

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.



June 5, 2023

To Whom it May Concern:

Company name: BASE, Inc.
Representative: Representative Director and CEO Yuta Tsuruoka
(Code number: 4477, Tokyo Stock Exchange Growth Market)
Inquiries: Director and CFO Ken Harada
TEL 03-6441-2075

Number of “BASE” Online Shop Openings Exceeds Two Million Shops!
One Million Shops Opened Within the Past Three Years

We hereby announce that the number of shops opened using the online shop creation service “BASE,” which is operated by BASE, Inc. (location: Minato-ku, Tokyo, Representative Director and CEO: Yuta Tsuruoka), exceeded two million shops on June 1, 2023 (Thursday). To commemorate this milestone and to express our gratitude towards our users, an Instagram-linked coupon campaign, which can be utilized by merchants to attract customers and promote sales, will be held from June 16 (Friday) to June 25, 2023 (Sunday).



■ **On exceeding two million “BASE” shops**

Since its launch in November 2012, “BASE” has been used by many shops, namely those run

by individuals, corporations, and local governments, as the go-to destination for easy online shop creation. On this occasion, the service has exceeded two million cumulative shop openings.

In May 2020, the number of cumulative shop openings surpassed one million and was followed by an additional million in a span of three years. With promotional efforts such as TV commercials increasing brand awareness, this pickup in usage can be attributed to the expansion in use by those who had primarily been active offline in the past such as owners of brick-and-mortar stores, those selling goods at events/exhibitions, and those within the tourism industry amongst others. Additionally, the proliferation of diversified working styles and the corresponding use by individuals running their own businesses including side jobs (e.g., part-time jobs or resumed jobs) has also been a contributing factor.

In November 2022, “BASE” celebrated its 10th anniversary. In these past ten years, some of our merchants have even grown to surpass 100 million yen in monthly sales. This is a testament to how the increase in the number of shop openings is due in part to our continued efforts to create a commerce environment that can be utilized by a wide range of merchants, not just those that are opening their first online shops.

- **Initiatives to accommodate a wide range of merchants, from those opening their first online shops to those with large sales**

“BASE” has implemented a variety of measures since the launch of its service. Since surpassing the one million shop openings milestone, initiatives such as the release of the “Monthly-Fee Plan,” which is a pricing plan that is cheaper than the conventional plan for merchants with monthly sales surpassing 170 thousand yen, as well as increased support for CRM including updates to the customer management function, have helped extend the scope of support to not only first-time online shop owners, but to larger merchants and their growth as well.

Continued efforts are being made to implement measures that can maximize value for merchants, such as waiving costs associated with use of the “SHIBUYA BASE” popup store space, the seamless integration with external platforms such as Google and TikTok which aid merchants with customer attraction and sales promotion, more recently an AI function “BASE AI Assistant” which utilizes “ChatGPT,” and the “Membership App” which allows merchants to implement a membership feature to their online shop.

- **Initiatives to address social issues**

In addition to functions aimed at attracting customers, promoting sales, and increasing operational efficiency, we have also been making efforts to use the power of EC to address social issues that are prevalent in the area of commerce. In 2022, to address the privacy concerns of individual creators conducting business online that arose from the Specified Commercial Transactions Act, “BASE” became the first online shop creation service to release a privacy setting that enables merchants to hide personal information that had previously been required to be disclosed under law. (Note)

(Note) The function is a response to the Consumer Affairs Agency’s view that if a platform meets certain conditions, users can use the address and phone number of said platform’s operating company to display on their respective online shops to satisfy the requirement set forth by the Specified Commercial Transactions Act.

We will continue our efforts to develop functions that will not only allow easy and secure online shop creation but will also make “BASE” the service of choice for its high functionality and design quality. We will provide information on planned releases, as necessary.

<Planned features>

We will introduce some of the functions that are currently under development and are planned to be released going forward. Efforts are being made to develop functions and measures that will strengthen CRM, such as new functions that allow merchants to create collection pages for each season, as well as updates to existing functions aimed at improving customer loyalty of fans and repeating customers.

New functions

1. “LOOKBOOK” Function

Through the addition of a “LOOKBOOK” template to the “Page Addition App,” merchants can create collection pages for product lineups based on season. The function makes it easier to convey the characteristics and appeal of a shop and its products through single-page presentation.

Updates to existing functions

2. Update to the “Membership App”

In addition to the existing feature that allows merchants to implement a membership feature to their online shop, we plan to release a loyalty point function that allows merchants to grant points to their customers which can be exchanged for perks freely designated by the merchant.

3. Update to the “Detailed Shipping Cost Settings App”

In addition to the existing feature that allows users to select shipping costs from multiple shipping options, merchants will be able to group shipping costs by temperature setting (room temperature, refrigerated, and frozen) and set shipping costs by package size, allowing them to switch cost settings based on the number of products and weight.

4. Update to the “Preorder App”

Although preorders can currently be made up to two months in advance of the sale date, future updates will allow preorders of up to approximately one year in advance.

The above features are still under development and may be subject to change in both content and name.

To commemorate two million shop openings and to express gratitude towards “BASE” users, an Instagram-linked coupon campaign, which can be utilized by merchants to attract customers and promote sales, will be held from Friday, June 16th.

“BASE” will contribute to the business growth of its users, supporting the activities of merchants who strive to create new added value so that “BASE” will continue to be their sales channel of choice. We will also focus on product development, providing an environment for smooth online store operation for all users.

End of document