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Who is Kobo and Why eBooks?

Owned by Tokyo-based Rakuten and headquartered in Toronto, Rakuten Kobo Inc. is one of the world's most innovative eReading services offering more than 5 million eBooks to millions of customers in 190 countries. Believing that consumers should have the freedom to read any book on any device, Kobo provides people with a choice when reading. Kobo offers an eReader for everyone with a wide variety of E Ink eReaders to suit any Reader's style including the Kobo Aura, Kobo Aura H2O, and Kobo Aura ONE. Along with the company's free top-ranking eReading apps for Apple®, BlackBerry®, Android®, and Windows®, Kobo ensures the next great read is just a page-turn away. Kobo's award-wining eReaders can be found in major retail chains around the world.

In partnership with the Booksellers New Zealand, Kobo has developed a unique program designed for independent booksellers and their customers. Booksellers can offer a robust eReading experience to their customers including a full line of award winning eReaders, eReading accessories, and eBooks from Kobo's industry-leading catalogue of more than 5 million titles.

Why should independent bookstores sell eBooks?

- Opportunity to carry all books for your customers without having the physical inventory in your stores. For customers looking for a physical book and if you don't have it in stock in store, you can provide it instantly to your customers by searching for the eBook on kobo.com
- Many customers read a combination of print and eBooks. By partnering with Kobo you can
 offer your customers the chance to support an independent bookstore no matter how
 they read.
- Kobo offers a variety of daily deals and discounted eBooks for customers to take advantage of daily.
- Exclusive Digital Only content that can be promoted in eBook format to your customers in weekly eNewsletters for instantly downloads.
- Kobo.com is open 24 hours a day, 7 days a week earning your store money for every new customer or continuing customer sales.
- Kobo offers customer support via a dedicated web form, and bookseller support through members-only telephone and email access.
- Kobo offers online training and rewards for your staff at www.discoverkobo.com Staff can train on any eReader or the Kobo App, while earning points to be redeemed on kobo.com and benefiting your store.



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- Offer your customers award winning eReaders either online or in your store.

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- By signing up as a Kobo affiliate, you can integrate our extensive library into your store's
 website and offer a robust eReading experience to your customers. Here's what you'll
 get:
- **Co-Branding:** Every user that logs into Kobo will see co-branded logo branding for the bookstore with which they are affiliated. Whenever they log-in to browse or shop, they'll see your logo!
- **Reporting /Tracking:** Kobo supplies reports of all relevant customer activity to offer you a full 360 degree view of your digital reading performance.
- Revenue Share: NZBA members will share in the revenue on every sale. This includes 50% share of net revenue of all eBook content purchases made by customers whom you introduce to Kobo.

How Does It Work?

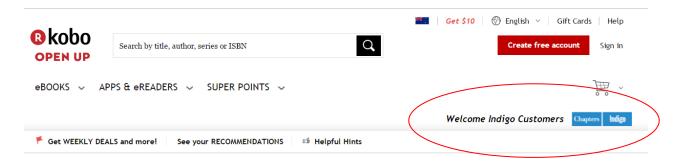
- NZBA-member participating stores will decide whether to: order Kobo eReader devices for sale in the store; and/or offer Kobo eBooks from Kobo through their website; or offer Kobo eBooks through a link to the Kobo website.
- Kobo provides all marketing materials to promote eBook or eReader offers on your stores website.
- Your customers will purchase Kobo eContent from a webpage co-branded with your store name on Kobo's website, regardless of whether they get there via their Kobo eReader devices purchased from you, via a Kobo link from your website, or via a newsletter link. There is no co-branded page for device purchases.
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- Synnex is the exclusive distributor Kobo eReaders for BSNZ members. For more information about ordering the latest Kobo eReaders and accessories. Bookstores should contact one of the sales representatives on 0800-279-6639.
- Devices have a margin of 15%.

How Do We Get Started Selling eBooks?

- Please download the Kobo Participation Agreement and return via email <u>membership@booksellers.co.nz</u> or fax (04) 472 1912
- Please email a web-ready logo, following these guidelines:
 - 1. Please provide a high-resolution copy of your logo. EPS format or PNG format preferred.
 - 2. Your store name will appear just like the example below



• Stores may begin to sell eBooks upon confirmation from NZBA of successful technical set-up.



