

# A lightweight protocol for the generation and distribution of secure e-coupons

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# Outline of the talk

- Motivations
- A PKI based solution
- The lightweight protocol
  - The static model
  - The dynamic model
  - The extended model

# The motivations

- The web and the market
  - E-commerce
  - Advertising
- Advertising on the web
  - Web servers host ads
    - Non-active role
    - Banners, product info, etc.
  - Web servers distribute promotional material
    - Active role
    - Discounts, gifts, etc.

# From coupons to e-coupons

- Paper coupons

- traditional form of advertisement distributed by



- mail
    - fliers
    - newspapers and magazines
    - ...

- redemption at physical store



- Hybrid coupons

- downloaded from the web or received by e-mail



- printed out



- redemption at physical store



# E-coupons

- Truly digital

- download from advertisers' web sites
- redemption at stores' web site



- Advantages

- ✓ Easy to distribute, to store and to use
- ✓ Target recipients
- ✓ Feedback on promotional campaign

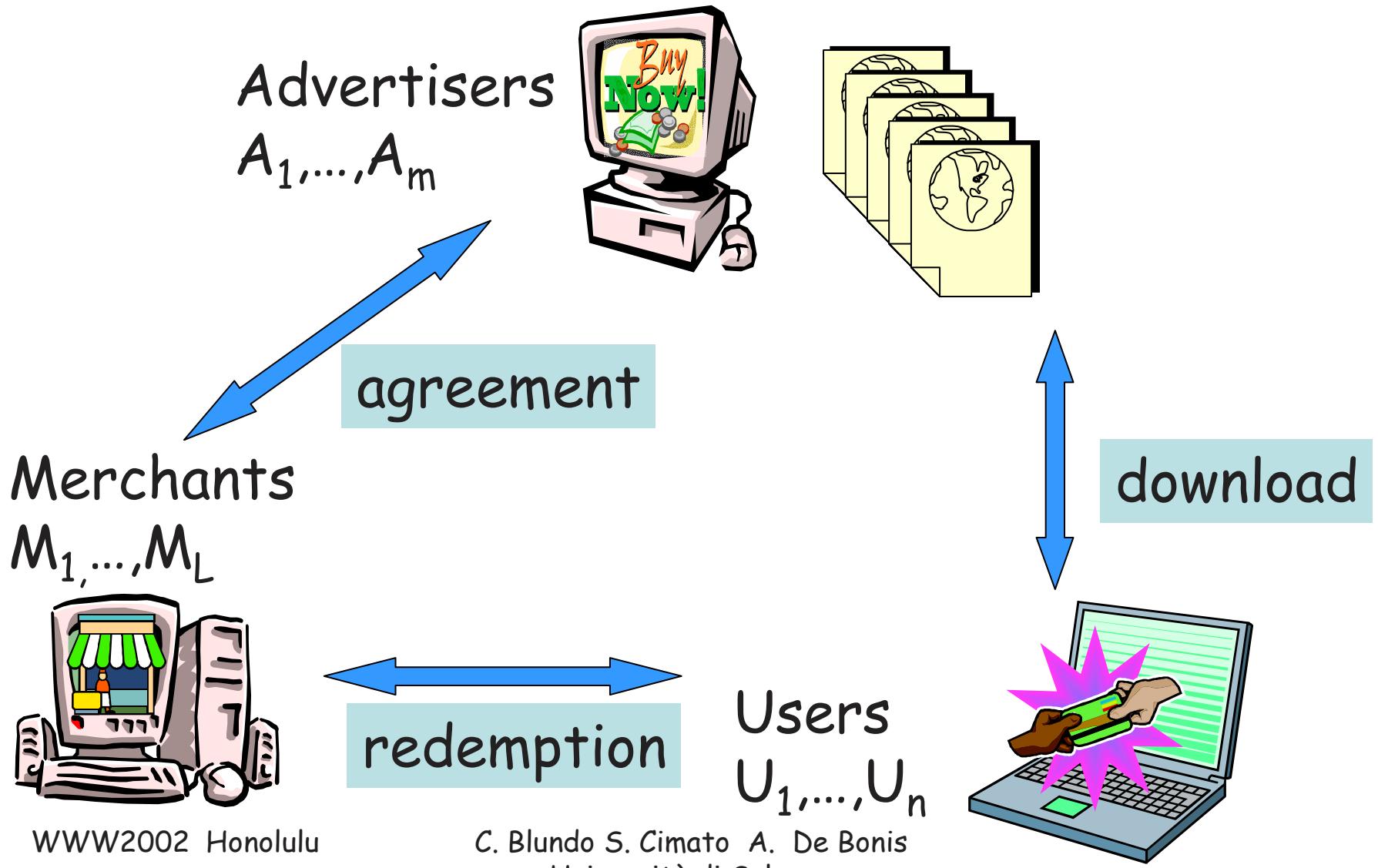


- Disadvantages

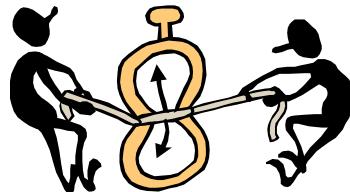
- ✓ Duplication
- ✓ Double spending
- ✓ Forging
- ✓ Manipulation



