarketcap, 2019).

Total Market Capitalization

Linear Scale   Log Scale

Zoom 1d 7d 1m 3m 1y YTD ALL

From Jan 20, 2017 To May 13, 2019

Sunday, Jan 07 2018, 21:07:00 UTC+02:00
● Market Cap: 820,575,000,000 USD
● 24h Vol: 44,597,400,000 USD

(https://coinmarketcap.com/charts/)

As happens with market cycles, now people are in a state of fear and do not want to invest. In order to earn the trust of investors, companies are betting more and more on STOs, since they are regularized.

But, what are STOs? To better understand what an STO is, we must understand what a security is.

"In terms of finance, a security is a certification or some other financial instrument, that has an intrinsic monetary value. These securities can then be traded by exchanges, who will broker the transaction or, they can be traded directly from peer-to-peer. These securities are then broken down into two subcategories, equity, and debt securities. This is in effect, owning part of a company, without actually taking it into your possession." (Yuval, 2019)

Now that we know what a security is, we can go to the definition of STO. The acronym STO stands for Security Token Offering and is a method of fundraising in which the investor has a percentage of the "shares" of the company. Unlike the ICOs, STOs are regulated and allow the investor to receive a percentage of profits, dividends, voting rights, etc.

• To be considered a security, a series of requirements of the Howey Test must be fulfilled, such as:

- An investment of money is required
- A profit from the investment is expected
- The investment is in a common enterprise
- The profit is derived from a third party or the promoter

In addition, to prevent investors from falling into fraudulent business practices, STOs must always be backed by some form of tangible asset and they are subject not only to the regulations of the country that launch the STO but also to

the countries of their investors. So if AGATON launches the STO in the United States and has an investor from Spain, it must comply with both the American Securities and Exchange Commission (SEC) and the National Securities Market Commission (CNMV).

• AGATON, to register with the SEC, will need the following information:

- a description of the company and its purpose
- a description of the security that will be offered
- Information on its management structure
- Financial statements and must be confirmed by an accountant who is not from the same company

The biggest disadvantage when launching an STO is that it takes more effort, more time and more money to obtain the approval of the regulators. On the other hand, the advantages are what make the difference with the ICOs.

• The advantages of STOs are (Perlebach, 2019):

- Projects that choose to launch an STO are usually more mature and serious than those that do ICOs
- The money invested in ICOs and the number of ICOs is reducing in 2019 compared to the two previous years. Each time, investors are betting more on STOs in detriment of ICOs
- Broker-dealers, supervised by regulatory bodies, can trade security tokens
- There is less market manipulation and less speculation
- Investors have full security that they invest in something that is regulated and it has value

4. AGATON

4.1. Introduction to AGATON

AGATON will take off on 1st October, 2019 and will be the revolution of the tourism industry. We will change the system used nowadays to make it easier and more efficient.

AGATON is created with the purpose of eliminating traditional intermediaries, which are using their power to control the market. By using AGATON, the booking process would be simplified and more efficient for both hotels and customers. Furthermore, one does not need to pay a huge amount for transaction or credit card payments' fee since we are going to use the blockchain. In addition, AGATON is going to be a platform where your personal and banking data will not be able to be hacked nor shared between companies.

How will AGATON work? AGATON will create a web platform and an app in which hotels can advertise their rooms as Booking does. The difference is that with our system, hotels can advertise their hotels in our decentralized platform thanks to the blockchain without having to pay 20 or 30% commissions as it happens with Booking. Moreover, AGATON will not store the personal and banking data of customers anymore since everything will be saved and safe in the blockchain network since it is not hackable. In addition, thanks to our strategic partnership with Credits* (Credits, 2018), we will be able to manage more than 1 million transactions per second at a cost of only 0.001€ per transaction.

With our second strategic partnership NASH* (Basil, 2019), it will be possible to change, in a single click, euros, dollars, pounds or any other currency by AGT tokens, Bitcoin, Ethereum, and other cryptocurrencies, as well as the same process in the other direction. NASH exchange will send your purchase order to the market and will automatically convert it in an instant. In this way, simplifying this process, we opted to reach all types of clients and not only those who understand and/or invest in blockchain. This conversion can be done from our website or app.

Our business model will be based on charging 2.5 euros per client per number of days of stay at the hotel. This payment will be made by the client when booking their stay on our website or app and will be included with the price of the hotel. Our business model also aims to end with the useless programs of loyalty points. As I have said before, each year, billions of euros worth of loyalty points are not claimed by users, thus expiring without being able to be used.

Finally, AGATON's business model is highly scalable as we could use our same platform to add airlines, car rental companies, yacht rental companies, since it would only be necessary to find companies that would like to use our system.

Thanks to our security token system, each token has value since it would be like a share of a company as well as because our token would have a limited number of 150 million tokens, which means that you can never create more.

Hotels can give their customers our token as a "loyalty point", which will never expire and will also have a monetary value that will increase as the value of our company increases. For example, a person with 25,000 AGATON (AGT) tokens at the beginning of our project, with a price per token of 0,133 cents, would have 3,325€ worth of tokens. If in a few years, the value of our company increases to 150,000,000€, the value of those 25,000 AGT tokens in its possession would increase from 3,325€ to 25,000€ ((150,000,000 / 150,000,000) * 25,000).

It should be added that the client will also receive tokens as a reward for each verified review he makes. These verified reviews will be possible thanks to the smart contracts that we will have. In this way, we will get real reviews, depending on the quality of the hotel and service since only those who really have booked that hotel and those dates will be able to comment.

*Credits: is an autonomous blockchain platform based on the principles of peer-to-peer network. It is a decentralized system for direct interaction of its members. The most important features are that it allows more than 1 million transactions per second and the transaction cost is only 0.001 euros.

