



November 21, 2022

To Whom it May Concern:

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**BASE Publishes the Owners' Survey 2022**

**More than half of the respondents are operating online shops as side-jobs (concurrent employment or parallel careers)! Use by corporations has increased for the second consecutive year!**

- Moreover, the diversification of the purpose of use from not only self-realization but also to delivering what the owners love to other people is growing -

BASE, a service for creating online shops which is operated by BASE, Inc. (location: Minato-ku, Tokyo, Representative Director and CEO: Yuta Tsuruoka), celebrated the 10th anniversary of its services on November 20. We hereby announce that we have conducted our Owners' Survey again in 2022. This is a survey targeting online shops using BASE which concerns their BASE usage, including the opening and operation of online shops.



■ About the Owners' Survey

The Owners' Survey is a survey targeting online shops using BASE which concerns their BASE usage and was commenced in 2019. BASE calls people who select their own preferred way of living "owners." Its purpose is to roll out initiatives to support the activities and challenges of the owners through its services, and at the same time, to transmit this survey information to many different fields in order to enhance the vigor and broaden the needs of the small and medium business (SMB) market and communicate the existence of the major individuals and small teams for revitalization of the economy.

### ■ Owners' Survey 2022: Overview of the Questionnaire

Survey content: about the operation of online shops

Survey method: Internet survey

Survey period: October 19 (Wednesday) to October 25 (Tuesday), 2022

Survey target: online shops using BASE

Number of valid responses: 2,815

### <Owners' Survey 2022: Summary of the Results of the Questionnaire>

- Use by four or fewer individuals and small teams scored 99% and "use by corporations" increased for the second consecutive year
- Regarding the item on which the most importance was placed, "the brand concept and the expression of our interpretation of the world" was ranked 1st for the fourth consecutive year
- The "intention to open a brick-and-mortar store" was approximately 80% among shops which already have the experience of opening a store! The intention to open a store continues to trend at a high level
- The most used social media was Instagram for the fourth consecutive year! TikTok use intention greatly expanded
- More than half of the respondents are operating shops as a side-job (concurrent employment or a parallel career)! There are also people engaged in selling as an extension of "what I love"

BASE will celebrate the 10th anniversary of its release on November 20, 2022, and it has become an online shop creation service which has opened a cumulative total of more than 1,800,000 shops. There has been no change to the fact that BASE is a service which enables anyone, in particular individuals and small teams, to easily take on the challenge of opening an online shop, and we have continued to evolve together with all of our shop owners. For example, to ensure that we can also boost the growth of shop owners whose sales volume has expanded, in addition to the Standard Plan with zero fixed charges which we have continued since the initial release of BASE, we have commenced provision of a Growth Plan which lowered the settlement fees to the lowest level in the industry. The results of the present survey also revealed that 99% of online shops using BASE are formed of four or fewer individuals or small teams, but use by corporations has also increased for the second consecutive year, so we learned that BASE is being used by a broader

range of shop owners.

Furthermore, the results concerning the PR and sales promotion activities being tackled by the shop owners was that use of Instagram was the highest for the fourth consecutive year. The number of users of Facebook and Twitter remained high, while in recent years use intention regarding TikTok, which is gaining attention as a video platform, has grown greatly, and it is forecast that sales promotion techniques utilizing video will continue to expand. In addition to the operation of Instagram, which uses beautiful product photographs to express the interpretation of the world of the brand, examples are also appearing of promoting the creation of fans by realistically transmitting the process through which the brand is formed, and the product production processes on TikTok.

Furthermore, the result of the survey concerning work styles was that more than half of the shop owners position their shop as a side-job (concurrent employment or a parallel career, etc.). It can be concluded that a large factor behind this is that an attitude of permitting a variety of work styles has been getting stronger each year in companies in a form which is in line with the promotion of diverse work styles by the government. Furthermore, there was also the environmental factor of the increase in disposable time due to the impact of the prolonged spread of COVID-19, so shop owners have appeared who want to try producing and selling what they love or want to start online shops due to their enthusiasm for their hobbies. Thus, we learned that there is greater diversification of the purpose of use from not only self-realization but also to delivering what the owners love to other people.

We present the detailed results regarding the responses to the Owners' Survey 2022 below.