# The scenario & life cycle



# Requirements



## Practical Requirements

- Soundness
- Efficiency
- Ease to use
- Interoperability
- Customers' anonymity

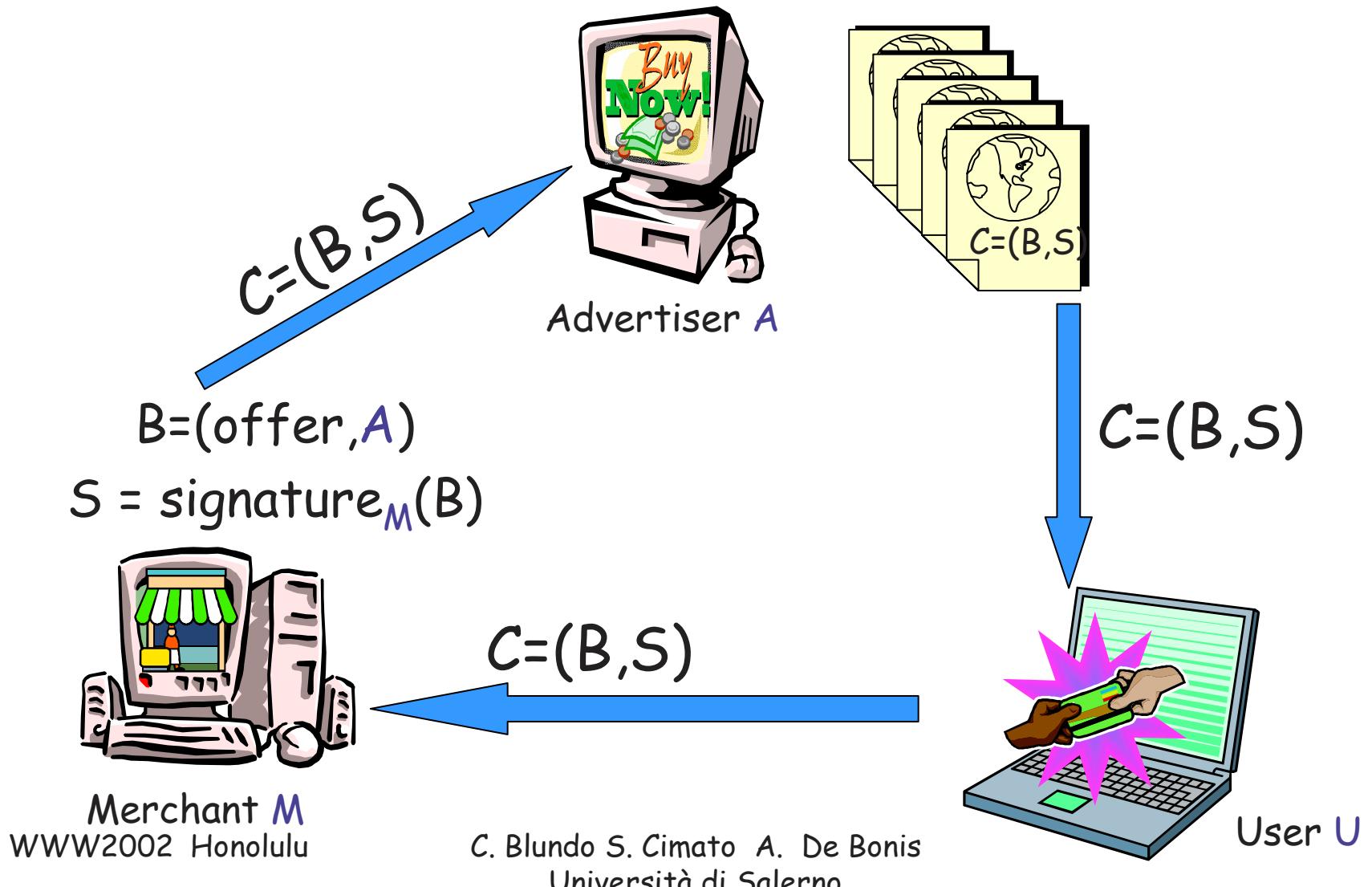


## Security Requirements

- No unauthorized issuance
- No manipulation
- No double spending

# A solution based on digital signature

[Jakobsson et al., WWW8]



# Analysis of Jakobsson et al. solution

- **Security Requirements:**

**Yes** No unauthorized issuance

**Yes** No manipulation

**Yes** Double spending (if record of each e-coupon is maintained)

- **Practical Requirements:**