NASH: leverages an off-chain matching engine to enable faster and more complex trades across multiple blockchains such as NEO and Ethereum*. The most important features are: handles high volume and order types that are not available in any other decentralized exchanges, cross-chain trading, automatic conversion, among others.

*NEO and Ethereum are distributed networks that use blockchain technology similar to Credits, with some different characteristics.

4.2. Business Model

The business model of AGATON will be based on 3 fundamental pillars: commissions, paid placements and promotions and increase in the value of the token.

Revenue:

1. Booking Commissions on AGATON: thanks to our platform we will be able to eliminate the commissions of the 20-30% charged by the intermediaries and we will negotiate with the hotels so that they reduce the prices of the rooms with respect to the prices negotiated with the OTAs. By reducing room prices significantly because they get rid of the high commissions paid to OTAs, we can charge customers a small commission of 2.5 euros per traveler per day and the client will still pay less than if they booked it in an OTA and the hotelier will obtain a greater benefit than if the reservation were made by OTAs.

2. Paid placements and promotions: Another source of benefit will be generated by the suppliers with the placements and promotions. Our platform will be developed to be as comfortable as possible for the client as well as for the supplier and the promotion will be focused on a user profile-targeted. We will facilitate the search to the traveler and facilitate the promotion to the supplier

depending on what type of traveler the hotel is destined for. We are not going to promote an Adults Only hotel to an adult who is looking for a hotel for him, his wife and their two children.

Asset utilization:

3. Increase in the value of the token and dividends:
These will be the two most important sources of revenue since they are related. Being a security token we have the right to give dividends to the users of our platform in case they do staking. The staking can be done from a minimum of one month to a maximum of 24 months, with the possibility of obtaining between 25 and 75% of the AGATON benefits depending on the number of tokens you have in your possession.

For example, an investor invests 10,000 euros in our STO. The price per token is 0.133 euros, therefore, you will obtain 75,000 AGT tokens, and AGATON has generated fees in tokens equivalent to 50 million euros at the end of the second year. We are going to assume that you do staking of your 75,000 AGT to the maximum allowed time of two years. Since you are doing staking for two years (24 months), you will opt for 75% of the company's profits. Therefore, this would be 50,000,000 euros * (75,000 / 150,000,000) * 75% = 18,750 euros / 12 months = 1,562.5 euros per month in dividends.

That's why the user of our platform should do staking since those tokens that he has will provide a monthly passive income and the user can choose if he converts these tokens as a passive income that he will receive monthly to fiat or if he reinvests it to do staking again. When doing staking, all these tokens are out of circulation during the determined number of months that it is decided to do the staking, so it reduces the total number of tokens in circulation. This causes the price of the token to increase as there are fewer tokens in circulation and people will pay more money for a token that is scarce than for one that there are billions of tokens in circulation.

As I said, this part is very important since it is a win-win for all parties. For the user because he sees how the value of the token increases while the same token is giving him a monthly passive income, for the suppliers because if today the value of the token is 1 euro and the client pays 100 euros for a room, he will have 100 tokens that its value may be 200 euros due to the price increase that we have commented and, finally, for our part we are interested in increasing the value of the token increases since all the members of the team will have a certain number of tokens which we will also have in staking.

4.3. Competition

The two main competitors of AGATON are: the traditional OTAs and Travala.

Traditional OTAs, as I have already mentioned, are obsolete, oligopolistic and with high commissions. Despite this, they remain a competitor as travelers end up using the platform they know despite having problems. Therefore, the challenge we will have will be to change the mentality of the users.

Travala is another project with a hotel reservation platform using the blockchain. However, this project has a number of drawbacks and is that, despite using the blockchain, it does so using the NEO network, which means a maximum capacity of 1000 transactions per second (Dixit, 2018), compared to the one million transactions that we can achieve with Credits. On the other hand, Travala is not a decentralized system because it uses a centralized system in which they keep customer information.
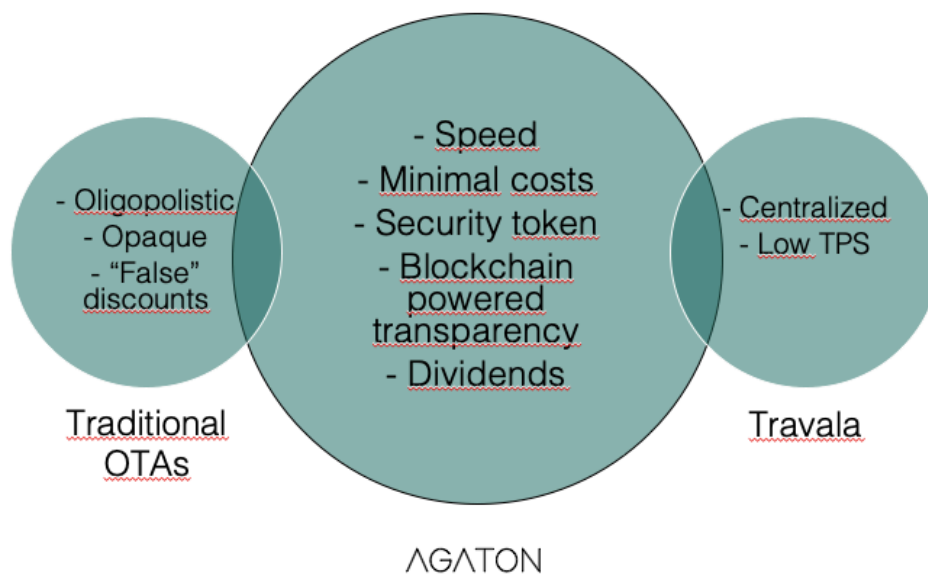
4.4. Token Distribution & Use of Funds

AGATON will have a total supply of 150 million tokens and the hardcap for the sale will be 20 million euros. This assumes that it will have a price of 0.133€ per token in the STO.