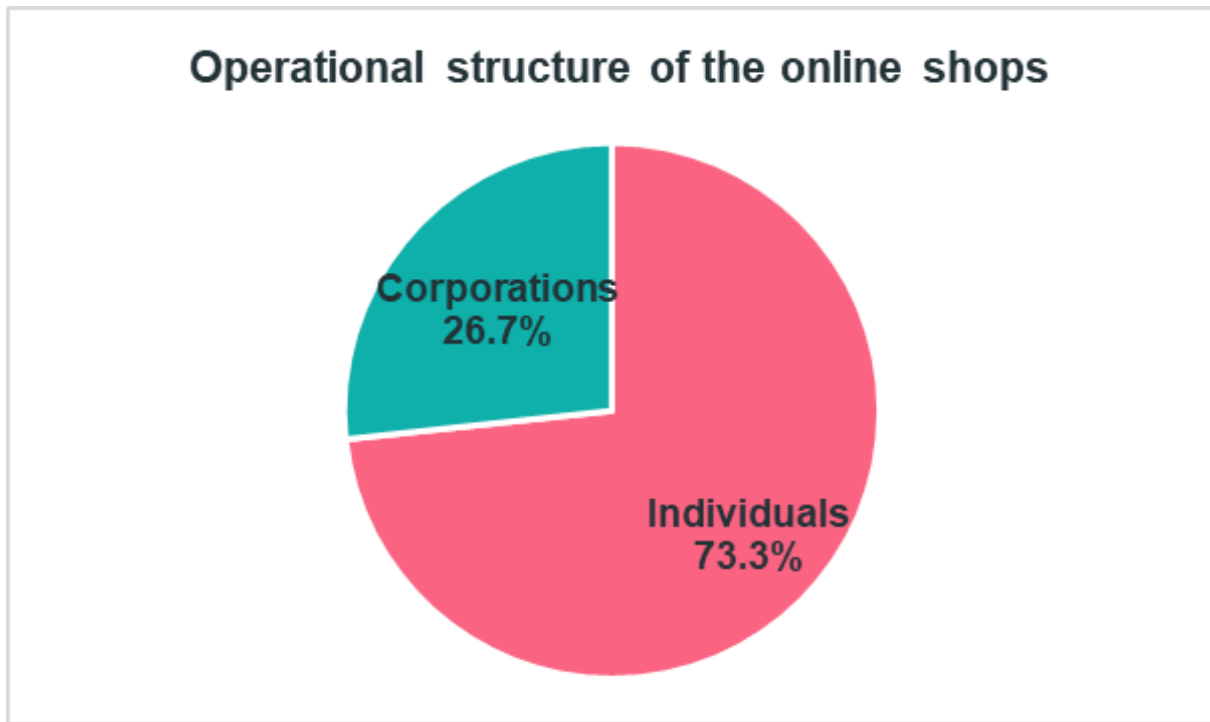
### **1. Characteristics of online shops using BASE**

#### **— Use by four or fewer individuals and small teams scored 99% and use by corporations increased for the second consecutive year —**

The results for the operational structure of online shops were “individuals” at 73.3% and “corporations” at 26.7%, meaning that “individuals” exceeded 70%. The percentage of use by “corporations” has increased for the second consecutive year, so it can be concluded that online shops operated by “individuals” have expanded in scale and turned into corporations, and that the number of corporations opening online shops due to the impact of the spread of COVID-19 and as a part of new businesses is continuing to increase. Furthermore, it can be concluded that the fact that we commenced provision of the “Growth Plan” from April 2022 is one factor behind the increase in use by corporations. The Growth Plan has enabled operation of online shops for the cheapest fees in the industry and is easy to use even if the sales volume gets larger.

Regarding the number of people operating the online shops, just as in other years, “1 person” scored the highest at 74.2%, and “2 to 4 people” scored 24.8%, so four people or fewer accounted

for 99.1%. In addition, use by individuals and small teams has increased slightly. Furthermore, in the question about the device used when opening and operating an online shop, the figure for “personal computer” scored nearly 70% when opening a shop whereas it was about 60% for operation. Thus, we observed that there are many shop owners who carry out the opening of online shops with a personal computer but carry out the operation and management with a smartphone.

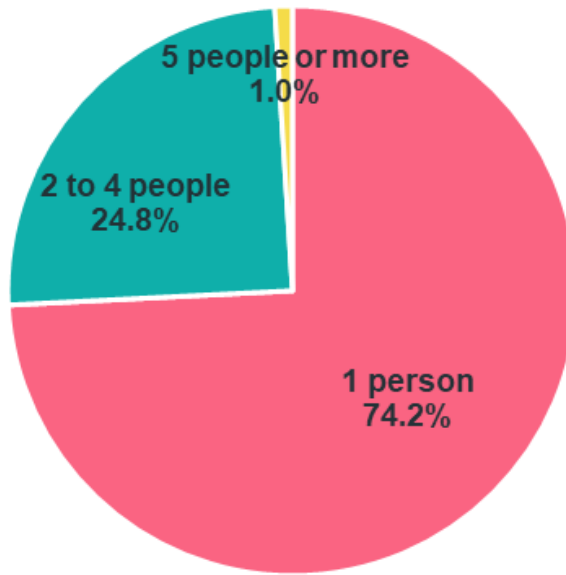


- Operational structure of the online shops

Individuals: 73.3%

Corporations: 26.7%

### Number of people operating the online shops



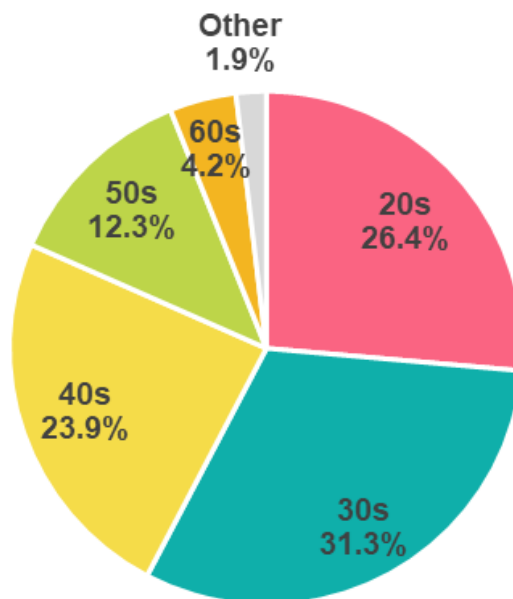
- Number of people operating the online shops