**Yes** Soundness

**Yes** Ease to use

**Yes** Interoperability

**Yes** Customers' anonymity

**No** Efficiency : Public key operations are very costly



# A lightweight protocol



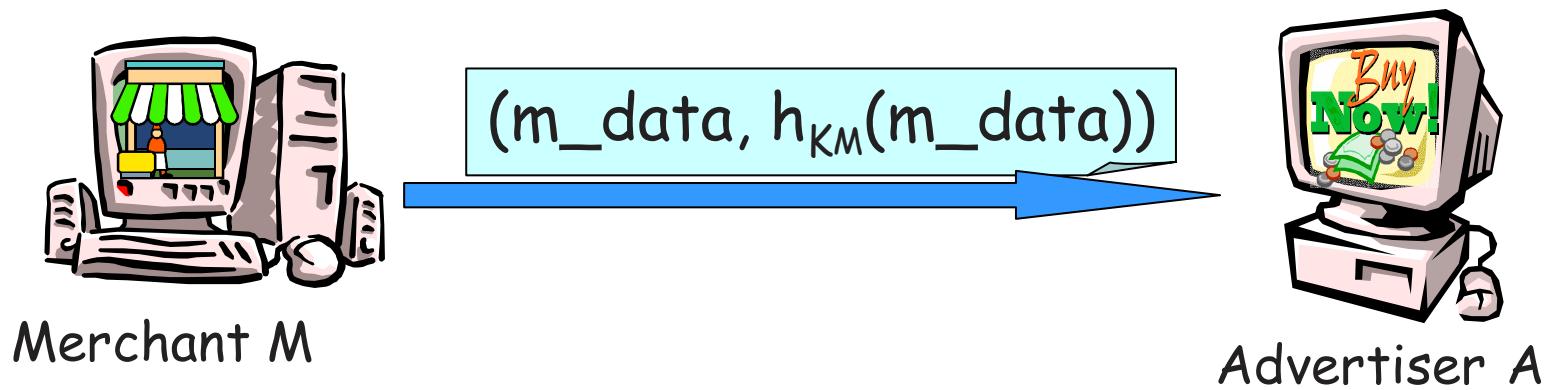
Idea: Use Mac Algorithms instead of digital signatures

Mac Algorithm:

- encoding functions  $h_k(\cdot)$  parameterized by secret key  $k$ 
  - easy to compute
  - compression: finite bit length output string
  - computational resistance: if  $k$  unknown, it is computationally infeasible to compute  $h_k(x)$

