



BIGshop.com.au
Merchant Program Overview

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An Introduction to The BIGshop Merchant Program



BIGshop.com.au brings Australian merchants and consumers together in an online marketplace that is convenient for consumers and efficient for merchants. Our goal is to help consumers find what they are looking for as quickly and as easily as possible while providing them significant cost savings. We help consumers shop online efficiently by organizing thousands of products in a single location, allowing consumers to shop across them all from start to finish with one universal shopping cart and one personal password protected account.

Consumers also have access to a wide range of helpful shopping tools such as gift list creators, a my favorites section, personalized suggestions based on their buying history and many more. We also help merchants expand their business through a highly efficient C-P-O (Cost-Per-Order) business model.

Online retailing has been around for the past ten years. However it was not until recently that the Australian public became comfortable with the concept. Now, online shopping accounts for a significant and growing percentage of retail sales in this country. Australia does not have many "large" online retailers, instead the majority of the Australia's online environment is made up of thousands of small e-commerce merchants, struggling to make ends meet. There are of course a few companies doing very well, however these are in the minority

The problem merchants face is that the Internet is a "pull" medium. The consumer is totally in charge of when they shop, where they shop, and from whom they shop. So, while the merchant's own online store might be quite effective at capturing demand from customers once they get there, the reality is that most consumers search the Internet for products rather than particular stores. Consequently, even if a merchant has a product a consumer wants, and that consumer shopped with them just yesterday, the fact that the consumer is searching the Internet means that they haven't mentally connected their product need with a particular merchant or brand they know at the point of demand impulse.

That's where we come in....

BIGshop.com.au addresses this merchant need by creating a unique product marketplace where consumers can find virtually anything, eliminating the need to shop around. Our technology makes consumers lives easier and allows us to deliver a completed and paid order to the merchant for fulfillment. Additionally, because we bear all the marketing risk to attract consumers to BIGshop.com.au, and the merchant only pays us a mutually agreed commission for each order we deliver, we are an extremely cost-effective source of orders for our merchants.

This Cost-per-order (C-P-O) business model means we only win when you win.

Cost-Per-Order vs Cost-Per-Click

Cost-per-order (C-P-O) means we win only when you win. Unlike the less predictable cost-per-click (C-P-C) model utilized by hundreds of comparison shopping websites, the BIGshop.com.au C-P-O model aligns our interests with yours. If you don't sell products, we don't make any money. We take on all the marketing risk and only earn our commission when a customer actually places an order. Therefore you don't have to waste hundreds, if not thousands of dollars on clicks by internet browsers, competitors or people who had no intention to purchase from your company in the first place



Through this system we can guarantee profitable orders – can Cost Per Click sites offer you this?

What You Get

- Zero marketing risk - We market BIGshop.com.au and all its products Australia wide through online and offline campaigns and we handle the entire payment process.
- Predictable return on investment – Because you only pay-per-order you can easily measure your ROI.
- Your own "Bshop" a website within BIGshop.com.au that is dedicated to your company. Only your products, advertisements and company information will be displayed here. Use your "Bshop" as your company website or as an additional marketing tool.
- Additional business that you would not have otherwise obtained - Our software automatically cross sells and up sells your products with other BIGshop.com.au products ensuring maximum exposure site wide. Our software even goes as far as offering customers certain products based on their past purchasing history at BIGshop.com.au.
- Additional customers to whom you can market directly
- Very easy to use online data entry, data integration and order management systems.

BIGshop.com.au is an efficient and merchant-friendly marketing tool which connects your business with ready and willing buyers, especially those who don't necessarily associate your products when they initiate a product search on the Web. We have made it very easy to leverage your existing e-commerce system, including product presentations, shipping and handling, inventory control, and order management tools so that you can capture the maximum possible demand for your products on BIGshop.