• Phases:

- STO Start Date: July 1, 2020
- STO End Date: July 15, 2020
- STO Tokens Amount: 150.000.000 (AGT)
- Minimum Transaction Amount: 375 (AGT) (0.25 ETH*)
- Maximum Transaction Amount: 75.000 (AGT) (50 ETH*)
- Total Sale Goal: 100.000 ETH (20.000.000€)
- Minimal Sale Goal: 25.000 ETH (5.000.000€)

Our sale will last two weeks or until the hardcap is reached (20M€).

*AGT (AGATON) is the token that we will have and the price of the token will be pegged to the Ethereum price during the sale, which in this case is going to be 200€.

For every 1 Ethereum invested in our ICO, investors will get 1.500 AGT.

• Token Distribution:

- 75% public and private participants
- 25% founders, advisors, etc

Token availability: (AGT) will be distributed one day before AGATON hits exchanges. Our first security exchange will be our strategic partnership NASH.

If there are some tokens that are not sold, all of them will go to the long-term fund to distribute in the future.

• Use of funds raised:

- 50% Development
- 20% Long-Term Reserve
- 20% Converted to Fiat
- 10% Administration and Operation

USE OF FUNDS

Long-term Reserve   Fiat   Administration   Development
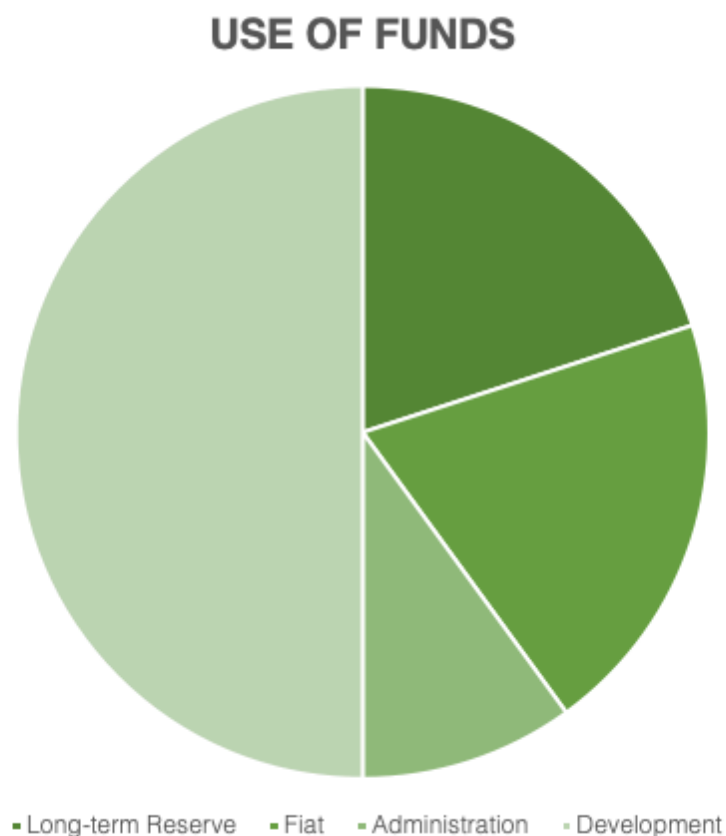
4.5. Financial and resources

Next, we will proceed to analyze the 2 scenarios we have created: pessimistic and optimistic.

In both scenarios, despite being pessimistic or optimistic, we wanted to be as realistic as possible.

The salaries and employees that we will need are the following (Payscale, 2019):

CEO	161.051,00 €
CTO	154.691,00 €
Project Manager	53.506,00 €
Community Manager	50.232,00 €
Blockchain Arquitect	83.056,00 €
UI / UX Designers	63.882,00 €
Core Developers	75.555,00 €
Total	641.973,00 €

• Pessimistic scenario:

AGATON

Cash flow statement Year 1

| Cash Inflow | - € |
| STO | 5.000.000,00 € |

Cash Outflow	1.445.526,00 €
Wages paid	901.176,00 €
Marketing, SEO, Promos	300.000,00 €
Other Expenses	200.000,00 €
Office in Malta	39.000,00 €
Internet	1.750,00 €
Electricity, Heating, Water, etc	3.600,00 €

| Corporation tax (5%) | - € |

| Net cash Year 1 | 3.554.474,00 € |

Cash flow statement Year 2

| Cash Inflow | 750.000,00 € |
| Net cash Year 1 | 3.554.474,00 € |

Cash Outflow	1.798.213,00 €
Wages paid	1.489.756,00 €
Marketing, SEO, Promos	300.000,00 €
Other Expenses	200.000,00 €
Office in Malta	39.000,00 €
Internet	1.925,00 €
Electricity, Heating, Water, etc	3.960,00 €

| Corporation tax (5%) | 37.500,00 € |

| Net cash Year 2 | 2.506.261,00 € |

Nº of Employees Year 1		Nº of Employees Year 2	
Project Manager	1	Project Manager	3
Community Manager	2	Community Manager	4
Blockchain Arquitect	2	Blockchain Arquitect	4
UI / UX Designers	2	UI / UX Designers	3
Core Developers	6	Core Developers	8
Total	13	Total	22

As we can see, our headquarters will be based in Malta as it has become one of the most important countries when it comes to establishing new technological and blockchain related companies, since the Government of Malta is helping new start-ups by eliminating the fees in the money raised in ICOs and STOs and placing the tax rate on profit only at 5% (Taxes Malta, 2019).

We have to keep in mind that, in our pessimistic scenario, we assume that we have only raised 5 million euros in our Security Token Offering (STO).