1 person: 74.2%

2 to 4 people: 24.8%

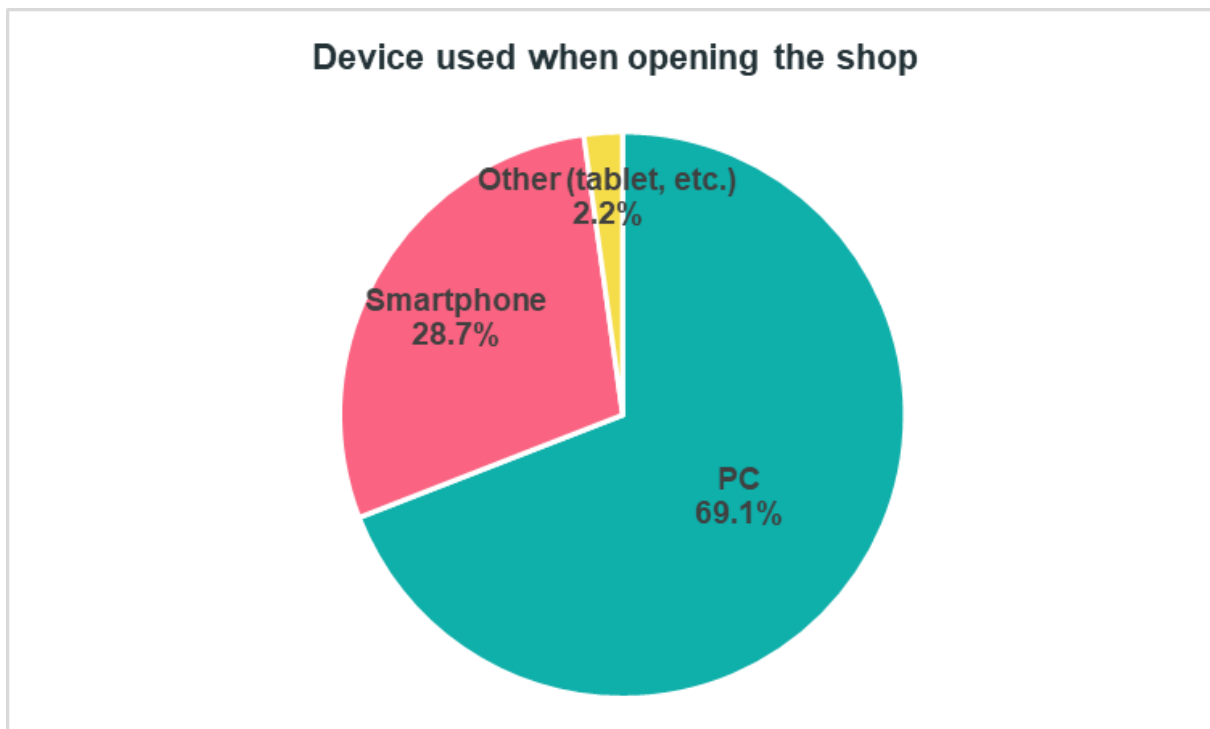
5 people or more: 1.0%

### Age group (citing the BASE data for age group only)



- Age group (citing the BASE data for age group only)

20s: 26.4%  
30s: 31.3%  
40s: 23.9%  
50s: 12.3%  
60s: 4.2%  
Other: 1.9%



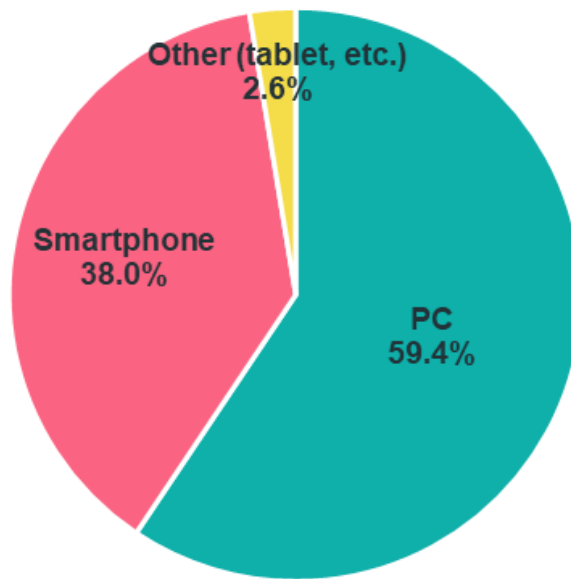
• Device used when opening the shop

Personal computer: 69.1%

Smartphone: 28.7%

Other (tablet, etc.): 2.2%

### Device used when operating the shop



- Device used when operating the shop

Personal computer: 59.4%

Smartphone: 38.0%

Other (tablet, etc.): 2.6%

## **2. About Product Production and the Brand**

**— Regarding the item on which the most importance was placed, “the brand concept and the expression of our interpretation of the world” was ranked 1st for the fourth consecutive year —**

In the question concerning the products handled in the online shops, “original” scored 77.1% and “non-original” scored 22.9%, so we learned that just as last year, approximately 80% of the products the owners are handling are “original” products. Furthermore, of the shop owners handling “original” products, 65.4% are “producing the products themselves” so this situation is also as in other years with approximately 60% of owners operating their online shops while also producing the products themselves.

Furthermore, regarding the responses to the question “what do you currently place the most importance on when operating your online shop?,” the result was that “the brand concept and the expression of our interpretation of the world” was ranked 1st for the fourth consecutive year, meaning there has been no change since the commencement of the survey in 2019. The greatest number of shop owners placed the most importance on their own brand and expression of the values they liked themselves, and “building relationships with customers, fans, and prospective customers” was ranked second by a small margin, so we learned that owners are also placing importance on customer relationship management (CRM), which has been gaining attention in recent years.