# Initialization phase

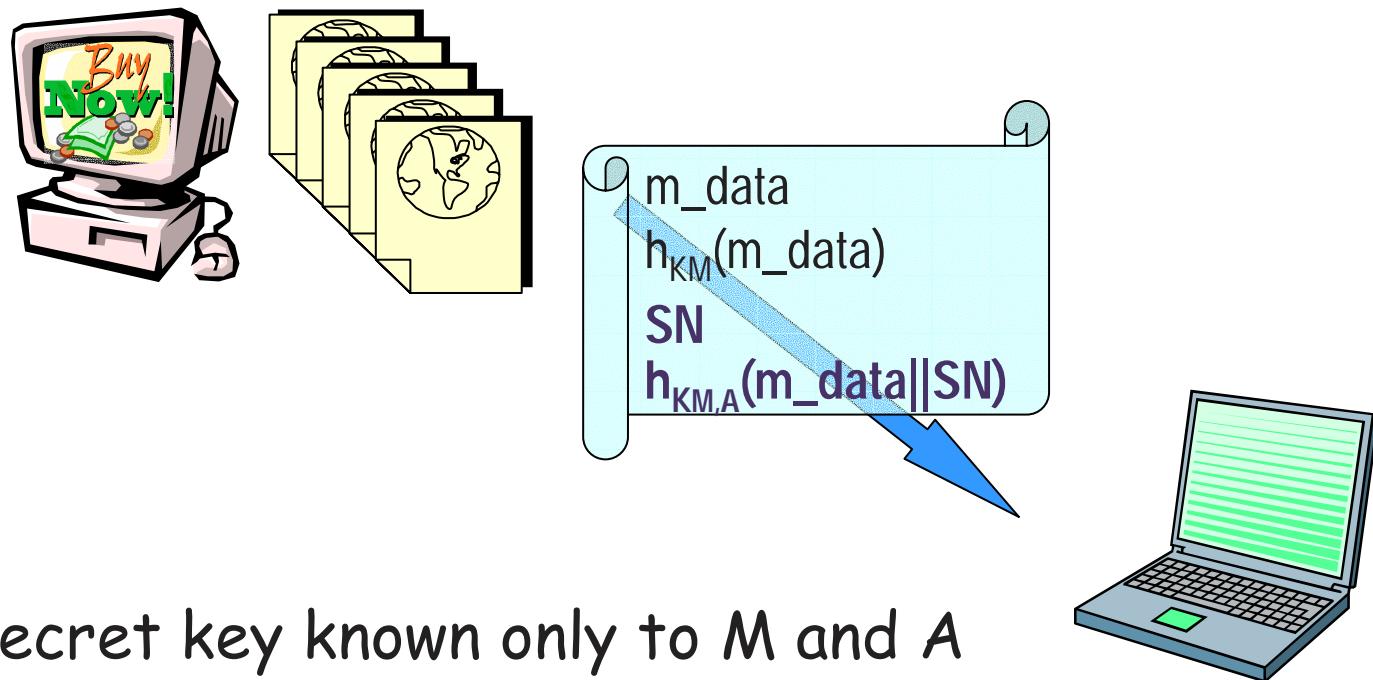
- Merchant M sends the e-coupon framework to advertiser A



- $K_M$ : secret key known only to M
- $h_{KM}$ : MAC algorithm with parameter  $k_M$
- $m_{\text{data}}$  : merchant id, advertiser id, offer info,...

# Generation phase

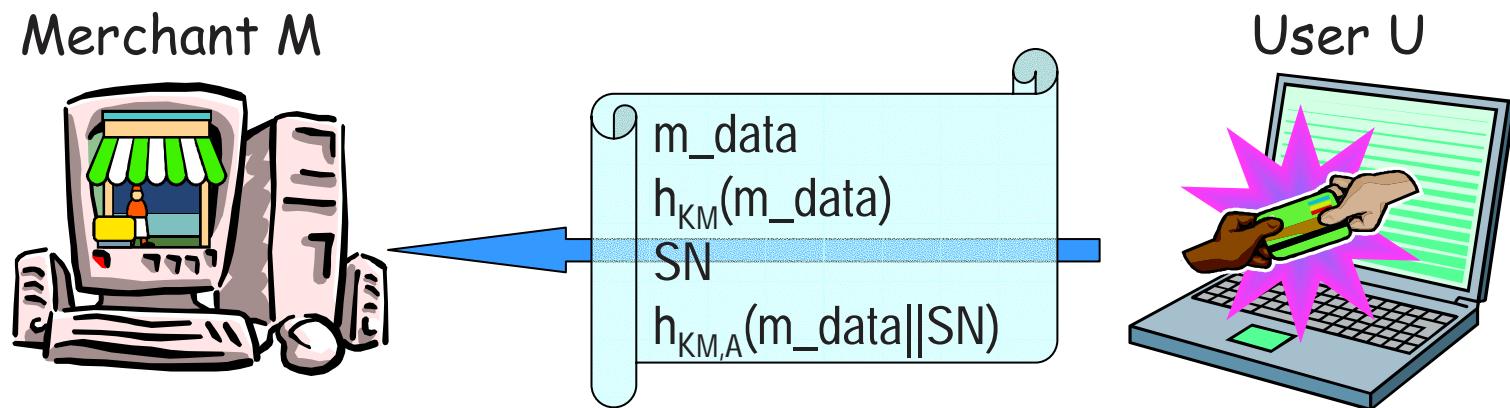
Advertiser A generates e-coupons using M's framework



