

**FOR IMMEDIATE RELEASE**

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**CHOICESTREAM LAUNCHES THE MYBESTBETS PERSONALIZATION  
PLATFORM: THE FIRST TECHNOLOGY TO TRULY IMPROVE THE USER  
EXPERIENCE THROUGH PERSONALIZATION**

*Platform Delivers the Most Relevant Content and Products to Consumers, Improving Customer  
Loyalty and Increasing Revenues for Online Consumer Services, E-retailers, and iTV  
Companies; AOL Is First Licensee*

Cambridge, Mass., August 19, 2003 — ChoiceStream®, Inc., a provider of personalization solutions for online consumer services, e-retailers and iTV providers, today launched the MyBestBets™ Personalization Platform, the patent-pending personalization technology that enables companies to increase consumer loyalty and drive sales by automatically delivering the most relevant content and products to each consumer.

America Online (AOL) is the first licensee of the Platform. AOL has successfully deployed the Platform in its entertainment and shopping areas, where it enables members to indicate their preferences for movies, television, music, retail products and more, and then tailors the content and products consumers see to their individual interests. (Note: For more on AOL and ChoiceStream, see today's related release, "ChoiceStream Licenses MyBestBets Personalization Platform to America Online to Help Provide 'Relevance Everywhere' for AOL Members.")

"In today's low-margin, high-stakes business environment, online services, e-retailers and iTV companies must create loyalty to retain customers and increase revenues. The winners will be the companies that successfully create true one-to-one relationships with each consumer," said Steve Johnson, founder and CEO of ChoiceStream. "Our patent-pending technology is the industry's first to move beyond simple 'customization' of content to help companies match content and products with the specific tastes of each consumer, creating a truly personalized experience."

## An Innovative Solution that Delivers Relevant Content and Products to Each Consumer

The MyBestBets Personalization Platform provides powerful personalization capabilities that make it easier for consumers to navigate vast content spaces to find those choices that they'll really enjoy. The Platform's superior recommendations are a result of its fundamentally unique approach to personalization. Applying sophisticated statistical techniques, known as Bayesian Choice Modeling, ChoiceStream is the only solution that understands not just what people like, but 'why' they like it. By knowing how consumers 'think' about content, and by using statistical techniques to classify content and products in terms of attributes people care about, ChoiceStream matches each individual consumers' needs and interests with the content they are most likely to enjoy.

For example, when personalizing movie recommendations, ChoiceStream determines not just that a particular user likes 'romantic comedies'—which could be anything from Clark Gable's 'It Happened One Night' to Cameron Diaz's 'Something About Mary'—but that he likes thoughtful, modern, romantic comedies that are slightly edgy. Armed with this insight regarding the underlying attributes that appeal to a user, ChoiceStream identifies movies with similar attributes, matching the user's interests. The MyBestBets Platform is the only personalization solution that incorporates this content-specific knowledge into the recommendation process, resulting in superior recommendations that are more likely to be appreciated—and acted upon—by end users.

And, because of MyBestBets' unique ability to accurately glean user preferences from very small amounts of data, the Platform is able to provide this high level of personalization without requiring users to fill out long forms to indicate their preferences, or otherwise negatively impacting the user experience.

ChoiceStream's scalable Platform integrates seamlessly into customers' existing Web- and TV-based applications. Depending on a customer's business model, recommendations can be provided online, via email, instant messenger or via a set-top box interface.

## Traditional Personalization Solutions Inherently Limited

Traditional recommendation solutions based on 'pattern matching' techniques, such as collaborative filtering, are simply unable to match ChoiceStream's high degree of quality and accuracy. These solutions look for patterns—such as, 'people who like X also tend to like Y'—and then base their recommendations on these patterns. This approach often produces inaccurate, inappropriate results. It also fails to recommend content that could be highly desirable to a specific user simply because it is not recognized as part of a larger pattern. In addition, because traditional technologies must rely on large amounts of actual usage or purchase data to make their recommendations, they have no way of intelligently recommending new content before it is available to the public. For retailers trying to build buzz around pre-release content such as an upcoming movie or CD, this limitation can be particularly problematic.

## Key Platform Benefits

The MyBestBets Personalization Platform is:

- **Immediately Effective:** Users see their personal interests immediately reflected in their results—no waiting required.
- **Seamless and Simplifying:** ChoiceStream develops user profiles through a patent-pending, 'layered elicitation' approach. To create a basic profile, ChoiceStream needs very little information from a user—in fact, just three or four data points are enough. The profile becomes richer as the user answers additional questions and provides feedback over time. The information gathered is not highly personal or confidential. In the absence of a profile, reasonable results can be shown using data from the profiled part of a population for any given category.
- **Fully Automated:** All personalization can be fully automated—including content classification and matching—and can be delivered nearly instantaneously.
- **Scalable:** ChoiceStream's fully scalable system offers low latency, low memory footprint, and lightweight computational demands that rise no more than linearly with the population.
- **Easy to Integrate:** ChoiceStream's innovative match-based algorithms avoid the need for invasive, database-centric integration found in previous generation personalization platforms, providing quick, easy integration with minimal effort.
- **Extensible:** ChoiceStream provides custom APIs for any feature or function of the system and assistance with building applications into a wide range of delivery mechanisms, including online "magazines," email, instant messaging, alerts, and set top box or wireless/PDA applications.

## About ChoiceStream

Headquartered in Cambridge, Mass., ChoiceStream develops personalization solutions for online consumer services, e-retailers and iTV providers. ChoiceStream's patent-pending technology helps companies increase customer loyalty and drive sales by automatically delivering the most relevant content and products to each consumer. For additional information, please visit our Web site at <http://www.choicestream.com>.