

DISCLAIMER:
SCORES IN THIS REPORT ARE NOT FINAL.
PROJECT IS EVALUATED FROM THE POINT OF VIEW OF A CRYPTOINVESTOR.

ANALYTICAL REPORT ON Clearcost.io ITO PROJECT

Country: Seychelles

Category: Travel and Tourism, Dapps

Date: 31 October, 2018

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CONCEPT

Project concept description

Comments
<p>Clearcost.io is a platform for booking accommodations in hotels from all over the world at wholesale prices, that are lower than average market prices by 5% to 15%. This is achieved by eliminating advertising costs and the markups of the sellers. The company is issuing tokens that give their holders a right for an annual subscription to a service allowing to book accommodations with a discount and use other services like car rental services, excursions, tickets, and insurance. The main target audience is the socially and economically-active people within the ages of 25-55, including active cryptocurrency wallets users and crypto-investors. The product will be useful for all kinds of tourists, who stay in hotels at least 10-12 nights per year.</p>

Market problem relevance and methods of its solution by the project ___6___

score from 1 to 10

Comments
<p>According to the team, the main problem that the project solves is:</p> <ul style="list-style-type: none">• A significant part of the cost of services on travel market is the markup of the seller and costs of advertising, which bring no value to the end-user. <p>Solution:</p> <ul style="list-style-type: none">• Issue of tokens that give a right for an annual subscription to a booking service with discount, that is achieved by eliminating marketing and advertising expenses. <p>The team is trying to solve only one problem of high markups of accommodation wholesalers by token issuing.</p> <p>NOTE: Practically all blockchain-based projects solve the problem of middlemans markups.</p>

TOKENOMICS

Project metrics __7,5__

Comments

Private Sale / Pre-ITO TIME: May 21 — June 20

ITO TIME: 01 July — 31 October

Token: CCWT

Price: 1 CCWT = \$ 1 (prices are based on US Dollar)

Bonus: up to 20% during Private Sale; up to 15% during ITO

Platform: ERC20

Total issue: 5,500,000 CCWT

Accepting: ETH, BTC, GByte

Minimum investment: \$ 1600 during Private Sale, \$ 57 during Public Sale.

Soft cap: Not set

Hard cap: \$ 3,500,000

Whitelist/KYC: Yes

Restricted areas: : USA, Syria, Iran, North Korea, Palmyra Atoll, Guam, Northern Mariana Islands, Puerto Rico, US Virgin Islands, American Samoa, Wake Island, Midway Atoll, Johnston Atoll, Baker Island, Island Howland, Jarvis Island, Reef Kingman, Bank of Bajo Nuevo, Serranilla Bank, Navassa Island

As of October 16, 2018 project has raised around \$ 0,5M during the ongoing ITO (not confirmed).

NOTE:

- The main reasons for ITO are to form a club of users and to ensure development of a service company. The Hard cap is limited to the number of token on sale and equals \$ 3,5M. The Soft cap was not specified since the service is already working, and the company will be satisfied with any number of new customers.
- The confirmed amount collected during the seed round before ITO is \$ 80,000.
- The very long time period for holding ITO.

Token and funds breakdown __7__

score from 1 to 10

Comments

Token Allocation:

64% Token sale

18% Reserves of the company

13% Founders and initial investors

5% Bounty campaign, Advisers and the team

Use of Funds:

50% Marketing

35% Software Development

10% Organizational Expenses

5% Creation of a Service

The address of wallet of smart-contract ICO: 0xbeBf59A30e962Af6c7fd7d50233c822b4B9238E2. The details of the bounty program are available at the [Bitcointalk](#) thread. The reserve fund include tokens, which can be put on sale if the market price of the token becomes unprofitable for their purchase with the purpose of membership in the club.

NOTE:

- Projects that allocate more funds for technical development of platform rather than for marketing purposes are more preferable in terms of investment attractiveness. But the team claims that the reservation system was developed almost at their own expense, therefore such big amount of funds directed for marketing purposes is rather an advantage.
- There is no escrow agreement that could protect investors funds. The team justifies its' absence due to the small volume of token sale and already existing operating business.
- The distribution between founders and investors and the distribution between bounty campaign, advisers and the team is not specified.
- There's no concrete explanation of what is implied by Software Development and Creation of Service expenditures.

