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Gratii: This site pays to play

By Lizzy McLellan, Daily Record Business Writer

As he watched Bitcoin's dollar value rise in the first four months of 2013, Brian Feldman, a Potomac native who lives in Washington, also noticed the growing popularity of his own virtual currency — Gratii.

But Gratii are a far cry from Bitcoin. They're used as digital tender on [a single website](#), which Feldman has beta tested and plans to launch in February. And they have no direct correlation to real-world dollars.

"You could never purchase Gratii," he said. "You earn Gratii."

This is how it works: Internet users on his site earn Gratii by playing games and interacting with certain businesses on social media. They can use them to buy tangible items — promotional products like T-shirts and gift cards — distributed by [gratii.com](#).

Feldman, a former finance major, is "pro-Bitcoin," but he sees it as a risky endeavor that's more complicated than some people think. On [gratii.com](#), he said, people can participate in a virtual economy with no real financial risk.

"Everyone heard 'virtual currencies' and it sounded fun, it sounded like a game," said Feldman.

"With Gratii, we wanted to get back to what people thought it was."

Feldman's brainchild was born from two of his interests, video games and marketing. In 2009, as a senior in college, he started a production and brand development company that made \$500,000 in sales in two years. As a part of his services, he would distribute

promotional materials to the public on behalf of a company — in other words, he got paid to give out free stuff.

Long before that, as a recreational player of video games, Feldman had the same thought as many of his contemporaries. He wished that he could earn money for all the effort he put into game play.

The two ideas came together with gratii.com. Players earn Gratii and use them to bid on promotional products, but the website gets those products for free. The companies who provide them benefit by reaching not only the person who bids highest, but every person who sees the item.

“All these companies are already giving away promo codes,” said Feldman, and “for the consumers, it’s a no-brainer because you’ll finally be able to make money by playing games.”

In the most recent beta test, gratii.com accumulated 4,100 users over four months. They were expecting a few hundred, Feldman said.

Each user spent an average of 19 minutes on the website with each visit and visited 24 pages during that time. About 51 percent engaged with promotional products, and 27 percent followed brands they saw on Gratii using Facebook or Twitter.

“It’s really kind of a gigantic form of advertising,” said Kent Norman, a psychology professor at the University of Maryland, College Park, who has extensively studied various aspects of human-computer interaction.

Feldman is currently seeking patents on his virtual economy. When the site launches in February, he expects to make money in three ways — from brands that pay for promotion, players who pay for premium subscriptions with bonus features, and developers who pay licensing fees to distribute Gratii as a virtual currency reward.

Norman said getting coins or points for games isn’t new, but usually those points can only be redeemed for a virtual prize that only has value within the game. “To turn them in for a T-shirt, that’s something new,” he said.

While it may seem free, he said, a T-shirt incentive is actually exploiting the game player, using that person for free advertising.

“As usual, it’s kind of intriguing, but it’s kind of disturbing,” said Norman. “Are you the consumer, or the consumed?”