- Are the products sold in your online shop original or non-original?  
Original: 77.1%  
Non-original: 22.9%

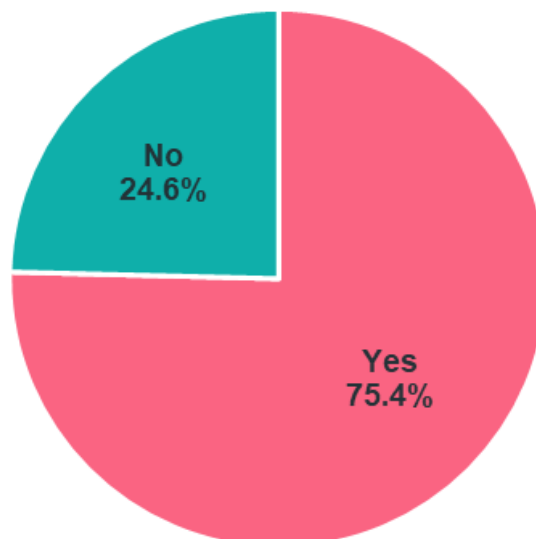


**Are you producing the products yourself?**

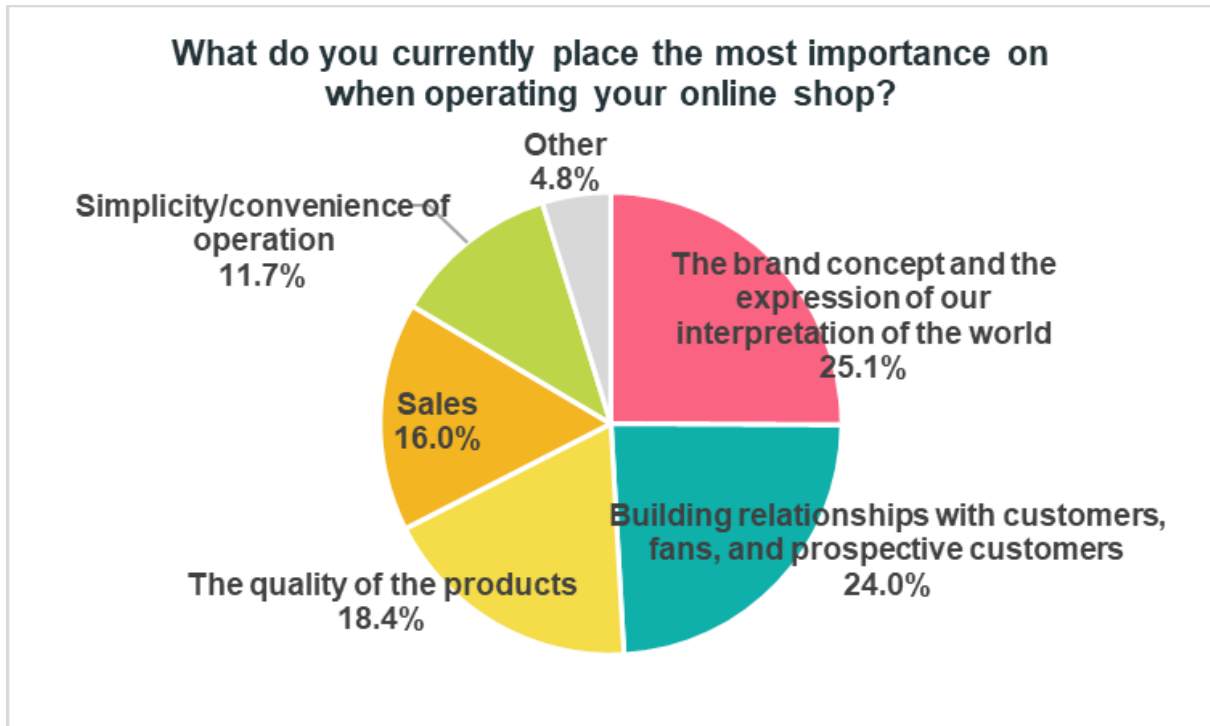


- Are you producing the products yourself?  
I am producing the products myself: 65.4%  
I am not producing the products myself: 34.6%

**Do you have the perception that you are developing your own online shop as a “brand?”**



- Do you have the perception that you are developing your own online shop as a “brand?”  
Yes: 75.4%  
No: 24.6%



- What do you currently place the most importance on when operating your online shop?
- The brand concept and the expression of our interpretation of the world: 25.1%
- Building relationships with customers, fans, and prospective customers: 24.0%
- The quality of the products: 18.4%
- Sales: 16.0%
- Simplicity/convenience of operation: 11.7%
- Other: 4.8%

### **3. About sales channels**

**— The intention to open a brick-and-mortar store was approximately 80% among shops which already have experience of opening a store! The intention to open a brick-and-mortar store continues to trend at a high level —**