Miscellaneous Q & A

Q: If a customer buys a device in my store and travels overseas, and purchases an eBook there, will my store still participate in the revenue share? A: Yes. Each customer sets up a customer account with Kobo, and if they sign in with that account, wherever they are, your store will participate in any purchases they make. It is important to keep in mind that, although Kobo sells eBooks and magazines all over the world, publishers' and authors' contracts differ with regards to territorial rights, so that many titles which are available to purchase from Kobo in the NZ may not be available to your customer to purchase when they travel abroad--from Kobo, or from any other vendor.

Q: How many titles are in the Kobo database? And how many titles are available for purchase in NZ? A: Kobo's entire library is available to all customers. They currently have over 5M eBook titles including local Kiwi authors and are constantly updating their title list and adding new releases.

Q: How can my customers read Kobo eBooks on their non-Kobo devices? A: Free apps for reading Kobo books on devices using iOS, Android, Windows, and Blackberry operating systems are available at Kobo.com NOTE: Customers must sign up for Kobo with your dedicated bookstore link before downloading the Kobo App. Once they are signed up with your store, customers can visit Kobo's App store here or directly from their mobile or tablet. Customers who are new to Kobo will receive a \$5.00 credit towards their first eBook purchase.

Q: What about customers that already have a Kobo eReader? How can they shop for eBooks through my store? A: The customer would establish a new Kobo account by following the link to Kobo on your website. Then, when they next use their device, they would sign out of the old account and sign in using the new account name. They can then search and buy eBooks either through their device or through the web, and your store will receive a revenue share.

Q: What happens if a Kobo device that I sell is resold by the customer or is refurbished by Kobo? Do I lose the revenue share on purchases by the new owner? A: A factory re-set of a device will not sever the device partnership. A newly established account on a used device will be partnered to the original retailer.

Q: Can I send a Kobo device to a customer outside New Zealand if a customer requests it? A: Yes, however Kobo will only honor the exchange policy in countries where the device is physically sold. If the device is sent to a customer in the United States (for example) they would have to pay the shipping cost and the warranty would be void. You would also be responsible for any custom/ duty charges incurred. There is also the issue of territorial rights on eBooks, which are identified by the customer's billing address and credit card bank. Depending on the billing address and country, the customer will either have access to content available there, or



have no access to Kobo content.

Q: Once purchased, if a book is DRM protected, is there a limit to the number of downloads?

A: If a file is DRM protected it may be downloaded 6 times in total. This restriction is set forth by the publisher and is the same for all DRM files.

Q: What about gift cards? A: Regrettably, gift cards are not available to NZBA members.

Q: Where can my staff go to get trained on Kobo eReaders and the Kobo App? A: Staff can visit Kobo's online training portal at www.discoverkobo.com. There are online courses to complete on all eReaders and even the Kobo app. Employees can complete all the available courses and become a Kobo Genius and will receive credit towards purchasing eBooks via kobo.com Employees will receive monthly eNewsletters from Kobo promoting new available services, device launches, and monthly winner of the latest Kobo eReaders.

Q: Does Kobo offer any special introductory offers to new customers? A: Yes, Kobo provides a \$5.00 credit for new customers who sign up for an account. Customers can use this credit towards the purchase of their first eBook over \$5.01.

Q: Does Kobo provide any promotions on eReaders and eBooks? A: Yes, Kobo provides quarterly promotions on eReaders and you will receive communications about these eReader offers from the NZBA newsletter including the dates and promotion details. Kobo also provides a daily deal's page and all the latest eBook promotions and offers are located on that page. For more information on Kobo eBook promotions visit: https://www.kobo.com/nz/en/p/deals

Q: What promotional materials will be available to my store to promote either Kobo eReaders or Kobo eBooks? A: Kobo will provide a variety of marketing materials such as online banners, social posts, banners for your eNewsletters, and an 8.5x11 poster for your stores.

Q: How do I get my staff comfortable with selling eReaders? A: Encouraging them to be a Kobo customer of course! Provide your staff with an actual Kobo eReader to have in store and lend it to staff. That way they will get comfortable with interacting and reading on the device. Nominate a staff to be the Kobo expert in your store and challenge them to complete all the available online training at www.discoverkobo.com Also encourage Staff to suggest a staff digital or eBook picks to merchandise on your website.

Q: Do you have any independent booksellers' examples of selling eReaders or eBooks? A: Absolutely, visit the following Independent Booksellers in both NZ & the United States for examples:

http://www.booksaplenty.co.nz/



http://www.politics-prose.com/kobo

For more information, please email: membership@booksellers.co.nz or fax: (04) 472 1912