The cost for a spacious and modern office in Malta is around 3250€ per month.

In addition, we have increased the Internet and electricity costs by 10% each year since there will be more employees each year and we will consume more electricity and Internet.

To save on costs, it will not be necessary to hire a CEO and a CTO from the beginning. From the 3rd year, when the platform is already developed and we start generating profit, we will hire them.

- During the first year, while the platform is in development, we will start going to the most important trade fairs and we will also start with marketing campaigns, as well as looking for important partnerships. Our team will consist of 13 people in the first year of development of the platform and we will hire 9 new employees for the second year when we launch our platform.

- For the second year, once our platform is already developed, we want to be as cautious as possible and we only expect 100.000 customers who will pay 2.5€ per day of stay, which in this case is an average we made of 3 days per stay. (100.000 customers * 2.5€ * 3 average days of stay). Here we are cautious again taking an average of only 3 days but according to a study, the average would be between 7 and 8 (Statista, 2014).

We will allocate 300.000€ for marketing, SEO and promos for the first and second year but we will also allocate 200.000€ in case there are any unforeseen costs (these numbers come from the 10% we have allocated to administration funds and other costs).

Cash flow statement Year 3

Cash Inflow	3.750.000,00 €
Net cash Year 2	2.506.261,00 €

Cash Outflow	3.173.545,50 €
Wages paid	2.340.572,00 €
Marketing, SEO, Promos	360.000,00 €
Other Expenses	240.000,00 €
Office in Malta	39.000,00 €
Internet	2.117,50 €
Electricity, Heating, Water, etc	4.356,00 €

Corporation tax (5%)	187.500,00 €

Net cash Year 3	3.082.715,50 €

Cash flow statement Year 4

Cash Inflow	7.500.000,00 €
Net cash Year 3	3.082.715,50 €

Cash Outflow	4.231.758,85 €
Wages paid	3.090.638,00 €
Marketing, SEO, Promos	432.000,00 €
Other Expenses	288.000,00 €
Office in Malta	39.000,00 €
Internet	2.329,25 €
Electricity, Heating, Water, etc	4.791,60 €

Corporation tax (5%)	375.000,00 €

Net cash Year 4	6.350.956,65 €

Nº of Employees Year 3		Nº of Employees Year 4	
CEO	1	CEO	1
CTO	1	CTO	1
Project Manager	4	Project Manager	5
Community Manager	6	Community Manager	8
Blockchain Arquitect	6	Blockchain Arquitect	8
UI / UX Designers	4	UI / UX Designers	6
Core Developers	10	Core Developers	14
Total	32	Total	43

- For the third year, we expect 500.000 customers (500.000 customers * 2,5€ * 3 average days of stay). Our wages have increased since we will hire 10 new employees.
The budget for marketing and other expenses has increased by 20%.

- For the fourth year, we expect 1.000.000 customers (1.000.000 customers * 2,5€ * 3 average days of stay). Our wages have increased since we will hire 11 new employees.
The budget for marketing and other expenses has increased again by 20%.

• **Optimistic scenario:**

AGATON

Cash flow statement Year 1		Cash flow statement Year 2	
Cash Inflow	- €	Cash Inflow	1.500.000,00 €
STO	20.000.000,00 €	Net cash Year 1	16.368.290,00 €
Cash Outflow	3.631.710,00 €	Cash Outflow	4.515.466,00 €
Wages paid	1.587.360,00 €	Wages paid	2.395.046,00 €
Marketing, SEO, Promos	800.000,00 €	Marketing, SEO, Promos	800.000,00 €
Other Expenses	1.200.000,00 €	Other Expenses	1.200.000,00 €
Office in Malta	39.000,00 €	Office in Malta	39.000,00 €
Internet	1.750,00 €	Internet	2.100,00 €
Electricity, Heating, Water, etc	3.600,00 €	Electricity, Heating, Water, etc	4.320,00 €
Corporation tax (5%)	- €	Corporation tax (5%)	75.000,00 €
Net cash Year 1	16.368.290,00 €	Net cash Year 2	13.352.824,00 €

Nº of Employees Year 1		Nº of Employees Year 2	
Project Manager	2	CEO	1
Community Manager	4	CTO	1
Blockchain Arquitect	4	Project Manager	6
UI / UX Designers	3	Community Manager	6
Core Developers	10	Blockchain Arquitect	6
Total	23	UI / UX Designers	5
		Core Developers	12
		Total	37

For our optimistic scenario, we assume that we have raised our goal which was 20 million euros.

The costs in electricity and Internet increases 20% per year because, as with the pessimistic scenario, having more employees will increase electricity and internet consumption. We will also allocate 20% more per year in marketing and other costs.

In this scenario, having raised more money in the STO and having a faster growth by having more resources, we would hire the CEO and the CTO in the 2nd year.

- For the first year, we can see that wages are higher than in our pessimistic scenario, since we would hire more developers in order to accelerate the development process.

- For the second year, we expect 200.000 customers (200.000 customers * 2,5€ * 3 average days of stay). Our wages have increased since we will hire 14 new employees.