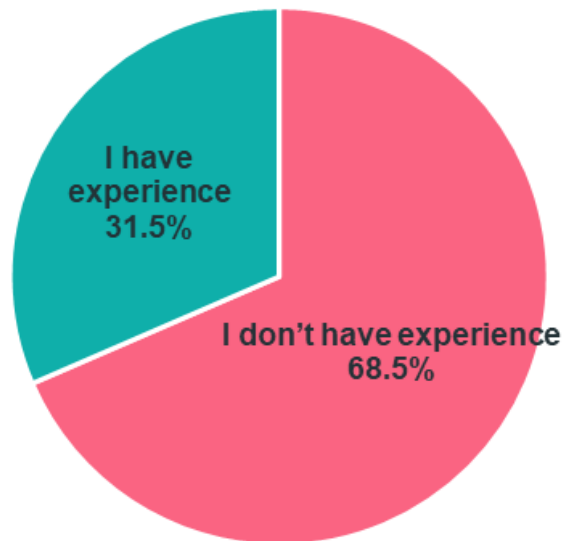
Concerning whether or not the owners had a physical store, the response “I only have an online shop,” meaning they do not have a physical store, scored 71.1%, the same level as last year. Regarding “experience of opening a pop-up shop or a store in a special event for a limited time,” the response “I have experience” scored 31.5%, but 64.8% of shop owners think that if there were support for opening a brick-and-mortar store (physical store or pop-up) meeting their requirements they would like to use that support, so it became clear that the owners’ willingness to go into brick-and-mortar stores if such stores meet their requirements continues to be high. Furthermore, we calculated that the percentage of the shop owners which “have experience of opening a pop-up shop or a store in a special event for a limited time” who responded that “if there were support for opening a brick-and-mortar store (physical store or pop-up shop) meeting my requirements among the services provided by BASE, I would like to use it” scored 79%, so we learned that intention to open a store again is high among shops which have experience of opening a store.

Note that BASE is providing to online shops using BASE the SHIBUYA BASE (Shibuya Modi 1F) and BASE Lab. (Laforet Harajuku 1.5F) spaces for opening brick-and-mortar stores to enable the online shops to take on the challenge of opening physical stores, and these have been so well-received that all the slots for opening a store are booked out for several months into the future. We have received feedback from shops who have actually used SHIBUYA BASE, saying “the hurdles to getting a tenancy are high, but I was able to open a physical store and increase recognition of my shop among different customer segments from usual” and “I was able to communicate face-to-face with our customers and fans.” SHIBUYA BASE provides the costs for opening a store in both the apparel and miscellaneous goods space as well as the food space free of charge and is strengthening its support for opening a store to a wide range of shop owners.



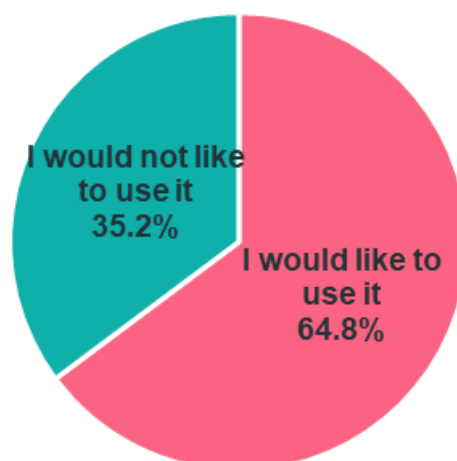
- Do you have a physical store?  
I only have an online shop: 71.1%  
I have a physical store: 28.9%

**Do you have experience of opening a pop-up shop or a store in a special event for a limited time?**



- Do you have experience of opening a pop-up shop or a store in a special event for a limited time?  
I don't have experience: 68.5%  
I have experience: 31.5%

**If there were support for opening a brick-and-mortar store (physical store or pop-up shop) meeting your requirements among the services provided by BASE, would you like to use it?**



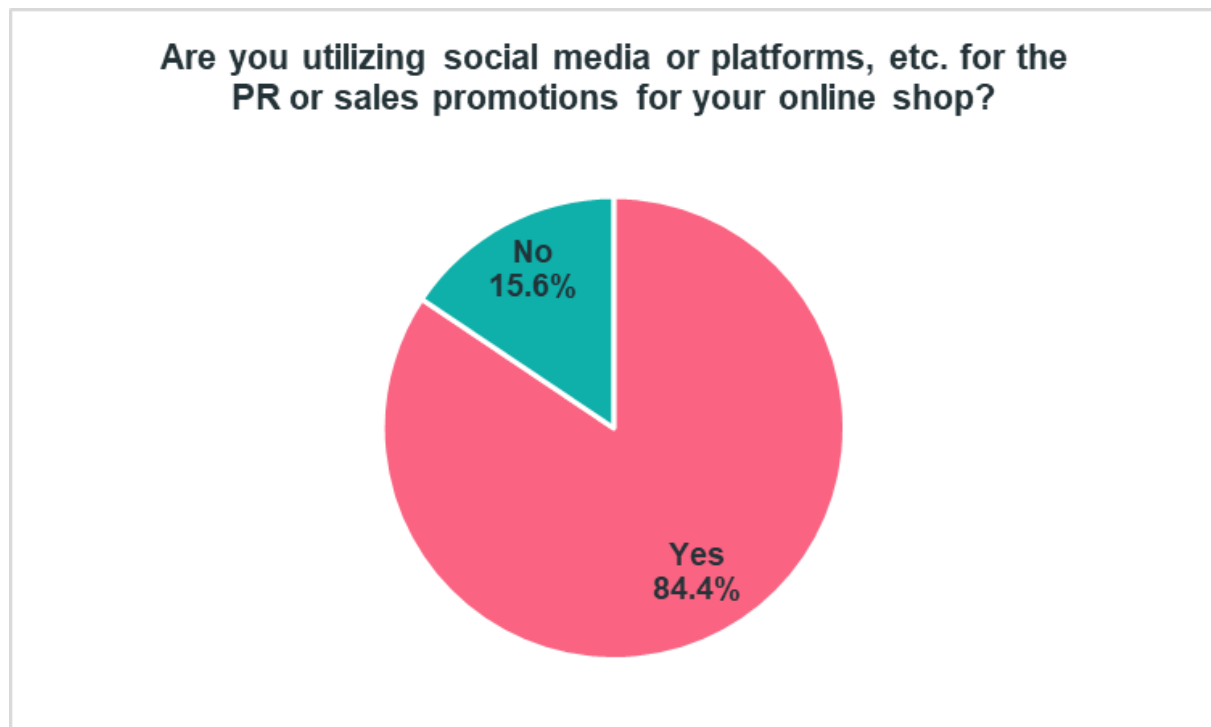
- If there were support for opening a brick-and-mortar store (physical store or pop-up shop) meeting your requirements among the services provided by BASE, would you like to use it?  
I would like to use it: 64.8%  
I would not like to use it: 35.2%

