

From puppies to beer

Saving the software monetization industry from itself

Dennis Batchelder
AppEsteem Corporation
April 2016



The "Free" in free software has morphed in meaning...

Before: Free like "free beer"



Now: Free like "free puppy"



Once upon a time
we were excited
with free software

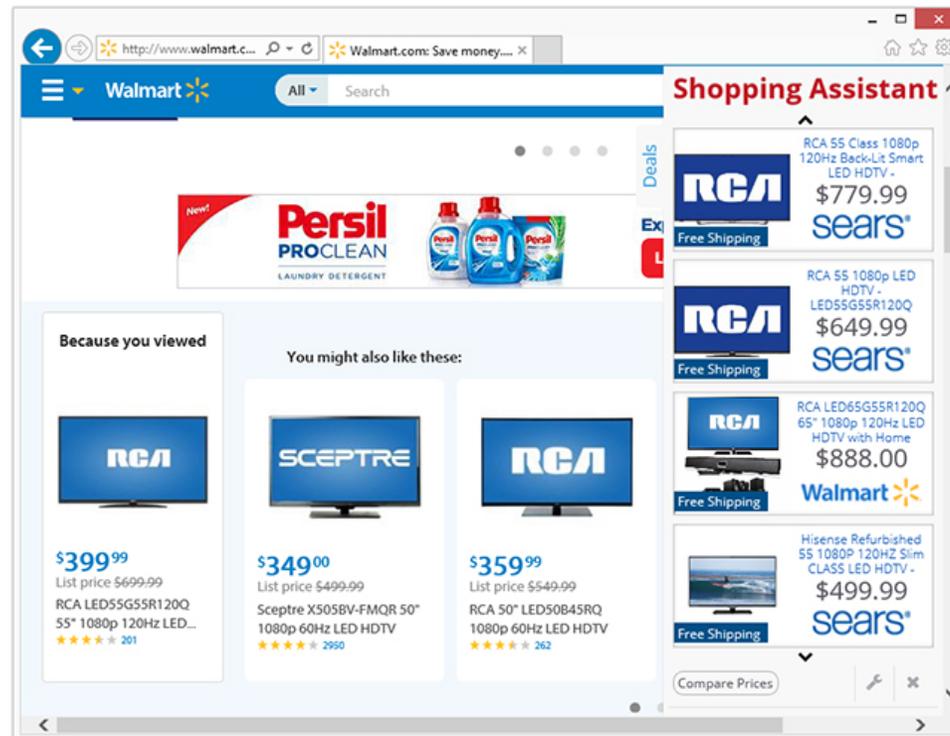
Monetization was
simple and
understandable:

- 1) Shareware
- 2) Trialware
- 3) Freemium



But then life got complicated

- Everybody had a toolbar to install
- Everybody changed our search and homepages
- Popups galore
- And nobody remembers how these “extras” got there



Now we get super suspicious when we install software

But we still get fooled

- Missed an opt-out check box
- Choosing a fake installer (upgrade your flash, missing video player)

Do you spend your vacations cleaning up relatives' systems?





Free software. Free as in, “free puppy”

A software monetization ecosystem example



- Carrier apps
- Search Offers
- AV Vendors
- Installers
- Advertisers
- Platforms

Carrier App

- The app everybody wants, but nobody wants to pay for
- This example: KMPlayer from KMP Media
- From official site



KMP is a versatile multi media player which can cover a various different types of contained formats. Without any separate Codec, you are able to play any media files because KMP has its' own internal Codec. Supported Codec are separated by internal & external. For the sound Codec, KMPlayer supports MPEG1, 2, AAC, WMA 7, 8, OGG & etc. and it additionally supports matrix function/normalizer function when internal sound Codec is being used. Internal Codec gets processed inside of KMPlayer so it's faster & safer. Also KMPlayer supports all the Codec from ffdshow and it additionally supports MPEG1/2. If you're a user who finds it inconvenient to install Codec, who has a low CPU computer and/or a user who strives for an excellent multi-media playback player, you'll be able to modify your environment to a convenient multi-media format by using KMP.