Protective measures from token depreciation __ 8 __

score from 1 to 10

Comments
<p>The founders are prohibited to sell tokens if the token current market price is below \$2.5.</p> <p>Token Sale allocations will have no lockups, CCWT tokens can be used immediately after ITO to obtain an annual subscription.</p> <p>Unsold tokens will be burned.</p> <p>The team has signed an agreement with Estonian licensed crypto exchange www.crypstyx.com. Tokens listing is planned shortly after solving technical issues after the CCWT release.</p> <p>The project is creating a Reserve Fund for maintaining tokens course stability.</p> <p>NOTE:</p> <ul style="list-style-type: none">• The team didn't provide any additional measures to protect the token from future depreciation.• It's not clear, how the prohibition for founders of selling tokens if the token price is below \$2.5 will be controlled technically.

PRODUCT

Project products and technologies description ___7___

Comments

The main objective of CLearcost.io platform is to make travelling more affordable by lowering the price of accommodations (depending on the region from 6% to 15%, in some cases up to 25%). Large market wholesalers do not usually spend money for B2B advertising, selling the rooms through an agent network with a discount instead, and agents in their turn bear the costs of attracting customers. Since Clearcosts token holders will be already their customers, the advertising costs are excluded from the final room price. Also Clearcosts markup to the price is only about $\frac{1}{3}$ from the rivals' markup, CCWT holders get substantial economic benefits. The team claims, that buying CCWT tokens for \$ 57 now will save about \$ 600 for the average customer in the future. The product is good for all kinds of tourist, that buy accommodations for more than 12 nights per year.

Business model of the project can be reflected by the following formula: $\text{ClearCost} = \text{Cost Price} + \text{Membership Fee}$. Cost price is a wholesalers price plus minimum charge to cover the expenses (not more than 4.85%). The team management already has a successful business case demonstrating the advantages of the above business model: selling air tickets through the online travel agency ChaBooka. As a result one month turnover grew three times compared to the best month turnover of the previous year.

The project is using Ethereum blockchain for the platform with ERC-20 standard tokens. A distinguishing feature of the project is that service companies (for now the project has signed an agreement with only one estonian service company C-BOOKING SERVICE OÜ, which provides accommodations at a cost price) do not technically become the owners of the tokens, but only receive and use the information about the turnover in their accounting. This means that no any special authority licenses or permits are needed to perform the business activity. This works as following: for each of the service companies, the Operator of the Distributed Registry creates a wallet. Buyers transfer CCWT tokens to these wallets using the ERC20 protocol. Service companies track the receipt of tokens in their own systems to increase the buyer's rights to receive goods and services at cost price. Optionally, the Operator may use the API and inform the Service Company about the tokens' transfer.

NOTE:

- The technical details of the platform are not presented in open sources. The team claims, that the technology is completely described by this figure, and more details are needed only for programmers of potential partner service companies.

Stage of development and development strategy (Road Map) ___ 8 ___

score from 1 to 10

Comments

The team has published the [ICO smart contract code](#) on GitHub as well as the results of the ICO smart contract audit.

The project has [MVP](#) that is working since april and serves customers automatically since August 2018. The team accurately adheres to deadlines stated in roadmap and has already achieved milestones of launching full-scale English (the phone number is shown only to paid members) and Russian (tel. 8-495-123-30-46) call-centers.

The roadmap is scheduled up to 2020. It has some concrete milestones but doesn't provide any details on the platform development. It's not clear how development will be performed after 2020. Roadmap looks not final and needs further elaboration.

Q4 2018 Service launch in Germany, Switzerland, Austria, Netherlands, Poland

Q1 2019 Mobile Application launch

2019 Own contracting department creation

2020 Going worldwide

NOTE:

- The roadmap doesn't provide a deep technological overview on the project development. The team justifies it with the fact, that 80% of the technical work is already completed.
- Audit of the platform code base is not published, as it was held by teams advisor and contains sensitive information that is not to be published.

Blockchain importance in the project __3__

score from 1 to 10

Comments
<p>According to the team, the main reason for blockchain technology implementation in the project is the attraction of crypto-enthusiasts purchase of goods and services without extra charges.</p> <p>NOTE: The team has provided only one reason for blockchain implementation. As a whole, the technology is not quite necessary for project development.</p>

TEAM AND ADVISORS

Team experience and achievements __6,5__

Comments

[Pavel Malyshev](#), Member of Board, CEO – Founder of ticket agency ChaBooka (6 yrs) / Chief Editor at Allcharter.ru (17 yrs) / Creator of 30+ internet projects

[Aleksandra Zhukova](#), CMO – Director of Regional Center, Deputy Director of Retail Business Development Dpt at Agrosouz Commercial Bank (2 yrs 4 mths) / Marketing Director at “Strana” and “Sarafan” TV channels (2 yr 10 mths) / Promotion Manager at Academy of Management “Intalev” (4 yrs 2 mths)