#### **4. About PR and Sales Promotion Activities**

##### **— The most used social media was Instagram for the fourth consecutive year! TikTok use intention greatly expanded —**

The number of shop owners utilizing social media or platforms, etc. for the PR and sales promotion of their online shops continued to maintain a high level of 84.4%. In particular, regarding the social media they are actively utilizing, Instagram was ranked 1st at 90.0%, with Facebook ranked 2nd at 42.9%, and Twitter ranked 3rd at 40.3%, no change in order from when the survey was commenced in 2019.

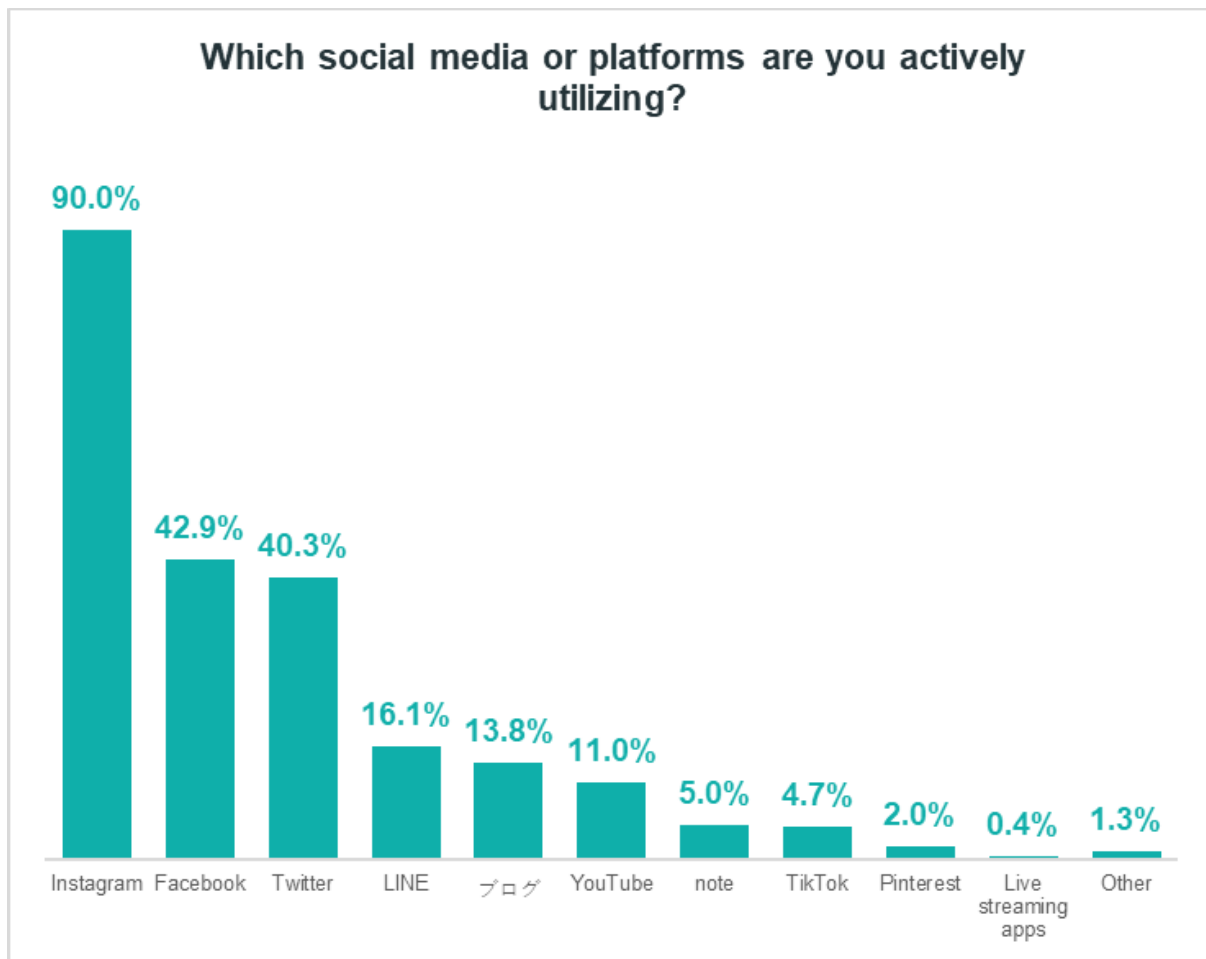
Instagram was also ranked first among social media or platforms that the owners would like to use more strongly going forward so there was no change from its ranking from last year, but YouTube was ranked 2nd and Twitter was ranked 3rd, so the intention to use Twitter declined and it was overtaken by YouTube. Note that for TikTok, which was ranked 5th this time, the difference between the score for social media which the owners are actively utilizing and the score for social media or platforms which the owners would like to use more strongly going forward was +11.9%, so use intention has greatly expanded compared to this difference last year (+7.2%). Note that in light of the increase in the users of TikTok, BASE has been providing the TikTok Product Linkage and Advertising App since May 2022. This is an add-on which enables the placement of advertisements in TikTok based on the data for products being sold in online shops using BASE.



