

See the **2012 Fall Seller Update overview** for links to complete details—including graphical illustrations—of the all exciting new tools and features coming your way.

Letter to eBay Sellers from Michael Jones, Vice President, Merchant Development

Valued eBay Sellers:

As we look forward to the 2012 holiday season—promising to be another record-breaker for sellers—we're delighted to share the news about what's coming to help you take full advantage of the opportunities ahead. With the 2012 Fall Seller Update you're right in line to share in the sales.

Your great service pays off

We've been encouraging you to deliver the standard of service today's shoppers expect, particularly through the recent changes to the **Top Rated Seller program**. Your response has been overwhelming.

- In the few short months since we asked sellers to focus on prompt shipping and returns, the percentage of all items purchased on eBay that are from Top Rated sellers and include both 1-day handling and a 14-day or longer return policy is growing rapidly. More than 75% of all listings on eBay now have tracking uploaded, 75% offer 14-day or longer returns, and more than 65% specify 1-day handling.
- Your great service and dedication to staying competitive is paying off in other ways. Sales for eBay Top Rated sellers are growing faster than ever, continuing to exceed the growth rate of ecommerce overall.

Keeping eBay a fair marketplace for sellers

- The eBay Buyer Protection program has gone a long way to build consumer confidence. At
 the same time, we're aware that some buyers take unfair advantage of the system. We're
 taking new steps to protect you from those buyers who don't play fair—including changing the
 rules so buyers must contact you first before opening a case, and not counting cases that
 are resolved or found in your favor.
- We're also making it easier for you to help us identify buyers who repeatedly take unfair advantage of the system so we can take action to protect you.
- This is all on top of everything eBay does now to protect you:
 - Awarding automatic 5-star DSRs in many situations where your great service is a matter of record
 - Removing feedback, ratings, and cases left by buyers in violation of policy
 - o Extensive monitoring for patterns of inappropriate activity, and more.

Driving shopper awareness is leading to more sales for you

eBay's multi-million dollar investment in online, mobile, and offline marketing is also paying off for you.

• Last month, **tens of millions of clicks** were sent to eBay sellers items through Google Product Search and Google Paid Listing Ads (now to be Google Shopping) in the US. We have over 100 million items—of which some could be *your* items—live in these channels, and we add millions of new ones every day. This investment is especially beneficial for eBay sellers now that Google is charging for placement in product search, and sellers will start to feel the squeeze.

- All this is in addition to the continuous investments we make to help drive traffic through marketing on the web and mobile, including our eBay Partner Network, search engine optimization, social, display, and cross-border trade efforts.
- Our recent TV advertising has been a resounding success in building consumer awareness of eBay as a great place to shop and bringing new buyers your way. Stay tuned—there's more to come!

Turning shoppers into buyers

Other eBay investments are making sure those clicks turn into sales and those shoppers into buyers. The **Fast 'N Free** experience, introduced just before the 2011 holiday selling season, provides a more accurate—and typically faster—delivery date and successfully highlights services that are important to buyers. Sellers are enjoying a solid lift in sales for their listings when the Fast 'N Free logo appears. Starting in September, you'll be able to see in your seller dashboard how it's working for you.

Bringing the exploding ranks of mobile buyers your way

Mobile devices as a way to buy are here to stay, and sellers are benefiting from eBay's leadership in mobile commerce.

- On the day after Thanksgiving in 2011, the number of items purchased on eBay with a mobile device **nearly tripled** from the number purchased on Black Friday 2010.
- eBay transactions via mobile are on track to reach \$10 billion globally in 2012—almost half of
 which will come from international buyers. We're continuing to find new and better ways help
 you showcase your items and sell to these buyers with confidence.

A host of other updates coming this fall add up to more efficiency and selling power for your listings.

All of us at eBay know that we're only as successful as our sellers. We appreciate your continued dedication to meeting and exceeding the ever-evolving demands of ecommerce. We in turn are fully committed to your continued success.

I hope you will join me and other members of the eBay seller team in the special discussion forum we'll be hosting July 24 and 25 and join the Town Hall on July 25. You'll find links to these online events and complete details about these coming updates on the 2012 Fall Seller Update overview page.

As always, thank you for selling on eBay.

Sincerely,

Michael Jones

Vice President, Merchant Development

P.S. Keep an eye out for exciting developments coming soon—the next generation of online shopping, a new wave of enthusiastic buyers, and the tools to help you take full advantage of the fast-growing global marketplace.