[Andrey Insarov](#), CTO – CEO, Director at Intis Telecom (SMS-Provider) (10 yr 4 mths) / CEO at SMSCHAIN (1 yr 5 mths)

[Yuri Sosnov](#), Frontend-Developer – Frontend-Developer at Raycatch – AI Diagnostics for Solar Energy (8 mths) / Frontend-Development Individual Entrepreneur (8 yrs 9 mths)

[Alexander Popov](#), Backend-Developer – Programmer at Turbodealer (1 yr 8 mths) / Programmer at ChaBooka (1 yr 7 mths)

[Natalia Shkarlet](#), Community manager - Project Manager at SMSCHAIN (1 yrs 4 mths) / SEO, SMM, Marketing at ADL Denver (1 yr)

[Kate Andryushchenko](#), Legal Counsel – self-employed Lawyer, Legal Translator (1 yr 4 mths) / Translator at Universidade Federal Fluminense (3 yr 10 mths) / Lawyer at CONTRAST LLC (1yr)

[Daria Bykova](#), Specialist in strategic marketing and branding – Brand Maker at Sevastopolstroy (1 yr 2 mths) / Strategic Marketing Senior Manager at HEARTM Group (4 yrs)

NOTE

- All team participants confirmed their relevance to the project.
- Members of the core team do not have substantial experience in developing large-scale global projects.
- The only person in the team with experience in blockchain development area is Andrey Insarov. The team is lacking more members experienced in this aspect to ensure proper level of platforms technical development. But the team claims that their project is quite simple in terms of use of blockchain, therefore the experience of Andrey Insarov and consultants will be quite enough for its implementation.

- The team is not international and consists mostly of participants from Russia. One team member is from Latvia and one from Belarus, but still the team can't be called international in the full sense of this word.

Project advisors __7,5__

score from 1 to 10

Comments

[Tommy Ryoo](#), ITO & Marketing Advisor – Crypto Investor at Crypto Angels Fund (2 mths) / CEO at ChainPress (2 mths) / Advisor at CLINK (3 mths) / Advisor at IDEACOMES (5 mth) / Advisor at InstaCoin (3 mths) / Advisor at DACONOMY (1 mths) / Advisor at Amble Cryptocurrency exchange (2 mths) / Sales & Marketing Director at FXGear Inc. (6 yrs 5 mths), Overseas Sales & Business Planning General Manager at Hanwireless Co., Inc. (3 yrs 4 mths)

[Robert Rongen](#), Blockchain Solutions Consultant – Blockchain Architect, Owner of Blockchain Advies (2 mths) / Enterprise Solution Architect at Retailcoin (2 mths) / Blockchain Consultant at Xurux (2 mths) / Blockchain Technology Architect at Weconet Blockchain Technologies (2 mths) / Solution Architect at Signify (2 yrs 7 mths) / Information Platform Architect for Enterprise Content Management, Platform Solution Expert for Information Platform, Business Process Expert, Value Program Manager, Strategic Business Consultant at Phillips (9 yrs 7 mths) / Senior ICT Consultant at Atos Origin (7 yrs 8 mths) / Documentation Engineer at Branson Ultrasonics (3 yrs)

[Alexey Morozov](#), ICO Consultant – Board Member at National Blockchain Association (1 yr 5 mths) / Deputy Director of the Department of Advertising Technologies at RAMBLER&Co (3 yrs) / Business Development Director, Director of Affiliate Relations at Begun (5 yr 9 mths) / Product Manager at ADFOX (11 mths) / Director Product Management at VideoPartner (9 mths) / CEO at Creara Media (1 yr 5 mths)

[Anton Berezchnoy](#), Web Architecture Solutions Consultant – Full Stack Engineer at DeviantArt Inc. (11 mths) / Full Stack Engineer at Wix.com (11 mths) / Full Stack Engineer at Kyiv National Economic University (5 yrs) / Senior PHP Developer at Ning (11 mths) / Full Stack Engineer at ChaBooka.ru (5 yrs 2 mths) / Full Stack Engineer at Sumochka.com (5 yrs 6 mths)

[Alexander Bortsov](#), Marketing & Social Media Consultant – Creative Director at Smm2.ru / Direct Sales at Gars Telecom / Manager at Vimpelcom / Manager at Golden Telecom / Director at Betalink

[Amol Mozarkar](#), Blockchain Technology Advisor – Technical Solutions Architect, Technical Consultant at Bell (4 yrs 1 mth) / Technical Lead, Technical Consultant, Portal Designer, Software Engineer, Project Engineer at Wipro Technologies (3 yrs 1 mth)

[Mariya Lapuk](#), PR Consultant – PR & Marketing Advisor at Deneum (5 mths) / CoFounder of OIN SPACE (10 mths) / CoFounder of Vinci Agency (1 yr 6 mths) / PR Consultant at INS Ecosystem (9 mths) / Head of Press Media at Internet Initiatives Development Fund (IIDF) (2 yrs 2 mths)

NOTE:

The advisory board looks quite qualified, but lacks members with direct experience in running and coordinating large-scale international projects.