Cash flow statement Year 3

Cash Inflow	5.625.000,00 €
Net cash Year 2	13.352.824,00 €

Cash Outflow	5.966.842,00 €
Wages paid	3.238.888,00 €
Marketing, SEO, Promos	960.000,00 €
Other Expenses	1.440.000,00 €
Office in Malta	39.000,00 €
Internet	2.520,00 €
Electricity, Heating, Water, etc	5.184,00 €

Corporation tax (5%)	281.250,00 €

Net cash Year 3	13.010.982,00 €

Cash flow statement Year 4

Cash Inflow	11.250.000,00 €
Net cash Year 3	13.010.982,00 €

Cash Outflow	8.042.900,80 €
Wages paid	4.552.156,00 €
Marketing, SEO, Promos	1.152.000,00 €
Other Expenses	1.728.000,00 €
Office in Malta	39.000,00 €
Internet	3.024,00 €
Electricity, Heating, Water, etc	6.220,80 €

Corporation tax (5%)	562.500,00 €

Net cash Year 4	16.218.081,20 €

Nº of Employees Year 3		Nº of Employees Year 4	
CEO	1	CEO	1
CTO	1	CTO	1
Project Manager	4	Project Manager	8
Community Manager	6	Community Manager	10
Blockchain Arquitect	8	Blockchain Arquitect	10
UI / UX Designers	6	UI / UX Designers	8
Core Developers	18	Core Developers	26
Total	44	Total	64

- For the third year, we expect 750.000 customers (750.000 customers * 2,5€ * 3 average days of stay). Our wages have increased since we will hire 7 new employees.

- For the fourth year, we expect 1.500.000 customers (1.500.000 customers * 2,5€ * 3 average days of stay). Our wages have increased since we will hire 20 new employees.

4.6. Roadmap

Our roadmap for the next 5 quarters is as follows:

OUR ROADMAP

Q4 2019
AGATON concept created and initial project variables identified

Q2 2020
Marketing and partnerships

Q4 2020
Release of Platform and integration of suppliers

Start

Success

Q1 2020
Research, development and MVP

Q3 2020
Affiliate referral program and STO

We have chosen the Q4 of 2019 as the official start date since a lot of work has to be done before the beginning of October.

- In Q4 2019 we will have the final concept created and we will define the steps to follow and which options are better. Once defined everything and completed the team, we will begin to develop the platform. In addition, we will start working closely with the 3 specialized external companies with which we will work to obtain all the licenses and prepare the launch of the STO that will take place in Q3 of 2020.

- In Q1 2020 we will continue with the development and we will do research to improve the platform's functionalities. At the same time, At the same time, we will begin to catch the attention of investors and potential customers and look for hotels interested in our platform. We hope to have an MVP at the end of the quarter so that investors and customers can test it.

- In Q2 2020 we will start to give more importance to marketing and partnerships. Our intention is to have a series of hotel chains insured to list their hotels on our platform. In addition, we will continue to look for talent to improve and complete our team, also accelerating the development process.

- In Q3 2020 we will launch our affiliation program where we will have a final prize of 50,000 euros (1st prize of 25,000€, 2nd prize of 15,000€, 3rd prize of 5,000€ and 5 prizes of 1,000€ each). The user who registers in our platform will obtain a code and two tickets with a number each. If this user gets someone to register using his code, he will get 2 more tickets. This strategy has been used by some other companies and has worked very well. Nash, for example, has achieved more than 200,000 new users thanks to this strategy. At the end of this quarter and before saying who are the winners of the prizes, we will have our STO.

- Finally, in Q4 2020 we will launch the stable version of our platform and integrate all the suppliers and the staking system for dividends. We will continue to make marketing campaigns more and more powerful once the platform is launched and we will continue to expand the number of listings on our platform.

5. SECURITY TOKEN OFFERING (STO)

To launch our STO, we will divide the process into 4 parts: Preparation, Pre-STO, STO and Post-STO (Tony, 2018).

For the STO, we are going to count on the help of three of the best companies specialized in security token offerings, blockchain, legal, tax, compliance, etc. These three companies are: Leewayhertz, MME and Nägele Rechtsanwälte GmbH.

Leewayhertz will help us with the entire process of carrying out the STO in the best possible way. Especially in the part of giving feedback and opinions about what we need on our website, 2 factor authentication services, payment services, security token development, STO marketing, community support, among others.

MME and Nägele Rechtsanwälte GmbH will help us with everything related to licensing, regulations, KYC/AML, legal, tax, compliance, and more.

5.1. Preparation

This first phase of preparation will consist of 5 sub-phases: Howey test, security issuance platform, whitepaper, team and marketing website.

5.1.1. Howey Test

As we mentioned before, we need to pass the Howey test to be a security token.

• In the context of crypto tokens, there are 3 elements that must be met to create a security token:

- Investment of money
- In the same enterprise
- With the belief of profits

If this test is not passed, our token would be considered a utility token instead of a security token.

• In the United States there are 3 types of regulations to launch an STO:

- Regulation D
- Regulation A+
- Regulation S

AGATON will follow an A+ regulation as it is approved by the SEC and allows non-accredited investors to invest in the STO up to a maximum of $50 million. This issuance process usually takes more time and money than the other two regulations but will allow us reaching a wider audience since non-accredited investors will also be able to invest whatever their net worth is.

What is an accredited investor? An accredited investor is an investor who has had an annual income of more than $200,000 in recent years and is expected to have it in the current year or a net worth of more than $1 million (Chen, 2019).

The other two regulations are not interesting since Regulation D only allows accredited investors to invest and Regulation S is for security tokens that are created in other countries.

5.1.2. Security issuance platform

The security tokens need a unique infrastructure and to make the process of launching the STO easier and faster, we will have the experience of Polymath.

Polymath is a company specialized in the issuance of security tokens and has a team of developers, smart contracts experts, legal experts, KYC providers, etc.

5.1.3. Whitepaper

The whitepaper is the most important piece of marketing because if it is poorly written, it can kill the project before you even launch it. Most investors decide if they are going to invest or not in a project depending on two factors: the quality of the whitepaper and the quality of the team. Therefore, they are two aspects to keep in mind.