- $k_{M,A}$ : secret key known only to M and A
- $h_{KMA}$ : MAC algorithm with parameter  $k_{M,A}$
- SN : e-coupon serial number

# Redemption phase

User U sends the e-coupon to merchant M



M computes  $h_{KM}(m\_data)$  and  $h_{KM,A}(m\_data||SN)$  and accepts e-coupon **iff**

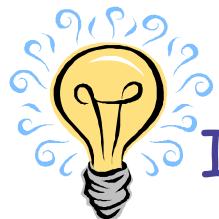
- computed values = values stored in e-coupon
- SN has not been seen before

# Security

- No unauthorized issuance:
  - Users cannot compute  $h_{KM}(m\_data)$  and  $h_{KM,A}(m\_data||SN)$
  - Advertiser cannot compute  $h_{KM}(m\_data||SN)$
- No manipulation:
  - Changing e-coupon data requires to compute new values of  $h_{KM}(m\_data)$  and  $h_{KM,A}(m\_data||SN)$
- No double-spending:
  - No two accepted e-coupons with the same Serial Number

# Dynamic e-coupons

- Dynamic e-coupons contain information on the release time:
  - Aging e-coupon: offer decreases from the moment e-coupon is downloaded
- Dynamic e-coupons are released for marketing purposes:
  - Discourage users from shopping around for better offers
  - Give immediate feedback on advertisement campaign



# Dynamic e-coupons

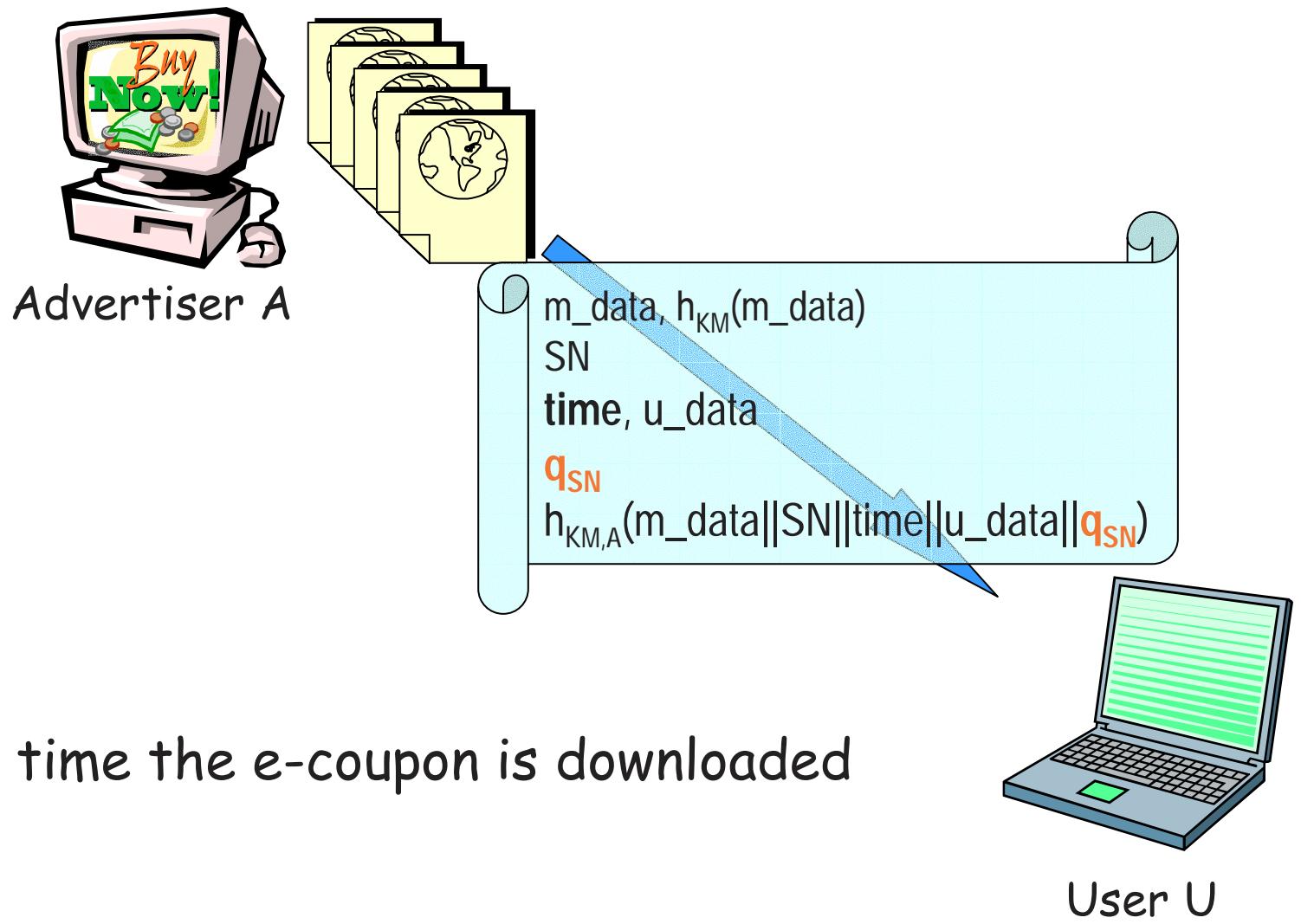
Idea: released e-coupons form a dependence chain

