



Letting the deals find you on Cape

Smart phone app uses GPS to find coupons at shops around you on Cape

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For many young entrepreneurs, starting up a new business is all about making deals. But for Cape Codders Ben Dolgoff and Michael Fruzzetti, it's about finding deals.

In February, the pair launched Peekaboo Mobile, a smart phone app that connects users to deals and discounts being offered in their immediate area.

"It uses your GPS to locate coupons around you," said Dolgoff, a West Barnstable native. "It's a little bit hip, a little bit different."

Dolgoff and Fruzzetti first became friends while attending Suffolk University in Boston. After graduation, they pursued careers separately: Fruzzetti sought his fortune in New York, while Dolgoff stayed in Boston.

But one night in 2007, while out with friends, the two began talking about their mutual belief in the business potential of the Internet. Before they knew it, Byte Ventures was formed.

Under the umbrella of Byte Ventures, the two entrepreneurs launched several Web-based start-up companies. One focused on online lead generations for sales people; another indexed blog entries. Yet another allowed users to upload and vote on pictures of their cars.

Then they hit upon a new idea, inspired, Dolgoff said, by the lack of any central location for college students and young professionals to find discounts and deals.

The result was Peekaboo Mobile.

Here's how it works: Businesses sign up for free Peekaboo accounts, which allow them to include their deals in the results seen by users. Participating businesses can then log on and submit a deal at any time.

On the other end, consumers download the app onto their iPhones (Blackberry and Verizon versions should be available by the end of the summer). When the program is launched, the phone's GPS senses the user's location and displays all available deals within a 10-mile radius. Users can expand that range to 50 miles, or reduce it to one mile.

Available deals can be viewed on a map display or in list format. Users can also sort by business category.

To take advantage of the deal, a shopper need only display the coupon on his or her phone.

"It's a big convenience factor," Fruzzetti said. "Your phone is always in your pocket. You don't need to go into your Sunday circular to pull out coupons."

Currently, the app is free for both businesses and consumers as the pairs attempt to get as many users on board as possible. The company makes a small amount of revenue by selling banner ad space in its app.

In the future, the company expects to charge businesses a monthly subscription fee of perhaps \$15; the app will remain free for deal-seekers.

Dolgoff and Fruzzetti are focused on working specifically with small businesses, they said. Initially, they are targeting the Boston and Cape Cod areas.

"Cape Cod is great for small businesses," Dolgoff said. "That's kind of our bread and butter."

So far, about 3,000 users have downloaded that app and more than 100 businesses have signed up to offer deals; on the Cape, 14 shops and restaurants are signed up.

"It's definitely the way things are moving, and we wanted to be a part of it," said Heidi Parent, co-owner of La Petite France Café in Hyannis.

So far, only a few customers have taken advantage of the Peekaboo deal at La Petite France, Parent said, but she is confident that interest in mobile coupon apps is only going to grow.

And a service like Peekaboo Mobile also offers businesses one more way to get their names out without having to pay for traditional advertising, said Melissa Sousa, manager of Board Stiff, a surf shop in Falmouth.

"It's another way to save money," she said. "Right now, with how the economy's been, the budget for advertising

is pretty much zero."

Not everyone is entirely enthusiastic about the development of location-based coupons, however. There is concern that systems based on the user's location could lead to an unacceptable loss of privacy for consumers.

"On one hand, clearly, getting discounts is extremely important, especially in these tough economic times," said Jeff Chester, executive director of the Center for Digital Democracy, an advocacy group based in Washington, D.C. "But it is kind of a one-way digital mirror that consumers and parents should be wary of."

Chester urges people to be aware of the policies regarding information collection and use that are followed by any location-based app. Consumers, he said, should avoid programs that hold on to user information for any length of time and businesses that will connect information gathered from a mobile app with other databases to create detailed profiles of individuals.

"You don't want to trade off your privacy and security just for a few cents or dollars off," he said.

Peekaboo Mobile collects information about users' gender, age and coupon interests, Dolgoff said. The data, he added, will eventually allow the company to better target coupons to its users.

"We don't really know who you are," he said. "We just know you're some random guy who's 25 and uses pizza coupons."

For the foreseeable future, Dolgoff and Fruzzetti do not expect to start any more new companies under the Byte Ventures name. For the time being, they intend to focus all of their efforts on Peekaboo Mobile, adding new businesses and customers in Massachusetts before expanding into additional cities.

"With Peekaboo, I think we're really content making it grow and making it huge," Dolgoff said.

"This is really kind of at the forefront of mobile technologies," Fruzzetti added.

Where to Find Peekaboo Mobile Deals on Cape Cod

- Dennisport Lobster Co., Dennisport
- O'Shea's Olde Inne, West Dennis
- Board Stiff, Falmouth
- Bella Voi, Hyannis
- Box Lunch, Hyannis
- Colorful Creations, Hyannis
- La Petite France Cafe, Hyannis
- Shift Boutique, Hyannis
- Hyannis Youth and Community Center, Hyannis
- Sol Optics, Mashpee
- Coconuts, Provincetown
- Mango Trading Co., Provincetown
- The Kite Store, Provincetown
- Sol Optics, Provincetown

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