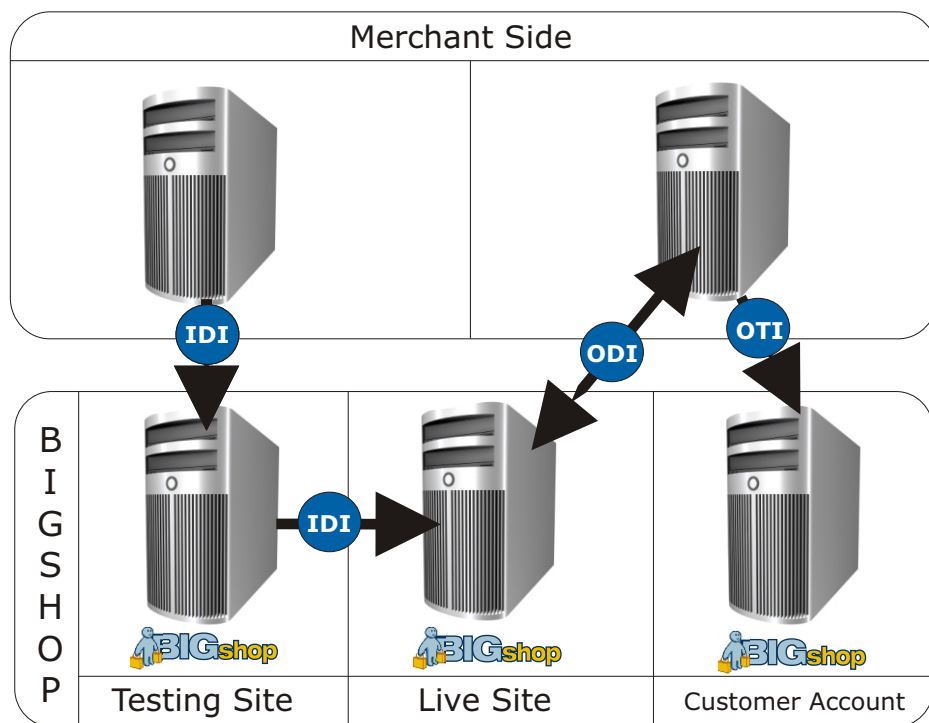
A Typical BIGshop Transaction

BIGshop provides the data integration and order processing tools needed to make this process efficient for merchants and convenient for shoppers. Customized solutions are also available on request.



1. Customer finds BIGshop.com.au through an online or offline advert, affiliate link or word of mouth and begins to search and browse the website for products they want to buy.
2. Customer finds your product on BIGshop.com.au and after checking postage costs and your company information they decide to make a purchase from you.
3. Customer adds the product to their shopping cart and clicks "Check Out". BIGshop.com.au then process the customers order, take payment and verify the customers delivery information.
4. In real time BIGshop.com.au transfers the customers paid order to your merchant account. At the same time the customers payment less a small fee is also transferred to your account.
5. On receipt of the paid order you deliver the ordered products to the customer. Through the BIGshop.com.au system customers will be kept up to date at each stage of the order fulfillment process.

Data Integration



IDI = Inventory Data Integration

ODI = Order Data Integration

OTI = Order Tracking Information

1. Inventory Data Integration (IDI). The merchant partner outputs their product data file (BIGshop.com.au can accept most file formats), and places it on a dedicated FTP site (each merchant partner has a unique password protected account). Once the product file has been dropped off it will be uploaded to our Testing Site where product data can be reviewed by the merchant prior to going live. (Product files are automatically uploaded when finishing downloading to the FTP site. Product files can be uploaded multiple times a day to control product inventory.) Once the merchant is satisfied with their products on the Testing Site they can turn their inventory to "Live". The product data on the Testing Site will then be duplicated on our live site, www.BIGshop.com.au. Once live, consumers can purchase the products on BIGshop.com.au

2. Order Data Integration (ODI). Next, BIGshop.com.au will compile paid orders for the merchant partner and deliver them by way of email, a customized download, or for viewing through the Merchant Control Panel located online. This allows the merchant to then enter the orders into their own order processing software.

3. Order Tracking Integration (OTI). The merchant partner easily passes order tracking information back to BIGshop.com.au to be automatically integrated into the customer's shopping account, giving the customer (and BIGshop.com.au customer service representatives) the ability to track the progress of their orders.

Merchant Fees



BIGshop.com.au collects fees only when your item sells. At that time, BIGshop.com.au collects your sales price and shipping costs from the buyer, deducts a variable commission of the sales price (excluding shipping), and a small payment processing fee.

BIGshop.com.au then delivers to you a paid order. All you have to do is send the items on order to the customer. We make that easy too. Through our unique merchant control panel you can manage orders, print packaging slips and invoices, refund customers and manage your inventory. You can also download orders into your current order processing software through a customized download. We provide you with the tools to make selling online easy.

BIGshop.com.au Payments automatically transfers your earnings into your secure BIGshop Merchant Account. You can then withdraw funds from this account into a nominated Australian bank account of your choice any time of the day or night. There are no limits or charges involved with withdrawals from your account.

| Sale Value | + Commission |
|-------------------|---------------------|
| \$0.01-\$100 | 50c + 5.5% |
| \$100.01-\$200 | \$2.50 + 5% |
| \$200.01-\$500 | \$3.50 + 4% |
| \$500.01-\$1000 | \$10.50 + 3.5% |
| \$1001 + | \$15.50 + 3.0% |

Payment processing fee: 1.3% per transaction

*** All fees are inclusive of GST and in Australian dollars*

BIGshop.com.au reserves the right to charge merchants a fee for poor performance. Performance may be determined by metrics such as excessive refunding (e.g. stock outs), high rates of guarantee claims filed against the merchant, and credit card charge backs on BIGshop.com.au payments transactions. BIGshop.com.au will communicate any fee changes and specific performance requirements to the merchant prior to charging the merchant.

Become a Merchant

Now that you have been introduced to our program please feel free to contact us for more information. If you are ready to become a merchant please login to BIGshop.com.au and click on the "become a merchant" link at the bottom of any page. You will then be asked to enter your company details and apply online.

Our merchant support team will process your application within 24 hours (Mon-Fri). You will be contacted with further information once your application has been processed.

Please note: In order to become a BIGshop Merchant the following basic requirements must be met. If your business does not meet the following requirements we will not be able to process your merchant application.

- Must be an Australia Business with an ABN
- Must have been trading for at least 12 months
- Must hold stock of all products sold on BIGshop.com.au
- Must have a dedicated customer service email address
- Must have a land line contact number (not for public viewing)
- Must have a product returns policy that complies with ACCC guidelines
- Must have a significant point of difference from other BIGshop merchants (this can be product, price or service based)
- At least two trade references from within Australia

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