$q_1, q_2, q_3, \dots,$



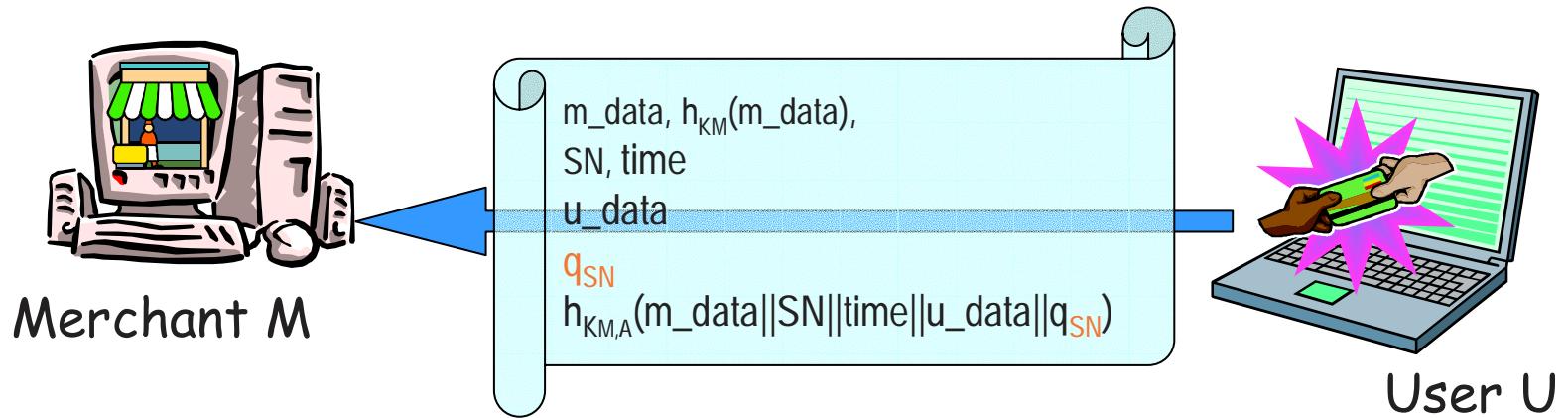
- Advertiser computes:
  - chain “ring” for released e-coupon
    - $q_{SN} = q(u\_data || q_{SN-1})$  ( $SN$  = serial number)
- Needed:
  - $u\_data$ : info released by user (e.g., IP address)
  - $q$ : **collision resistant** hash function
    - It is computationally infeasible to find distinct  $x$  and  $y$  such that  $q(x) = q(y)$

