

An Ecommerce Revolution for Independent Bookstores

January, 2021

Bookshop.org is a unified ecommerce platform for independent bookstores that is designed to reinforce community spaces and give back to supporters of book culture. Bookshop's mission is to support bookstores by helping them grow their online revenue.

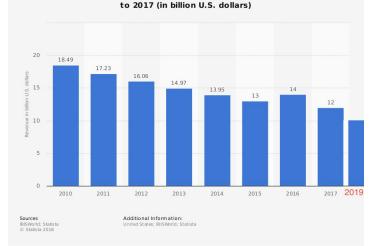
Bookstores are essential to a thriving community around books.

If Amazon fully captures the ecommerce market for books, stores will disappear and the place of books in our culture and lives will diminish.

Amazon's growth threatens the future of the book ecosystem. [USA stats]

Bookstore sales have dropped by over \$7 billion dollars in the US in the past decade (pre-Covid)

Revenue of bookstores (NAICS 45121) in the United States from 2010



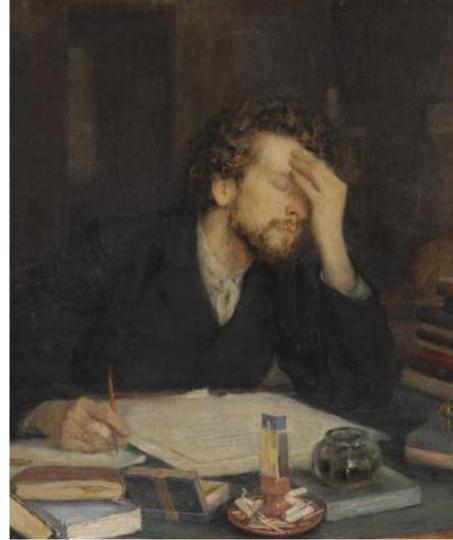
Amazon books has been growing at 8% annually, a rate that will give them 80% of the market in 2025 (or earlier, given Amazon's growth during the pandemic).



Why Bookshop?

Independent bookstores need to participate in ecommerce and direct-to-home sales to survive, including small stores with limited resources.

Authors, publishers, and fans need an alternative to Amazon that effectively converts to sales.



Customers need a socially-conscious way to **buy books online** that is **quick, easy, and frustration-free.**

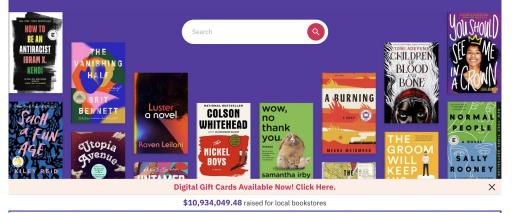


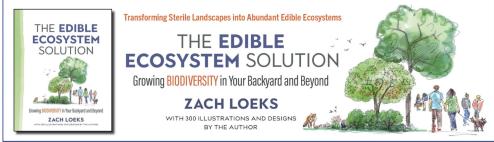
\square Bookshop.org

Enter Bookshop.

- Orders fulfilled by wholesaler, for maximum inventory and rapid fulfillment
- Can be set up in 30 minutes
- No cost to bookstores
- Clean, simple, easy to use
- Generous and simple affiliate program motivates adoption

Support Local Bookstores. Shop Online with Bookshop.









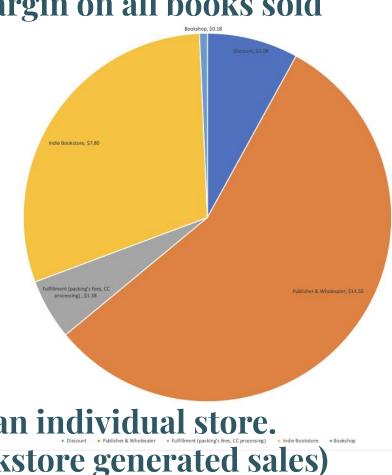
Shared Platform Benefits

- 20% of eCommerce is driven by search. We can rank in the top 5 Google results.
- Improvements roll out to all sites automatically
- Shared user accounts means easy checkout
- Fast, reliable fulfillment = customer retention
- One link for customers to remember
- Lists and social features create viral traffic
- Bookstore finder: 2,000 visits per day

Bookstores earn the full profit margin on all books sold by them on Bookshop.org

- No overhead
- No returns
- No inventory
- No customer service
- No publisher credit line
- No sales tax filing
- Full customer data

The majority of our sales benefit an individual store. (Bookshop earns a % on non-bookstore generated sales)



Conversion

The conversion rate of *bookshops* on our platform is 12% on average, and often higher. For every 100 visitors, 12 of them purchase; our average cart size is \$62 USD.

Most online retail <u>conversion rates are under 6%</u>

Top performing stores on Bookshop.org	Conversion Rate		
1	19.82%		
2	16.80%		
3	12.35%		
4	13.24%		
5	16.87%		
6	12.61%		
7	16.38%		
8	9.33%		
9	17.34%		
10	10.41%		

Despite the fact that US bookstores earn 30% of a book's cover price on Bookshop vs. 40-45% on a direct sale, they can earn more on Bookshop due to increased conversions.

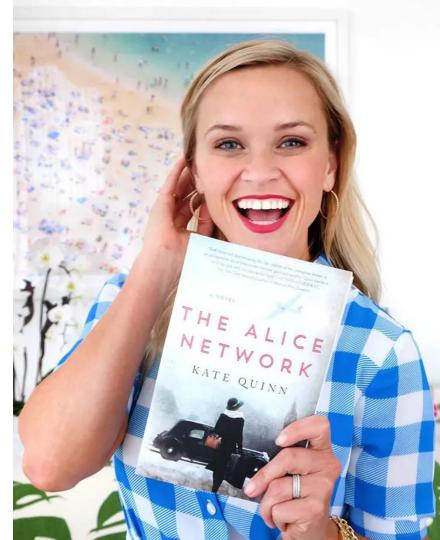
- Direct site: 1000 visitors @ 6% conversion
 rate, \$50 cart = \$3000 * 45% = \$1350 profit
- Bookshop: 1000 visitors @ 12% conversion
 rate, \$50 cart = \$6000 * .30% = \$1800 profit

The future of ecommerce is social and influencer driven.

Behavior change = opportunity

Bookshop is:

- Built for affiliates like digital publications, influencers, clubs, critics, authors, and instagrammers
- Socially-conscious
- Built for social media integration
- Mobile-first



Affiliate Program

Publications that cover books need financial support from affiliate links, but before Bookshop, their only option was Amazon, which undermines local bookstores.

Affiliate revenue accounts for at least 20% of major digital publication's revenue.

Affiliate links were a major source of Amazon's growth this past decade.

Affiliate Network

- Anyone can generate a custom link to a book, and earn 10% on sales. A matching 10% goes to bookstores, and 10% goes to Bookshop.org
- Easy, intuitive interface
- No coding needed
- Embeddable & shareable on social media
- Gives back to authors, publishers, fans, publications, and everyone who supports the indie book ecosystem.



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BESTSELLERS

Jenna Bush Hager Book Club List from the Today Show



Helping Indies Grow Online Marketshare

Direct-to-home: In the USA, Amazon delivers about 300 books for each book shipped direct to a customer by an indie bookstore. For every customer currently in the indie channel, there are many socially-conscious consumers who can be persuaded to switch.

There is SO MUCH room to grow if we push the message to shop indies first, and help indies with digital marketing and increasing online sales, no matter what platform they use.



Bookshop.org's 2020 book sales

= \$10mm to stores

Thank You! andy.hunter@bookshop.org