The Installer

- Pays the carrier for the right to install in exchange for adding more offers
- May pay for marketing (or rely on advertisers)

https://www.google.com/?ion=1&espv=2#q=kmp+player

KMPlayer | Multimedia Player
www.kmplayer.com/ ▼
KMPlayer is a freeware and supporting 36 different languages with 300 million users globally.
PC - Mobile - Connect - KMPlayer | Forum

KMPlayer - Download
kmplayer.en.softonic.com/ ▼
★★★★★ Rating: 3.5 - 16,459 votes - Free - Windows - Multimedia
KMPlayer, free and safe download. **KMPlayer** 4.0.7.1: Excellent free multi-format media player. **KMPlayer** is a lightweight audio and video player for Windows ...
[Free Download](#) - [KMPlayer's multimedia gallery](#) - [KMPlayer-3D-Guide](#) - [View all](#)

Download KMPlayer free - latest version
kmplayer.en.softonic.com/download ▼
Download **KMPlayer** now from Softonic: 100% safe and virus free. More than 139325 downloads this month. Download **KMPlayer** 4.0.7.1 for free.

KMPlayer - Free download and software reviews - CNET Dow...
download.cnet.com/KMPlayer/3000-13632_4-10659939... ▼ Download.com ▼
★★★★★ Rating: 4 - 990 reviews - Free - Windows
Apr 19, 2016 - **KMPlayer** has evolved from a video player to a leading source for content discovery. The app's record-breaking viewership and the use of its ...

Download KMPlayer 4.0.7.1 - FileHippo.com
filehippo.com > [Windows Apps](#) > [Audio and Video](#) > [Players](#) ▼
★★★★★ Rating: 4 - 6,319 votes - Free - Windows - Multimedia
The **KMPlayer** is a versatile media player which can cover various types of container format such as VCD, DVD, AVI, MKV, Ogg Theora, OGM, 3GP, MPEG-1/2/4, ...

FILEHIPPO Software That Matters

WINDOWS | MAC | WEB APPS | NEWS

Home > Windows Apps > Audio and Video > Players > [KMPlayer 4.0.7.1](#)