• Our whitepaper will include sections such as:

- The problem
- The solution
- Opportunity size and target market
- Business model
- Token economics and use of funds
- Product details
- Legal disclaimer
- Roadmap
- Partners
- Team

5.1.4. Team

AGATON is focused on creating a team with the best in their respective areas. Thanks to the people that I have been getting to know investing in previous projects, I have access to some of the best blockchain developers and experts in the world. AGATON's partnerships will also be focused only on getting the best from each sector: accounting, marketing, legal, etc.

5.1.5. Marketing Website

For the STO, we need to create a website that stands out for its modern and ground-breaking design and its ease of use, eliminating any kind of resemblance with all other competitors' websites with the same hotel search engines.

• For the launch of the STO we will need some points that can not be missing:

- KYC/AML process integration to validate users
- Information about the project and the whitepaper
- Visual graphics to get attention quickly
- Live token leaves countdown indicating the days, hours, minutes and seconds until the beginning of the STO
- Add a customer support chat to resolve any doubts the potential investor may have

5.2. Pre-STO

The Pre-STO phase will be divided into 3 sub-phases: introduce our STO to the market, the creation of our security token and STO Marketing.

5.2.1. Introduction of our STO to the market

It is very important to get the attention of potential investors before launching the STO. It does not matter if we still do not have an MVP so they can try out the platform, investors should hear about AGATON for the innovation that it is going to do, for the disruptive it will be, for the great team behind AGATON, for the fact of being a security token and not a utility token (ICO), among others.

In this way, the investor has a few months ahead to continue researching and looking for more information about the company, the team, whether it is viable or not, if the token metrics are good or not, if it is a good investment in the short or long term, etc.

There are several websites that facilitate the search of ICOs and STOs to investors. These websites include information about the upcoming, active and ended ICOs or STOs. Within each ICO or STO you have information about the project, links to the whitepaper or to the company's website, token metrics, ICO or STO dates, token sale details, minimum investment required, public sale price, etc. This goes very well to save time for investors in the search for ICOs or STOs to invest since with a simple glance you can see if it is worthwhile to continue researching about the project or not.

Some of the most important pages are: icodrops.com, coincodex.com, stoanalytics.com, icoholder.com and icomarks.com.

As a complement to these webs we would use email marketing and social media campaigns to transmit the message and make the investors aware of our project and token.

5.2.2. Create a security token

To create our security token we are going to use the Polymath platform. The steps that we are going to follow are the following:

5.2.2.1. Metamask account

To create an account in Metamask we will go to Google Chrome and download the Metamask extension. Once the extension is downloaded, we will create an account and send Ethereum from our wallet to the Metamask account.
Once the funds have reached the Metamask account, we will go to the Polymath website and click on "Issue your security token" to start creating our token.

5.2.2.2. Polymath account

We will proceed to create an account in Polymath by entering our name and email. We will read the policies and the terms and conditions and click on "Create account".
Once this is done, we will click on "sign" in Metamask. Our email will connect to the wallet address to allow you to connect to our Metamask account.

5.2.2.3. Token symbol

The third step will be to register our symbol token. Our token will be called AGATON and the token symbol will be AGT. Once the data is filled in, we will click on "Reserve token symbol" and in this way, nobody will be able to create a new token using the same symbol. From this moment, we will have 15 days to consult with our lawyers that everything is correct and that we will not have problems with complaints from other companies.
We must verify the email address with which we have registered as we will receive an email with information about our security offering.

5.2.2.4. Partners

To launch our STO successfully, we will have one of the three best KYC / AML providers. This company is called Onfido and thanks to its AI-driven platform can automate background checks in seconds across 192 countries. With the regulations of Know Your Customer (KYC) and Anti-Money Laundering (AML), this system manages to reduce the percentage of fraud to only 0.19%.
After selecting our KYC/AML provider, we will click on "Create token now" and then we will receive an email asking if we have received sufficient advice from our lawyers.

5.2.2.5. Token creation

Under "Additional token information" we have a blank space where we will add the link to our website and click on the submit button and we will have our token created. An email will be sent to us with the information of this transaction.

5.2.2.6. Offering Details

We will click on "Select and configure STO" and add details about the STO. For example, the STO will start on July 1 and will end on July 15 or Ethereums will be accepted as payment. Once the data is filled in, we will click on "Confirm and launch STO".

5.2.2.7. Whitelist

Finally, we must create a whitelist with investors who can invest once the STO starts. This list can be changed at any time of the process so it does not mean that only those that are on the list at the time of creation of the token will be able to invest since we will know which investors are later.

If your name appears in that whitelist, it means that at the time of the STO, when sending Ethereums to the address of our wallet, the STO contract will recognize your name and address and will automatically send you the number of tokens regarding the amount of money that you have invested in Ethereums.

5.2.3. STO Marketing

This, I would say that it is one of the most important steps since depending on how your marketing approaches investors, it will them think that the project is scam or not. The vast majority of companies are choosing wrong their marketing strategy and end up failing.

Some companies spend most of their funds in marketing and forget the part of development and engagement with investors. Other companies forget marketing and focus all their efforts on developing the product, but once they get the product to market, having ignored marketing, there is no customer who wants to use it. Therefore, the mix between development and marketing has to be the right one, and the type of marketing must also be the right one. Without spam, without looking like scam.

Our marketing will be focused on transmitting security and professionalism. First of all, since we are a security token, we are transmitting to the investor that we are committed to security and transparency, as well as protecting the investments of our investors. They are investing in something that will be transparent, legal and with an associated value since they will receive dividends on our benefit. But also, to convey more security to investors, we will work to collaborate with some of the largest companies in the tourism sector such as Marriott, Hilton, Accor, Melià or Iberostar and some of the most disruptive companies in the blockchain sector such as Credits and Nash.

So that all potential investors can know AGATON, we will create accounts in Telegram and Twitter, which are the most used platforms for blockchain investors. In addition, we will create a community chat on our website where everyone can register and discuss among potential investors and also with people from our team who will be happy to answer questions.