PARTNERS AND INVESTORS

Strategic partners ___ 8,0 ___

score from 1 to 10

Comments

Confirmed: Amadeus – Provider of advanced information technology, distribution and e-commerce solutions for the global travel and airline industry.

Confirmed: Hotelbeds – Travel services provider in the B2B sector, working with 1200 operators.

Confirmed: W2M DMC – Global provider of travel services in more than 175 countries.

Confirmed: Hotelston.com – Accommodation reservation wholesaler offering more than 250,000 properties in 15,000 destinations.

Confirmed: Tourico Holidays – Worldwide wholesale travel services provider working for 22 years on the travel market.

Confirmed: Rate Hawk – Online B2B hotel booking system for travel professionals.

Confirmed: Ostrovok.ru – Booking service and air tickets retailer.

Confirmed: Bronevik.com – Online booking and travel services system.

Confirmed: HotelsPro – Booking services at lowest wholesalers rates.

NOTE:

- All the strategic partnerships have been confirmed.
- International development of the project will strongly depend on the quality of strategic partners.

Large investors and investment funds ___6,0___

score from 1 to 10

Comments
<p>The team has entered into an investment agreement with OneStep.Capital fund. The press release can be found on the official site of Onestep.capital fund.</p> <p>NOTE:</p> <ul style="list-style-type: none">• The amount collected during the seed round before ITO is \$ 80,000.• The agreement with fund is confirmed.

MARKET

Market competitive environment ___6,5___

score from 1 to 10

Comments

According to Credit Suisse's forecast the global travel market is about to grow to \$ 1,47 trillion by the 2020 from today's \$ 1,33 trillion. At the same time online travel booking sector is growing at a faster pace than offline travel bookings. Credit Suisse forecasts a 21,2% growths in online booking sector by 2020 compared to 2018.

The two largest competitors of the project in the market Priceline (now Booking Holdings) and Expedia only have control of 17% share of the total market. In 2017 Booking Holdings booked 673 million room nights, 73 million machine days and 6,9 million air flights for a total sum of \$ 81.2 billion.

Travelling agencies market is quite saturated. The largest direct competitors in traditional sector are:

1. AirBnB
2. Booking Holdings
3. Expedia
4. Tripadvisor.com

In blockchain area the following competitors can be highlighted:

1. RoomDAO (\$1,17M collected during ICO, the token is not traded yet)
2. NOMAD.space (ICO starts soon, Hard cap \$ 5M)
3. TravelerToken (ICO starts soon, Hard cap 100,000 ETH)
4. TravelBlock (collected \$ 25,2M during ICO, the token is not traded yet)
5. ETH Travel (no information about collected funds)

6. Smart Trip Platform (ICO starts soon, Hard cap \$ 25M)
7. LOCKTRIP (collected \$4M during ICO, market cap \$5,4M, 1,35x ROI in USD)

NOTE:

- The competition on travel market is quite high.
- Most competitors in decentralized area have low financial stats, however, there are no companies selling hotels at cost price.
- Concentration of market share in several players (i.e. AirBnB, Booking Holdings, Expedia) is quite high, but still provides significant growth opportunities for new projects.
- The project didn't provide the analysis of competitive environment in decentralized area.

Project advantages ___6,5___

score from 1 to 10

Comments
<ul style="list-style-type: none">• The project has a working MVP• The product allows to book hotels at cheaper price• The project has partnerships with well known travel agencies• The annual membership fee will grow in USD but will decrease in CCWT tokens• Team member Pavel Malyshev has a successful business case launched in contiguous area• Business model will allow to generate profits in future• Service companies do not technically become the owners of the tokens, so there's no need for licensing the product.• Projects that allocate more funds for technical development of platform rather than for marketing purposes are more preferable in terms of investment attractiveness. But the team claims that the reservation system was developed almost at their own expense, therefore such big amount of funds directed for marketing purposes is rather an advantage.

SOCIAL ACTIVITY

Project's popularity in social networks and at topic forums __5,5__

score from 1 to 10

Comments

As of 16 October, 2018, the user base in the social networks of the project counts over 11k users and the audience's activity is low.