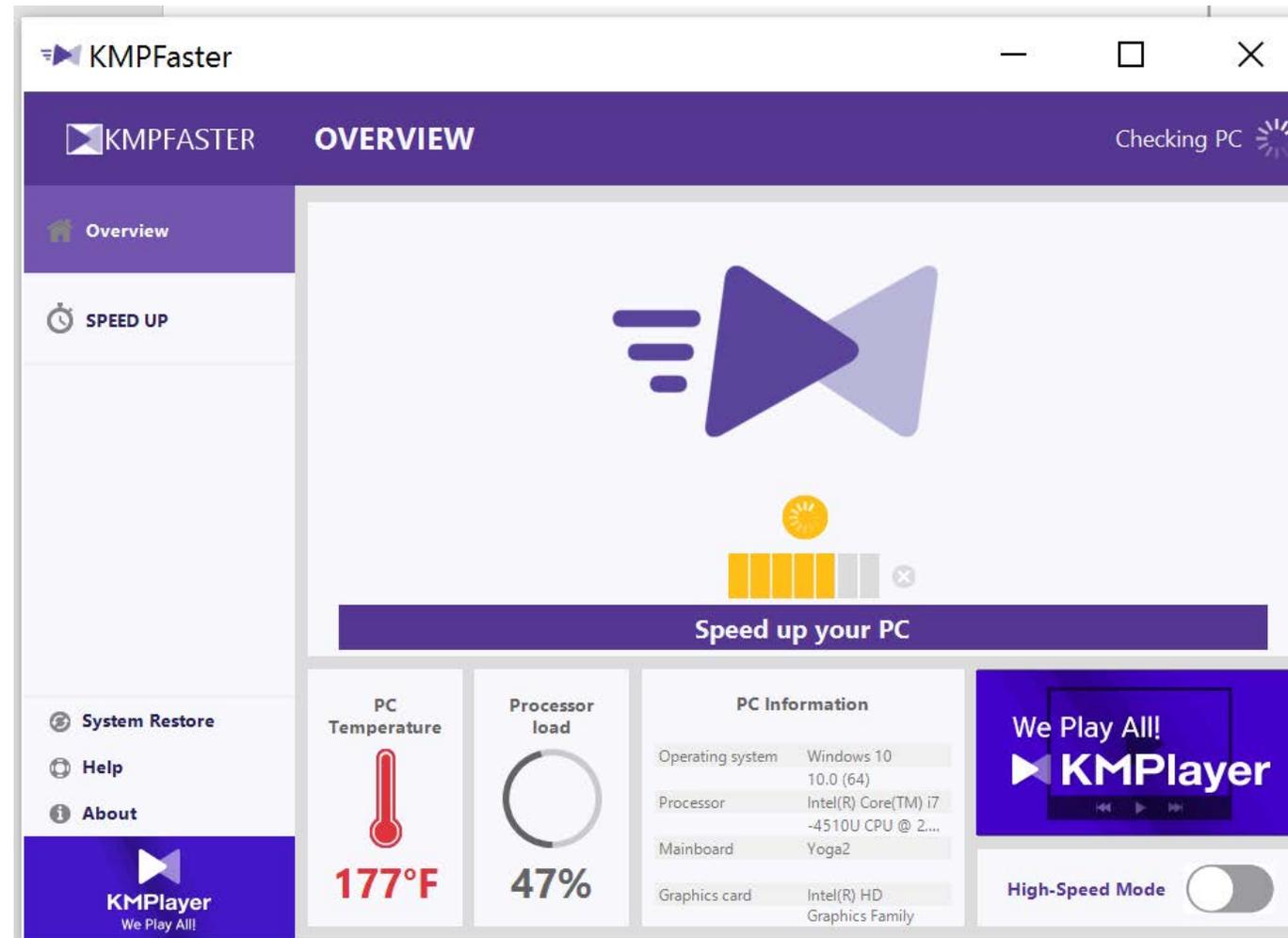
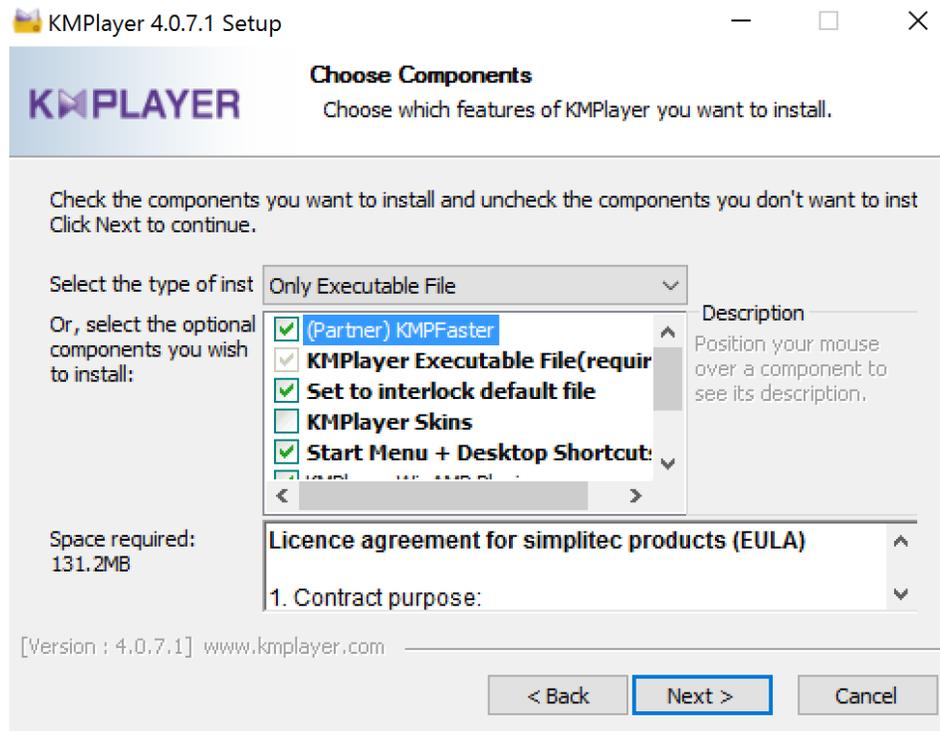
KMPlayer 4.0.7.1
By [KMPMedia](#) (Freeware)
User Rating ★★★★★

FileHippo Safety Guarantee
Secured by Avira

[Download Latest Version \(35.50MB\)](#)

The Offers

- Can monetize, but need distribution
- Usually there's one search offer and one or more software offers
- Pay the installer, usually after an auction



 **An app default was reset**
An app caused a problem with the default app setting for .mp3 files, so it was reset to Groove Music.