We will also use an outbound direct marketing strategy, since we will have representatives who will go to the hotels in person to attract more hotels to use our platform.

Giving this image, AGATON will manage to retain investors and make them feel faithful representative of the brand. Investors, feeling that a project works hard to do something special and different, and also see that the team strives to protect the investor and offer a maximum return on investment developing something that will be above their expectations, are the first to support the project and do marketing for free.

Twitter is a very powerful weapon for blockchain projects and is seen with quality projects, since most of them have more than 50,000 followers who comment and retweet on a daily basis, so that every day there are people who know the project through word of mouth and social media.

Once we believe that we have done a good marketing campaign and that we have reached enough investors, we will launch the STO and start with the sale.

5.3. STO Sale

This step is crucial as it must be carried out very carefully to prevent investors from being scammed by other people. We must make a special point in that investors only send money to the address that we will indicate from the AGATON team and that they ignore any other person.

As we have said before, from AGATON we want to be the most transparent and fair, so we will offer all the tokens at the same price and without bonus, whether we have a private investor or public investors. In this way, we will prevent the "sharks" dumping on investors as it happens in all other ICOs. This happens because the "sharks" (private investors who normally invest large amounts of money in pre-sales with big bonuses), when buying in pre-sales cheaper and with an added bonus of tokens, sells large quantities of tokens when it hits exchanges, which causes the price of the token to collapse and investors in public sales lose money.

We are going to present the project to the largest venture capital companies and the ones that invest the most in blockchain projects to try to get capital. The Venture Capital with which we are going to contact are: Digital Currency Group, Capital Pantera, Blockchain Capital, Andreessen Horowitz, Capital Node, Ceyuan Ventures, Boost VC and 500 Startups.

We will accept a maximum of 8 million euros from venture capital companies, since we want small investors also have the right to invest whatever their status and because we believe that with 8 million euros (40% of the total 20 million that we want to raise) we already have enough funds to develop the product and for the expenses of the following years.

The dates and time of the STO will be indicated from a few weeks before, as well as the minimum and maximum amount that can be invested, the price per token, the maximum amount that we will collect, among others.

5.4. Post-STO

As a last phase, we have the Post-STO. In this phase we will focus on building the product and offering a support service to customers and investors.

5.4.1. Build the product

Once we have raised the necessary funds thanks to the STO, it will be time to start developing what it will be the end of the tourist intermediaries.

A user-friendly platform, easy to use and safe, all this without leaving aside an innovative and breakthrough UI/UX.

Depending on the funds we raise, we will hire some more expert developers to speed up the process and to have an even more complete team.

It is very important to follow the roadmap that we will have on our website, since sometimes when the roadmap is not followed, investors begin to worry and it is when the price per token drops and investors lose patience, even thinking that the project is a scam.

To prevent this from happening, we are going to be careful with the timeframes we give because when you try to develop something that does not exist yet, it is very difficult to give exact timeframes, so we are going to always give longer timeframes than expected. It is always better to tell the investor that the development will last 1 year and a half and then surprise him and do it in 1 year than to tell him that it will be done in 1 year and in the end it takes 1 year and a half. This has happened to many projects that I have been following and although they are not scam, most investors get scared, sell their tokens, the price plummets and some projects run out of funds to continue developing and operating.

5.4.2. Support

We will have a team dedicated to supporting clients and investors. Any questions you have regarding the implementation of your hotels in our platform, costs, benefits, advantages and disadvantages, etc., can find solutions by asking our team. The same goes for investors. Any question you may have in staking, use of token, operation of the platform, etc., you can ask our team.

6. CONCLUSION

As I mentioned before, the tourism industry is submerged in a great technological obsolescence which needs to be improved and the blockchain could be the solution. A few years ago, the hotels had to keep handwritten a book of room reservations and when the Internet arrived, some companies did not want to risk and kept on using the same system and others decided to bet on innovating. Those that innovated and implemented the internet in their system are the ones that grew the fastest and those that did not innovate were left behind. Blockchain is another case exactly like the one with the Internet. In my opinion, those hotel chains that innovate are going to be those that are going to have more opportunities in the future to grow and those that prefer not to risk are going to be left behind, obsolete and without options to compete.

Walmart, Finastra, Telefonica, Kakao, JD.com and the Agricultural Bank of China (ABC), six of the leading companies in their sectors, have opted to invest in blockchain to implement it in their companies (Simantov, 2019). On the other hand, it is expected that 41% of IT companies implement the blockchain before 2021 (Leech, 2019).

In addition, the blockchain can reduce the operational costs of companies by 30% (Finsmes, 2019). For example, according to a study by Juniper Research, it has been seen how the blockchain can reduce the costs of banks by 27 billion dollars on cross-border settlement transactions before the end of 2030 (Emem, 2018).

Therefore, I believe that the blockchain will be crucial in the future for companies and those that previously take advantage of this technology, will have an advantage over competitors. It is clear that there are still things to improve, but also happened with the Internet and today is essential for everyone. That's why I think and I trust AGATON will give people plenty to talk about.