# Generation of Dynamic E-coupons



# Redemption phase

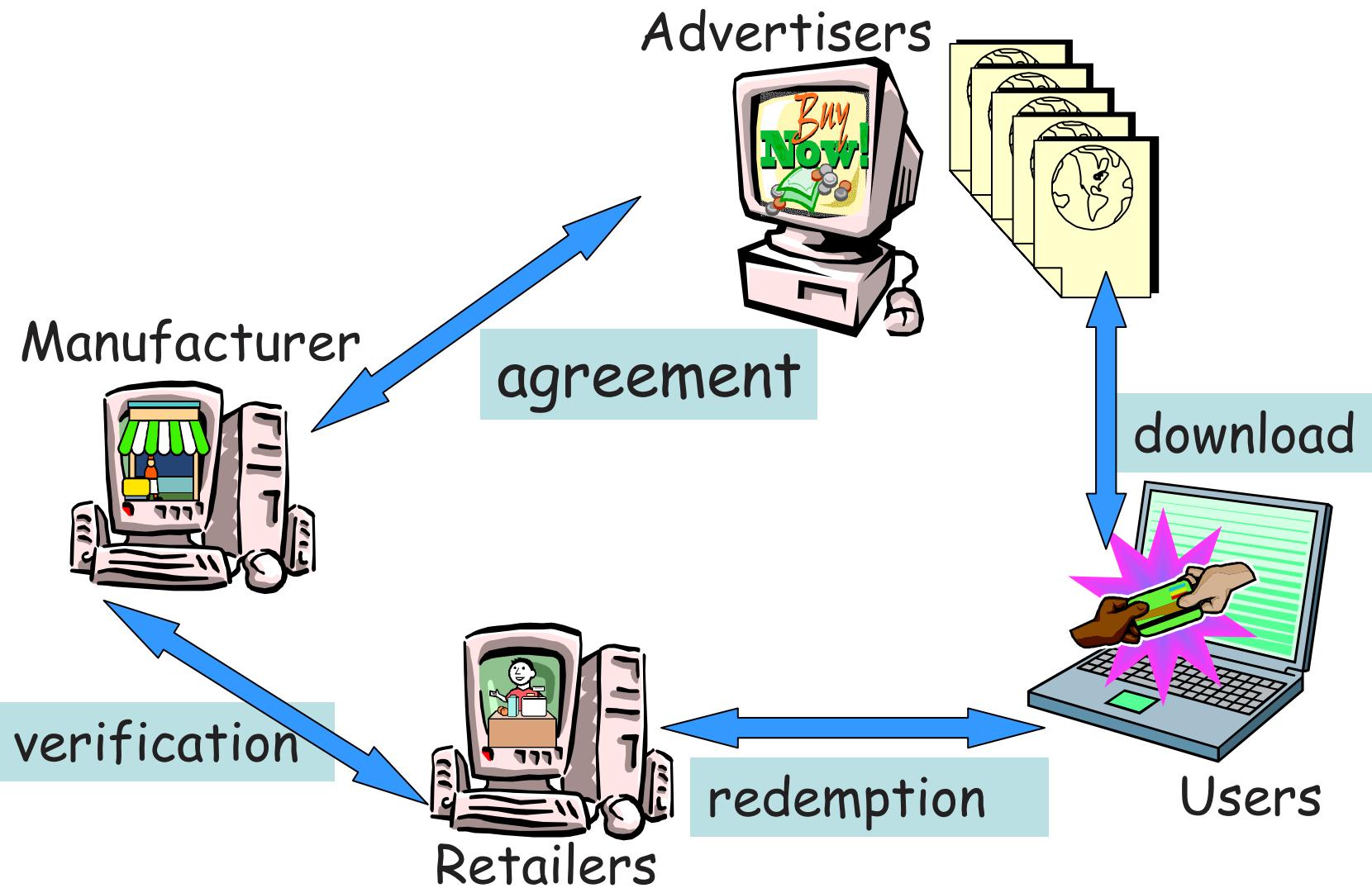
- Time is divided in time frames  $t_1, t_2, t_3, \dots$ , 
- A gives M the dependence chains for previous time frames