It sounds good in theory

Mixing carriers with offers is a working pattern

- TV, radio, search do this

And curated deals do work

But un-curated deals fail

- Aggressive affiliates
- Auction-style exchanges remove responsibility

And nobody can really help

- AVs are overwhelmed
- Strict rules destroy the market

Result: bad guys take over



Software monetization has become a tragedy...



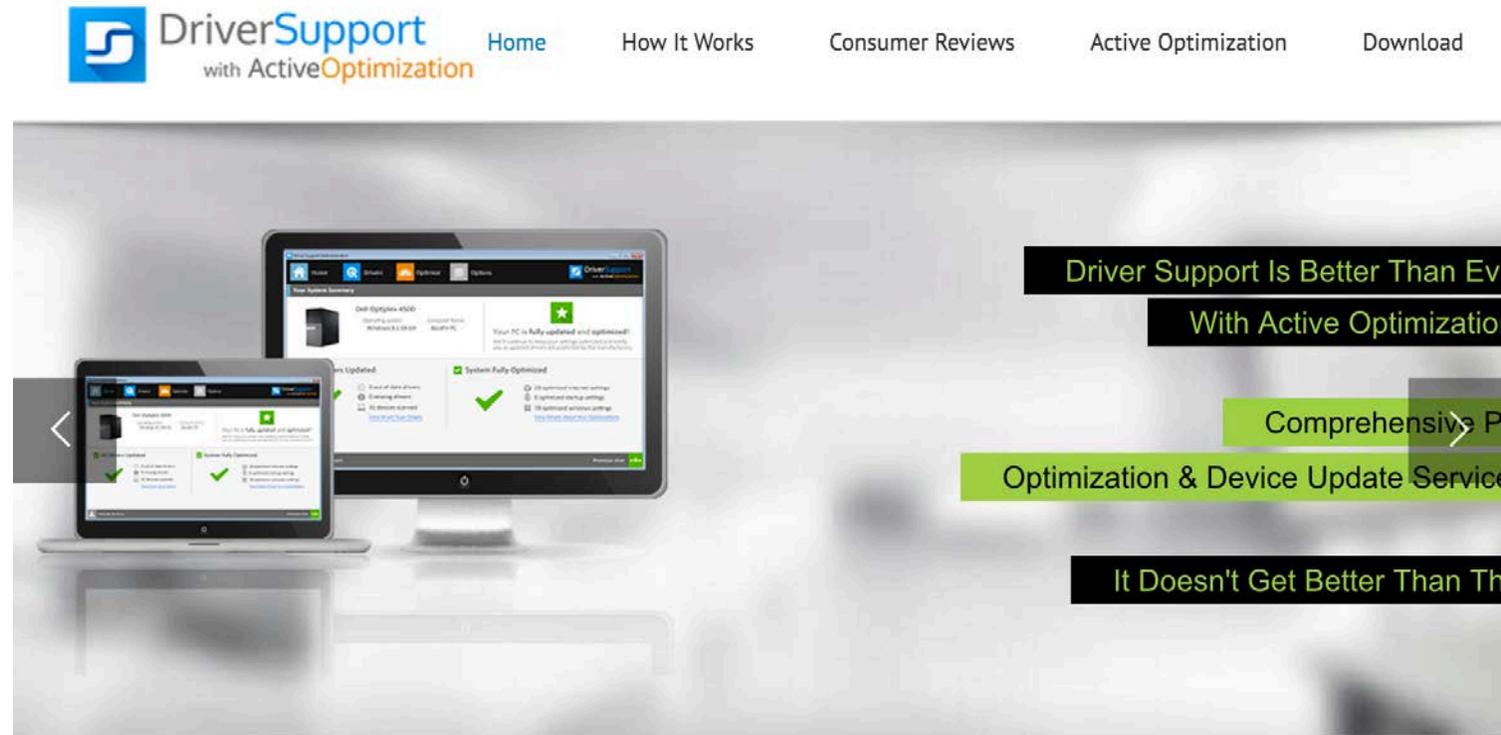
From Wikipedia, the free encyclopedia

The **tragedy of the commons** is an economic theory of a situation within a shared-resource system where individual users acting independently and rationally according to their own self-interest behave contrary to the common good of all users by depleting that resource.



