



Blockchain: Bringing Trust to Ticketing

By Claudine Cassar

Big technological breakthroughs are interesting in and of themselves. However, at the end of the day, what matters most is how they are used and the impact they can have on our world. Blockchain is exactly such a case.

At the core of it, this technology consists of a distributed ledger where transactions are recorded and verified anonymously. What this means is that these recorded transactions are not saved in one centralised place, but in a distributed community record extending across the globe. Computer users in different places, like Sydney, New York and Malta are nodes in the network, recording and verifying the data of each transaction that occurs within the network. Records are permanent, comprehensive and public. They cannot be deleted or altered.

This means that blockchain creates a permanent, public record of who owns an asset. This is obviously useful in a wide variety of ways, which is why this technology is spawning so many different applications and start-ups.

One such application relates to the sale of tickets, particularly when sold online or through third parties. In the digital age, tickets are often bought online with the buyer then receiving the tickets in pdf format and printing them. PDF documents, however, can be printed multiple times.

Imagine the scenario - you buy tickets online for a show, or the cinema, and print them out. You then turn up at the theatre, only to find that your seats have already been taken by someone who has exactly the same printout in hand that you have. Both of you claim to have bought the seats in question – who should the poor usher allow to watch the movie?

In this simple scenario, there might be a solution. The usher could ask for proof of payment, or even ask administration to check whose credit card was used to pay for the seat and then ask for an ID to see if the name matches. However, as you can imagine, this is a very laborious and time consuming process that is likely to cause a commotion and disturb other patrons.

The situation becomes even more complicated when tickets are purchased through third parties, making it impossible for the theatre to confirm who actually bought the ticket, or to control how much the ticket is sold for.

This is the kind of problem that blockchain can solve, essentially making tickets fraud proof. Several start-ups have taken up the challenge, starting a race to see who can first lay claim to having “solved” this ticketing problem. The goal is to ensure that a ticket is used only once, that it is very clear who is entitled to use it and last but not least, that if resold, the original issuer of the ticket can control the price and parameters of the sale. Obviously, knowing who used the ticket also creates new benefits in that performers and event organisers can collect data regarding their audiences/ ticket buyers and market future performances or events directly to them in future.

GUTS Tickets is such a start-up, based in Amsterdam, which promises to help fans “say farewell to ticket fraud and disgraceful secondary ticket prices”. The company describes its solution as a ticketing system that uses blockchain technology to register ownership of tickets and make ticket fraud impossible. Tickets can be resold but only at a fixed price that is defined by the event organiser, so ticket touts can no longer get away with charging steeply increased prices for secondary tickets.

Another company tackling the same problem by using blockchain is the London-based Aventus. Their ticketing system allows ticket holders to sell their tickets on to third parties, but includes inflation caps in order to control abuse. It also enables event organisers to know exactly who holds the ticket and will be attending the event, which enables them to run checks and put in place additional security checks that can safeguard all attendees – an unpleasant but essential measure in today’s political climate, when all event organisers are on the alert for terror attacks.

In addition to the two start-ups mentioned above, there are many others setting up in places such as Israel and the United States. Each company is tackling the core problem of verifying ticket ownership and controlling resale, while using the data that is collected regarding ticket holders to provide additional security or to enable enhanced one-to-one marketing.

Clearly this is just one application of blockchain, but it is a well-defined example illustrating how this technology can disrupt well-established ways of doing things and provide solutions to real world problems.

For more information, please visit <http://www.deloitte.com/mt/blockchain>

About the author

Claudine Cassar is the leader of Deloitte Digital Malta. Deloitte has invested heavily worldwide in the development of blockchain resources and is well established as a thought leader on blockchain, cryptocurrencies and Bitcoin, charting how they will constitute a cultural paradigm shift, allowing us to move from today’s sharing economy to a definitive “trust democratisation” for the common good.

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