

Digital Factory, Inc.

Harness the power of mobile location

FAQs

Digital Factory Overview:

Digital Factory enables hyper-targeted and hyper-relevant content to be delivered to your most appropriate customers at the right place and time. It connects you to your best prospects one-to-one and mid-funnel, driving deeper engagement, conversion, purchase/frequency and loyalty. Our combination of leading-edge micro-fence accuracy and our ability to integrate various types and levels of real-time behavior with first-party data, allows you to hit the sweet spot between the right person, the right place and the right time.

- Deliver offers/promotions in relevant locations based on consumer and usage behaviors
- Deliver conquest messaging in competitive locations
- Deliver content that is made more engaging due to relevant locations and behaviors

FAQs

1. Integrate our technology into your brand's mobile app

How do you integrate your technology into the brand app? Is it difficult or invasive?

Digital Factory has created embeddable software libraries—an SDK file (or API)—that can be easily plugged into any Android or iOS mobile app to add micro-fencing capabilities without compromising any existing functionality. These libraries provide an easy to use interface that the developer can use to start the micro-fencing services and receive data based on the delivery of content from the micro-fences. Additionally, these libraries can be removed just as easily as they were installed.

What is an SDK?

SDK is an acronym for Software Development Kit, which is a set of software tools that facilitates the creation of software applications. Specifically for us, SDK would refer to our micro-fencing libraries that can be embedded into our client's mobile apps. The term is also used interchangeably with "software library" and API (Application Programming Interface).

How do you guarantee security and ensure data is not compromised? Can Digital Factory access any of our app's data or function?

Digital Factory uses the OAuth2.0 protocol for authenticating access to any of its APIs and ensures a secure encrypted means of communication between its servers and clients through TLS. Moreover each customer can have their own private virtual cloud where any sensitive data is secured at rest using industry standard cryptographic algorithms, and stored across multiple database shards to avoid any potential leaks.

Is there an optimal number of app downloads that is required? Is there a threshold?

There is no optimal or threshold number for the download universe. Since you will only be paying for content that is delivered/read/acted upon by your customers, there is no waste or inefficiency with small audiences. However, if you have a small number of app downloads (e.g. less than 10,000) and they are not concentrated in a region, it may take a longer period of time to aggregate a reasonable number of messages.

2. Define and Create Micro-fences

How is Digital Factory's geo-targeting different – and what makes it "leading edge"?

Many other companies such as Urban Airship perform micro-fencing by sampling a location to determine which users are in a micro-fence at a point in time, and then sending a PUSH message to all users recorded to be in the fence at that time. Essentially, these companies only use micro-fences as a way to perform location-based filtering for push messaging depending on back-end servers to determine who is in a micro-fence. The result is that users receive messages that don't depend on their interests since they may or may not be in the micro-fence. Their technology also does not take into account how long users may have been in that micro-fence.

Digital Factory takes the opposite approach by giving the mobile device the power to detect when it is in a micro-fence and initiate the request for messaging based on a decision by the personal device, not backend servers. This allows the user to receive much more personal messaging and responses on a more real time basis as opposed to periodic sampling.

What is "Predictive Location Technology"?

Predictive Location Technology refers to our approach of using device velocity, acceleration, environmental conditions and other device sensors to better estimate when it will be near, far, inside or outside a set of micro-fences.

What is "Smart Targeting"?

Smart Targeting refers to our approach of leveraging first, second and third- party data to deliver only the most relevant messages to the most appropriate consumer. By incorporating existing loyalty data, previous likes or dislikes and what behaviors lead to purchase, we can infer the type of responses from a consumer.

What does your tech use to deliver such accurate messaging - Wi-Fi, cell or GPS?

All of the above. While our primary data is GPS, we triangulate wherever possible with Wi-Fi and cellular to deliver the most accurate determination of when the device enters or exits micro-fences.

Do you need all of these "on" for the software to work?

No, you only need one of these to be active for the mobile device to be location aware. The software works best when all three are active, as it switches between to balance location accuracy against battery performance.

3. Notification sent to the right consumers when they enter the microfence

What are some examples of leveraging data to drive greater relevance?