Example advertiser: DriverSupport

- Wanted more distribution, but was scared to enter the monetization game.
- Took the leap and became an offer
- Quickly got flagged by AV vendors
- Result: got removed from many existing customers: loss of business
- Stopped all offers until market cleans up



How should DriverSupport grow?

- Sue the AV vendors for ruining their business?
- Go to the dark side and work with aggressive, evasive installers?
- Help save their industry?

Can we avert the tragedy?

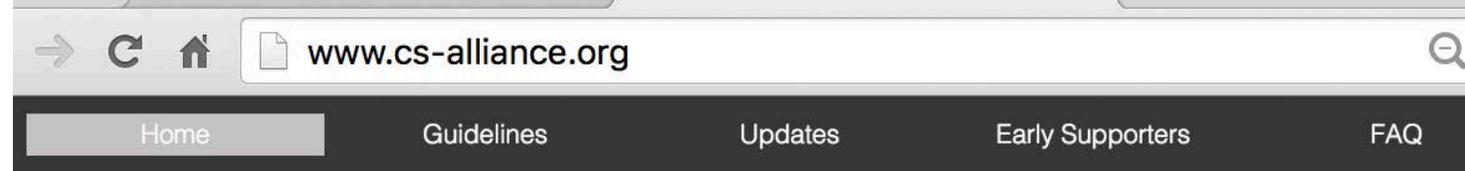
2014: Microsoft, AVs, Google, and installers founded the Clean Software Alliance

Basic idea: self-regulate

- Create a safe haven for “clean” software vendors to operate
- Agree on a set of clean behavior guidelines
- Monetization players agree to follow guidelines
- AVs agree to not detect “clean” software vendors

Status: CSA has formed

- Almost agreed on guidelines
- But it hasn't figured out how to enforce (early work with IEEE taggants, but this hasn't landed)
- Nothing operationalized yet



Sustainable, Consumer- Friendly Practices

The Clean Software Alliance (CSA) champions sustainable, consumer-friendly practices within the software distribution ecosystem by establishing and enforcing best practices by and among its members and the industry at large.

Comprised of AntiMalware vendors, software distribution & monetization firms, and major software platforms, the CSA works across its constituents to codify and operationalize industry best practices through guidelines, policies, and technology tools that balance the software industry's needs while preserving customer choice and customer control. [Read more...](#)

JOIN OUR MAILING LIST

SUBMIT AN INQUIRY

Making it real with a trusted seal

AppEsteem is a new startup helping software monetization companies to self-regulate and AVs to trust them

Certify and “seal” apps that meet guidelines

- Clean Software Alliance Guidelines
- Microsoft Objective Criteria
- Google Extension Quality Guidelines

Monitor and enforce when apps go dirty

Provide attribution, behavior, and distribution data to AVs and platforms



How monitored self-regulation will work for apps



Build your app

- ✓ Register your company and your product at AppEsteem
- ✓ Link your app with SRCL (pronounced “circle”), AppEsteem’s self-regulating client library
- ✓ Use our portal to see free telemetry and analysis



Seal your app

- ✓ Get your company validated that you’re using best practices to stay clean
- ✓ Submit your app for certification, and provide your distribution rules
- ✓ Your sealed app can be distributed by you and only the installers that you authorize
- ✓ Registered security companies and platforms can monitor any sealed app’s behavior

A clean world is a better world



Independent software vendors build share, get paid, focus on value, thrive



Security vendors focus on getting rid of bad guys



Installers build brand value through clean exchanges



Customers install with confidence

Our plans to make free software desirable again

Create demand for the seal

- Sealed download sites
- Sealed search results
- Seal-aware browsers

Recruit vendors

- Beta with 2-3 trusted installers this summer
- Roll out this fall/winter

Grow beyond Windows to mobile and advertising (maybe even beer 😊)



AppEsteem™

Certifying apps for a better world

<http://appesteem.com>
info@appesteem.com
[@appesteem](#)