7. BIBLIOGRAPHY

Prieto, M., & Prieto, M. (2019, March 27). The State of Online Travel Agencies - 2019. Retrieved from https://medium.com/traveltechmedia/the-state-of-online-travel-agencies-2019-8b188e8661ac

Bitcoin users: Who are they? Infographic. (2018, March 15). Retrieved from https://thebitcoinmag.com/who-bitcoin-users-are/1614/

Internet Growth Statistics 1995 to 2019 - the Global Village Online. (n.d.). Retrieved from https://www.internetworldstats.com/emarketing.htm

Number of Blockchain wallets 2019 | Statistic. (n.d.). Retrieved from https://www.statista.com/statistics/647374/worldwide-blockchain-wallet-users/

Global hotel industry retail value 2014-2017. (n.d.). Retrieved from https://www.statista.com/statistics/247264/total-revenue-of-the-global-hotel-industry/

Mandelbaum, R. (2017, May 19). Paying the intermediaries: An analysis of hotel commissions. Retrieved from https://www.hotelmanagement.net/operate/paying-intermediaries-analysis-hotel-commissions

Dwyer, B. (2019, March 11). Average Credit Card Processing Fees - How Much Does Processing Cost? Retrieved from https://www.cardfellow.com/blog/average-fees-for-credit-card-processing/

How Much Commission Should Tour Operators Give Agents for Bookings? (n.d.). Retrieved from https://www.business2community.com/travel-leisure/much-commission-tour-operators-give-agents-bookings-0806259

Kaye, K. (2017, May 26). Missing the Point: $100 Billion in Loyalty Points Are Unclaimed. Retrieved from https://adage.com/article/75-years-of-ideas/missing-point-100-billion-loyalty-points-unclaimed/309183

Pastor, J. (2019, March 06). Qué es blockchain: La explicación definitiva para la tecnología más de moda. Retrieved from https://www.xataka.com/especiales/que-es-blockchain-la-explicacion-definitiva-para-la-tecnologia-mas-de-moda

Fortney, L. (2019, March 12). Blockchain, Explained. Retrieved from https://www.investopedia.com/terms/b/blockchain.asp

Sherry, B. (2019, May 02). What Is An ICO? Retrieved from https://www.investopedia.com/news/what-ico/

Buntinx, J. (2018, January 11). The Useless Ethereum Token Crowdsale Netted $300K. Retrieved from https://themerkle.com/the-useless-ethereum-token-crowdsale-netted-300k/

ICOdata - ICO 2016 Statistics. (n.d.). Retrieved from https://www.icodata.io/stats/2016

ICOdata - ICO 2017 Statistics. (n.d.). Retrieved from https://www.icodata.io/stats/2017

ICOdata - ICO 2018 Statistics. (n.d.). Retrieved from https://www.icodata.io/stats/2018

Global Charts. (n.d.). Retrieved from https://coinmarketcap.com/charts/

Dowlat, S., & Dowlat, S. (2018, March 21). ICO Quality: Development & Trading. Retrieved from https://medium.com/satis-group/ico-quality-development-trading-e4fef28df04f

10155799420656241. (2019, January 08). ICO vs STO: All You Need to Know About the New Fundraising Method in the Crypto World. Retrieved from https://hackernoon.com/ico-vs-sto-all-you-need-to-know-about-the-new-fundraising-method-in-the-crypto-world-54a1a43a08d6

Jenkinson, G. (2019, February 14). Unpacking the 5 Biggest Cryptocurrency Scams. Retrieved from https://cointelegraph.com/news/unpacking-the-5-biggest-cryptocurrency-scams

Perlebach, S., & Perlebach, S. (2019, February 15). 5 Advantages of Security Tokens. Retrieved from https://medium.com/stocheck/5-advantages-of-security-tokens-7b4a66ec3493

Blockchain, C. (2018, April 12). Why is CREDITS faster than other blockchains? Retrieved from https://medium.com/@credits/why-is-credits-faster-than-other-blockchains-1555a5f3e995

A Beginners' Guide To Nash Cryptocurrency Exchange. (2019, March 11). Retrieved from https://usethebitcoin.com/a-beginners-guide-to-nash-cryptocurrency-exchange/

Dixit, K. (2018, August 14). Exclusive: NEO 3.0 to provide higher TPS and stability in future. Retrieved from https://ambcrypto.com/exclusive-neo-3-0-to-provide-higher-tps-and-stability-in-future/

Chen, J. (2019, March 12). Accredited Investor. Retrieved from https://www.investopedia.com/terms/a/accreditedinvestor.asp

10202112888539341. (2018, May 28). Create Your Own Security Token Offering (STO) with Polymath. Retrieved from https://blog.polymath.network/create-your-own-security-token-offering-sto-with-polymath-7d37f8cd9a6c

Average Chief Executive Officer (CEO) Salary. (n.d.). Retrieved from https://www.payscale.com/research/US/Job=Chief_Executive_Officer_(CEO)/Salary

ICO Taxes in Malta, Benefit from 5% or less ICO tax rates. (n.d.). Retrieved from https://icomalta.com/ico-tax-in-malta/

Average trip length in the U.S. 2014 | Statistic. (n.d.). Retrieved from https://www.statista.com/statistics/316519/average-trip-length-us/

Tony. (2018, November 20). A Step-by-step Guide on How to Launch an STO. Retrieved from https://chainplus.one/blog/step-by-step-how-to-launch-an-sto/

/@NateSimantov. (2019, January 16). 6 major companies that went blockchain in 2018. Retrieved from https://medium.com/orbs-network/6-major-companies-that-went-blockchain-in-2018-712666afba0c

Leech, O., & Leech, O. (2019, March 06). 41% of Tech Companies are Likely to Implement Blockchain Technology Before 2021, Reveals KPMG. Retrieved from https://cryptovest.com/news/41-of-tech-companies-are-likely-to-implement-blockchain-technology-before-2021-reveals-kpmg/

FinSMEs. (2019, May 15). Blockchain, Fintech and the New Age of Banking. Retrieved from http://www.finsmes.com/2019/05/blockchain-fintech-and-the-new-age-of-banking.html

Blockchain Adoption to Save Banks $27 Billion Annually by 2030: Research. (2018, August 06). Retrieved from https://www.ccn.com/blockchain-adoption-to-save-banks-27-billion-annually-by-2030-research