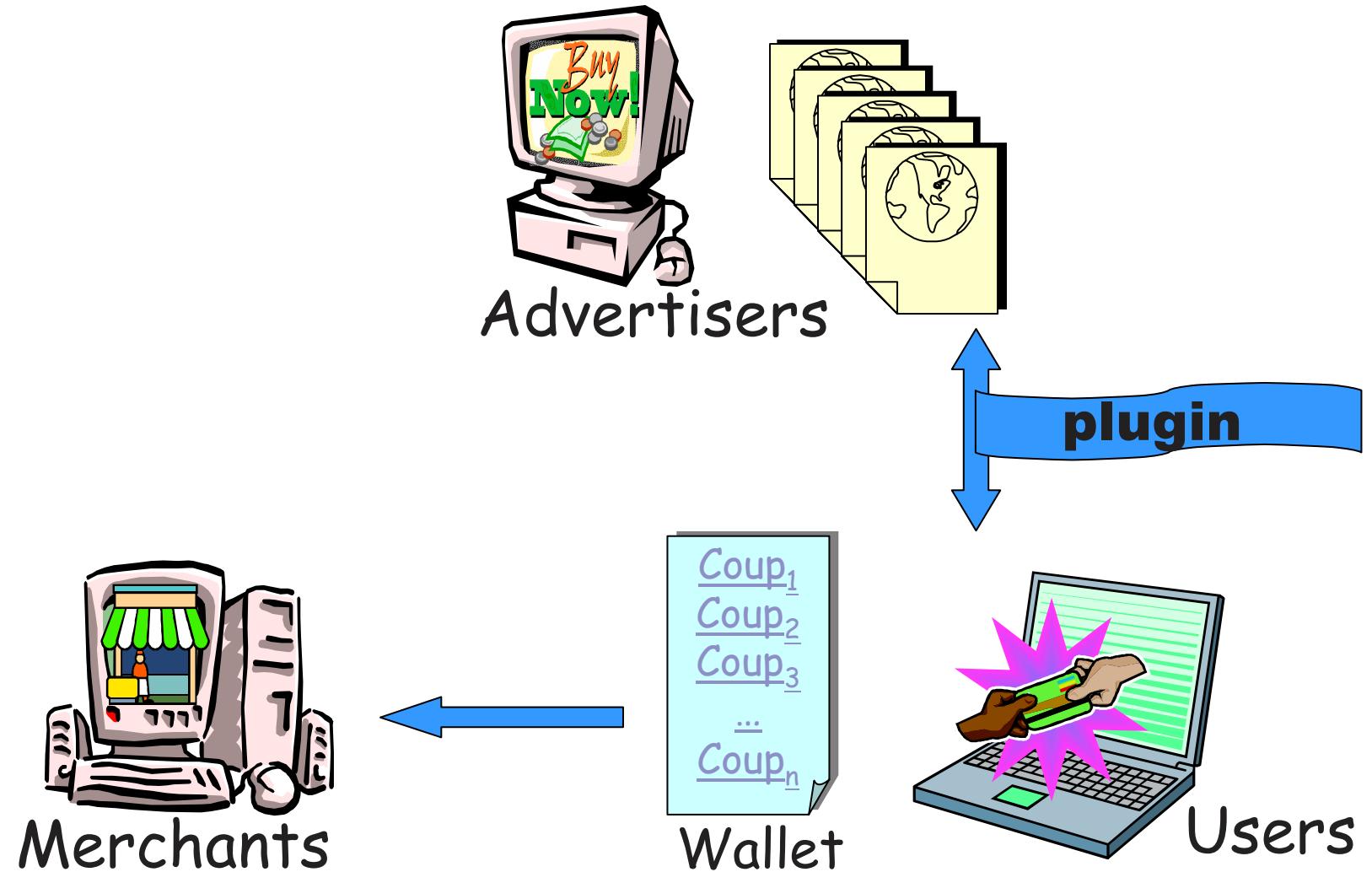
M computes  $h_{KM}(m\_data||q_{SN})$  and  $h_{KM,A}(m\_data||\dots||q_{SN})$  and accepts e-coupon iff

- computed values = values stored in e-coupon
- SN has not been seen before
- $q_{SN}$  in e-coupon =  $q_{SN}$  in dependence chain (when dependence chain is available)

# The extended model



# Implementation



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# Conclusions

- Our protocol is
  - *secure*:
    - no unauthorized issuance
    - no manipulation
    - no double spending
  - *lightweight*.
    - no need of public key infrastructure
  - *practically implementable*:
    - it exploits HTTP protocol
  - *respects user's privacy*.
    - no registration required