- Our technology enables the ability to integrate first-, second- or third-party data with location data to accurately deliver content to those most likely to find it relevant. Data can come from login information from the brand app or other first-party data integrations (off-line data that can be linked/attributed to app owner) and other data that can be appended to the phone owner, e.g. Deliver only to male app owners
- Message to parents with kids 3-12 years old
- Choose consumers who have purchased particular products in the past
- Reach people with abandoned shopping carts

Can notifications be aware of behavior over time? Can you create paths/funnels between multiple micro-fences?

We provide the ability to require a phone to enter a series of locations before sending a message. In other words, you can micro-fence multiple types of locations and deliver a message only after a customer has visited more than one, e.g.:

• Message after visiting a competitor store and are now near your store

Does the brand app have to be open for the notification to be delivered?

No, the app doesn't have to be open. It only needs to be downloaded on the phone.

4. Content is delivered when consumer opens notification

What type of content can be delivered? And where is it delivered – in the app or as a rich media overlay to the app?

The content to be delivered is completely up to the brand and up to what solves the particular business problem. It could be an offer/promotion, including a scan-able mobile coupon, video, photo gallery, GIF or meme. Once it is delivered, it will be *in* the app, not as an overlay.

5. Beacons

Does your tech integrate with beacons? What is the process?

Our software will leverage the native ability of a BLE-enabled mobile device to monitor the airwaves for beacon broadcasts. When a broadcast is detected, our library will send a trigger request to our servers with the unique identifier for that beacon and download the assigned content.

Note: The beacon broadcasting must be pre-registered in our databases for us to assign content to be triggered. As a result, for any beacon deployment we will need to get the list of unique identifiers for all of the beacons used in the deployment. The beacon/content assignments will be managed through our dashboard/back-end in a similar manner as the normal micro-fences.

Does our tech work indoors?

Our solution for traditional micro-fencing (Wi-Fi/cell/GPS based without the use of hardware) is designed primarily for outdoor use. Our tech can work indoors but will result in lower levels of accuracy. The use of beacons will allow for accurate indoor micro-fencing. As a result, beacon technology is recommended for this use case.

6. Data is captured and reported in real-time

What data is reported? Is there a dashboard? Do the clients have on-going access to the tool?

We capture basic information at all times – notifications sent, views, app opens, consumer actions and conversions. We can also include a myriad of other data, should the program call for it. We include it in a customized dashboard that the client will have access to at all times during the campaign.

7. Personally Identifiable Information

How does Digital Factory manage PII?

Digital Factory follows industry best practices pertaining to privacy and data and takes many steps to safeguard client and consumer data.

Our technology does not passively collect PII data. We can collect data for client campaigns pursuant to client goals and privacy policies. To safeguard any sensitive data collected, we use the OAuth 2.0 protocol along with TLS/SSL to securely encrypt data as it is transmitted across insecure networks. We also leverage AES-256 encryption to secure PII data at rest in our databases. More over all database connections, passwords,

keys and any sensitive data in configuration files are encrypted and stored as cipher text to provide an additional level of security to prevent unauthorized access.

8. Pricing

What is your pricing model?

Because our service is not like other mass media (we don't drive for massive scale and/or massive *irrelevance*), our service/product is priced differently, as well. Here are our two key pricing models:

- 1. Fixed License
 - a. Predetermined fee developed for technology activation/development costs
 - b. Per market, per event or per campaign basis
 - c. Fees based on internal cost build-up of labor, technology, senior level creative, travel and other expenses plus profit margin requirements
- 2. Cost per conversion (or other mid-/low-funnel actions)
 - a. Digital Factory works with clients to develop customized campaigns to deliver against business goals, e.g.
 - i. Digital Factory charges a fee per notification read
 - ii. Per app open
 - iii. Per subsequent action/conversion
 - iv. Priced on sliding scale, with frequency discounts
 - v. Costs per action would increase depending on the value of conversion

Want to know more about Digital Factory and the services/technology we provide? Please contact us to learn about how we can help your brand reach its true mobile potential.

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