• Are you utilizing social media or platforms, etc. for the PR or sales promotions for your online shop?

Yes: 84.4%

No: 15.6%



• Which social media or platforms are you actively utilizing?

[Only answer if you are utilizing social media or platforms for the PR or sales promotion of your online shop/multiple answers allowed]

Instagram: 90.0%

Facebook: 42.9%

Twitter: 40.3%

LINE: 16.1%

Blog (WordPress blog, Ameba blog, etc.): 13.8%

YouTube: 11.0%

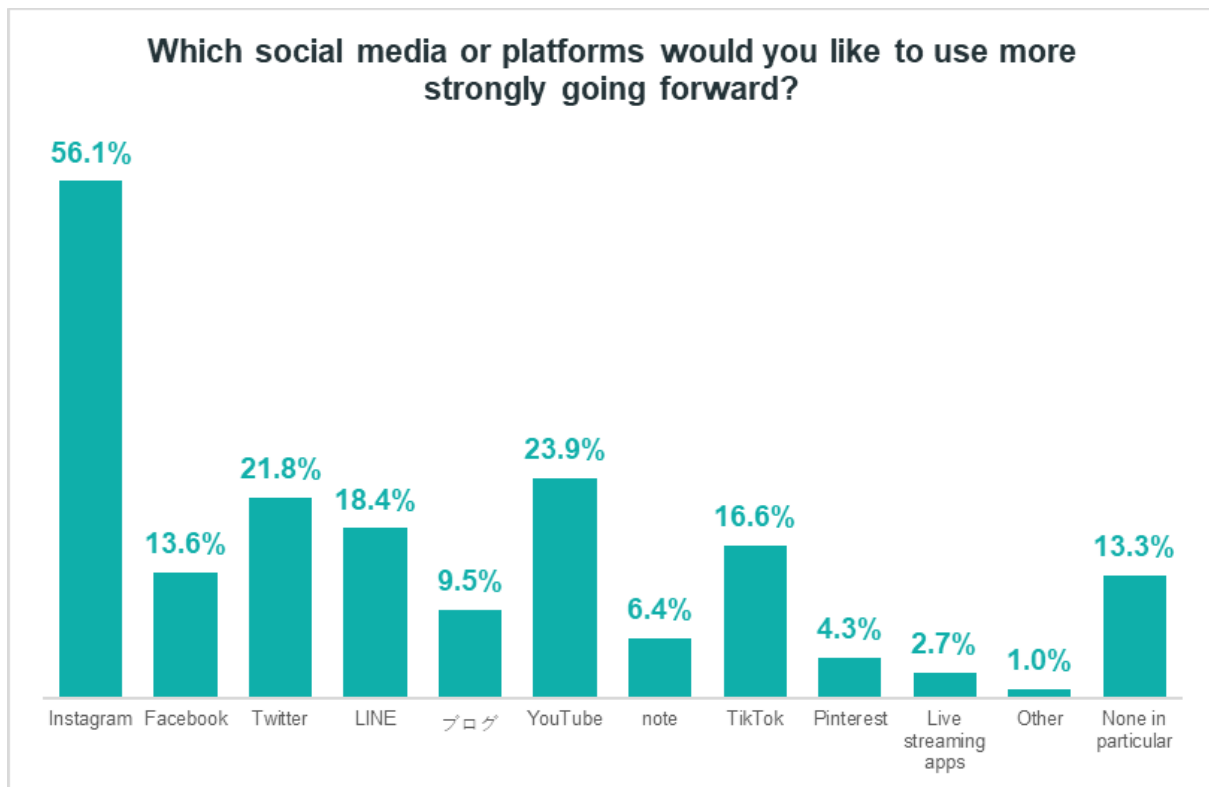
note: 5.0%

TikTok: 4.7%

Pinterest: 2.0%

Live streaming apps (17LIVE, Pococha, etc.): 0.4%

Other: 1.3%



- Which social media or platforms would you like to use more strongly going forward?  
[Only answer if you are utilizing social media or platforms for the PR or sales promotion of your online shop/multiple answers allowed]

Instagram: 56.1%

Facebook: 13.6%

Twitter: 21.8%

LINE: 18.4%

Blog (WordPress blog, Ameba blog, etc.): 9.5%

YouTube: 23.9%

note: 6.4%

TikTok: 16.6%

Pinterest: 4.3%

Live streaming apps (17LIVE, Pococha, etc.): 2.7%

Other: 1.0%

None in particular: 13.3%

## **5. About Work Styles**

**— More than half of the respondents are operating shops as a side-job (concurrent employment or a parallel career)! There are also people engaged in selling as an extension of “what I love” —**

In the survey concerning work styles, the results were that 51.8% of shop owners are “using the online shop outside my main occupation” and “48.2% of shop owners are “using the online shop in my main occupation,” so more than half of the shop owners are using the in side-jobs (concurrent employment or a parallel career). Moreover, when we asked shop owners who “use the online shop outside my main occupation” about their operational policies, 47.7% of them responded that “I plan to continue to operate the online shop outside my main occupation going forward” and 46.0% responded that “I am operating the online shop with the aim of making it my main occupation going forward” so we learned that a high percentage of shop owners intend to operate their online shop outside their main occupation (as a side-job, parallel career, or concurrent employment). Furthermore, we received the response “I am operating the shop only as a hobby/I am challenging myself to sell the items as an extension of making things I love” from shop owners who selected “other,” so there are also shop owners positioning the expansion of sales as an extension of “what I love.”