[Facebook](#) – 11,1K followers, average number of likes per post is 4, and 0 reposts per 1 post on average, with 0 comments. The audience's activity is quite low.



ClearCost



Total Likes

610

Total Shares

377

Total Comments

3

Total Posts

139

Followers

11 176

ER day, %

0.060%

ER post, %

0.064%

LR, %

0.039%

TR, %

0.000%

Average Likes

4

Average Shares

3

Average Comments

0

[Twitter](#) – 750 followers, an average number of likes per post is 4, and 3 reposts per 1 post on average, with 0 comments on average. The audience's activity is low.



Clear Cost



Total Likes

72

Total Shares

8

Total Posts

186

Followers

750

ER day, %

0.073%

ER post, %

0.057%

LR, %

0.052%

Average Likes

0

Average Shares

0

[Telegram](#) – 1100 members. The audience's activity is low.

According to the SimilarWeb, a number of monthly visits of Gath3r.io is less than 5000 (total number of visits is less than 5000, but it is +22,65% from last month).

Total Visits ⓘ

Jul 2018 - Sep 2018, 🌐 Worldwide

UNLOCK UNIQUE VISITORS
METRICS

7,522

↓ -43.04% from last month

Traffic Share ⓘ

Jul 2018 - Sep 2018, 🌐 Worldwide



86.32 %

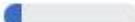
13.68 %

Monthly Visits	< 5,000
Monthly Unique Visitors	< 5,000
Avg. Visit Duration	00:00:53
Pages / Visit	1.51
Bounce Rate	67.65%

Top 5 Countries ⓘ

Jul 2018 - Sep 2018,  Desktop Only



 Russia	15.51%	 ↓ -93.34%
 Switzerland	13.09%	 -
 Indonesia	11.24%	 -
 Spain	11.11%	 -
 Germany	8.07%	 -

[SEE MORE COUNTRIES](#)

Channels Overview ⓘ

Jul 2018 - Sep 2018, Worldwide Desktop Only



Social Traffic ⓘ

Jul 2018 - Sep 2018, Worldwide Desktop Only



Top Links Destination ⓘ



Jul 2018 - Sep 2018, Worldwide 🌐 Desktop Only

 linkedin.com	39.70%		↑ 299.11%
 forextv.com	16.19%		↓ -100%
 traveldailynews.com	13.84%		↓ -100%
 icovisibility.com	11.91%		↓ -100%
 coinspector.com	3.98%		↓ -100%

[SEE MORE OUTGOING LINKS](#)

Top Ads Destination ⓘ



NO DATA AVAILABLE

CONCLUSION

Comments
<p data-bbox="188 478 582 518">Risk score: MEDIUM</p> <p data-bbox="188 582 672 622">Community interest: LOW</p>

RISK ASSESSMENT

Comments

Strengths:

1. The project has a working MVP
2. The product allows to book hotels at cheaper price
3. The project has partnerships with well known travel agencies
4. The annual membership fee will grow in USD but will decrease in CCWT tokens
5. Team member Pavel Malyshev has a successful business case launched in contiguous area
6. Business model will allow to generate profits in future
7. Service companies do not technically become the owners of the tokens, so there's no need for licensing the product.
8. The team accurately adheres to deadlines stated in roadmap.

Weaknesses:

1. Global travel market is very competitive.
2. The roadmap doesn't provide deep technical details on the platform development and it's not clear how development will be performed after 2020. Roadmap looks not final. The team justifies it with the fact, that 80% of the technical work is already completed.
3. Blockchain technology implementation is not necessary for the project.
4. Social activity of the project is low.
5. Financial indicators of competing projects in decentralized area are quite low.
6. Banners of ICO trackers on the site of the project may cause investors distrust.
7. There is no escrow agreement that could protect investors funds.
8. The core team and advisory board looks quite qualified, but lacks members with direct experience in running and coordinating large-scale international projects.
9. The team hasn't provided the results of the code base audit.
10. No results of legal opinion.
11. The very long time period for holding ITO.
12. The project didn't provide the analysis of competitive environment in decentralized area.
13. It's not clear, how the prohibition for founders of selling tokens if the token price is below \$2.5 will be controlled.

USEFUL LINKS

Twitter: <https://twitter.com/clearcostclub>

Facebook: <http://www.facebook.com/ClearCostClub>

Telegram: <http://t.me/clearcostclub>

Bitcointalk: <https://bitcointalk.org/index.php?topic=4129908>

Reddit: <https://www.reddit.com/user/clearcostclub/>

Medium: <https://medium.com/clearcost>