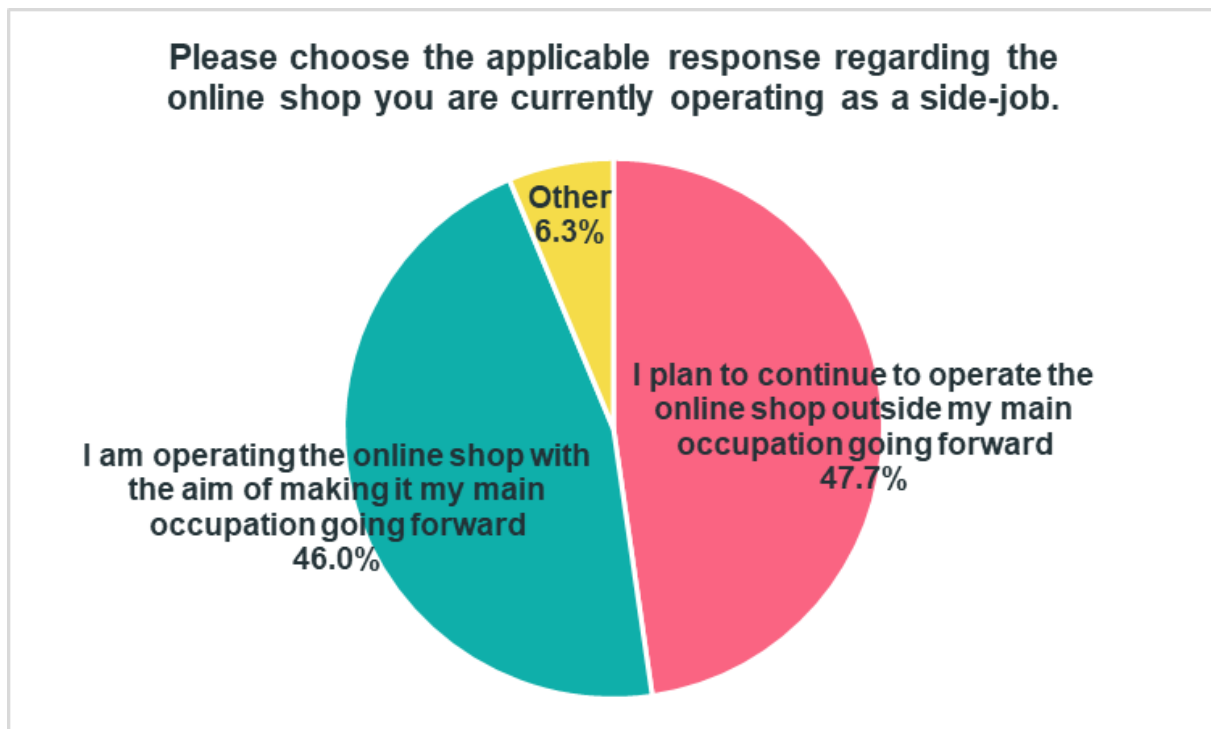
It can be concluded regarding the reason why more than half of the shop owners are using the online shops in these kinds of side-jobs (concurrent employment or a parallel career) that a big factor is that diverse work styles, in particular side-jobs and concurrent employment, are being promoted as a part of the government’s work style reforms. Furthermore, as shown by the results of a survey conducted by the Japan Business Federation\* which say that the number of companies which allow side-jobs and concurrent employment has greatly increased in the last two years, moves by companies to promote diverse work styles are accelerating, and in addition it can be concluded that the increase in disposable time due to the coronavirus pandemic also prompted people to start side-jobs (concurrent employment or a parallel career).

\* Reference: Japan Business Federation, *Questionnaire Concerning Side-jobs and Concurrent Employment: Survey Results* (October 2022)





- Is the online shop you are currently operating with BASE your main occupation?  
 Not main occupation (a side-job, a parallel career, concurrent employment, etc.): 51.8%  
 Main occupation: 48.2%



- Please choose the applicable response regarding the online shop you are currently operating as a side-job.  
 [Only answer if you responded that the online shop is not your main occupation (a side-job, a parallel career, or concurrent employment)]  
 I plan to continue to operate the online shop outside my main occupation going forward: 47.7%  
 I am operating the online shop with the aim of making it my main occupation going forward: 46.0%  
 Other 6.3%

**■ About the Prospects for BASE Going Forward**

We have used the present Owners’ Survey 2022 to introduce the latest usage situations of shop owners using BASE. BASE will consider this kind of latest information to advance its support for the operation of the online shops which have grown in scale, while continuing to be an online shop creation service which enables anyone to easily take on the challenge of opening an online shop. Going forward, we will continue to support function provision and sales channel expansion and enhance the functions of Pay ID, a shopping service for buyers to enhance buying experiences in shops which were opened using BASE, and in conjunction with this we will contribute to the creation of further growth opportunities for online shops using BASE.

BASE celebrated the 10th anniversary of the release of this service this year and, just as it always has until now, it will work closely with shop owners and make every effort to continue to be a partner which expands the potential of all of them in the future as well.

- The website established for the 10th anniversary: <https://lp.thebase.in/10th>

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