

Proposed Plus CLUB International, Incorporated (+ CLUB) vs. Flipkart, Amazon, Facebook & Others

(Selected highlights / comparisons for venture capitalists' consideration for an investment opportunity.)



The 1st true patent-pending, universal, neutral, global, real-time integrated Internet / mobile / app / in-store “Shopping” Social Network, Omni-Channel Platform – an annual consumer membership, subscription-based offering addressing consumers, banks / associations & retailers / manufacturers “exclusively” for shopping.

Consumers given new pre-shop, shopping & post-shop experiences, which incl. forums, merchant rating / comment / suggestion / direct dialogue / bid requests, individual & group bulk buying, shopping videos, in-store shopping / planning with friends, etc.

100 million “proven buyer” consumer members at launch, selected by major credit / debit card-issuing banks and associations, chosen from their lists of good-standing cardholders, who will gift them 3-month free trial + CLUB memberships, w/ annual subscription fees being \$100 or \$10 per month. Incl. FREE 2-day shipping & 1-day locally via USPS.

Users / members receive automatic “instant” discounts at Point-Of-Sale, not “accrued” points, miles, coupons or cash-back on products selected by the participating merchants.



In 2007 two founders along w/ prior employees of Amazon formed Flipkart – beginning like Amazon w/ book sales. This India company provides e-Commerce / online shopping only as a pricing “bot” comparing multiple manufacturers / retailers on similar or same item race to the bottom – disliked by merchants w/ quality / brand / service lost.

The consumer experience on either Flipkart or Amazon is totally transactional & per analysts, shopping experiences on Amazon are better. That said, neither offering is set up to allow consumers to directly dialogue or interact w/ the individual merchants.

As with all typical start-ups, both Flipkart & Amazon started with no users, having to build a following over many years. Flipkart appears to be a mini Amazon, starting later w/ the same model & trying to catch up. Amazon now has a market cap (MC) 40 x that of Flipkart - \$1.6 Trillion to \$40 billion. Access FREE w/ 2-day shipping & 1-day w/ Amazon Prime for \$119 / yr.

Not only will + CLUB have a critical mass of buyer members on day one of launch as these users will be bank selected, knowing the top 20% of buyers who purchase 40% of all goods in the



Social media website for consumers' Internet viewing, using, gaming & personal communicating all subject matter incl. but not limited to politics, religion, history, conspiracies, shopping, etc. all for FREE, but not for merchants.

Presently, consumers via direct & 3rd party user data & tracking algorithms analyzing historical viewing & buying patterns guide merchants, for hundreds of billions of dollars paid annually to entities (Facebook, Google, Twitter, etc.) from finite advertising budgets to gain access to a large diverse audience – a small percentage being actual shoppers.

E-commerce sales rose from 11.3% in Q4 of 2019 to 14% in Q4 of 2020 due to COVID-19, making in-store sales 88.7% & 86% of total U.S. retail sales. Sellers not only miss out on a huge opportunity by only selling on-line but also miss the importance of the impulse

14 other online shopping sites

See the 3-page + CLUB Comparison Chart.pdf. Showing discount shopping sites, browser extensions, coupon aggregators & shopping bots.

Most are Internet shopping “only”, unlike + CLUB, addressing both online & in-store shopping on a social network platform.

The companies include:

+ CLUB

RetailMeNot

Honey

Groupon

Rakuten

WeChatShop

Amazon

Alibaba

Slick Deals

TopCashBack



Savings & year-to-date savings from merchant & + CLUB appear on receipts. Additional discounts are received for frequency & dollar amount of buying over time, noting that item discount deals can be annually, monthly, weekly, daily or hourly, along w/ location based.

Merchants can market, advertise, sell, track, trace & directly dialogue w/ a crème de la crème user base FREE, not hundreds of billions of dollars annually w/ Google, Facebook, Twitter, etc. & + CLUB enhances, not competes w/, Loyalty Reward Programs.

Also, all payments for purchases will be made on individual merchant sites leaving them in control, plus receiving master-plan 2-day (1-day local) shipping cost-saving option via USPS.

Operating software via Tech Service Providers: Ackroo, IBM, Toshiba, Microsoft (Bing ISP host, Azure cloud for retailers, M12 funding) &, as technology general contractor, LUMEN (prior CenturyLink, enterprise –level reconstituted / re-branded) w/ base / customized software along w/ SaaS, IaaS, PaaS & CaaS.

A sea-changing, industry-disruptive initiative supported by a mgt. team experienced in the consumer, banking, retail & tech sectors. See bios of those on the + CLUB Advisory Board.



United States. These are the users whom merchants direct the bulk of their marketing budgets. As both “bots” were developed to present the lowest sellers’ prices & w/ fast shipping options, each item sale price is fixed. Buying 2 or 3 of an item you pay 2 or 3 x the cost, regardless of if you buy on the network 3 or 365 times a year.

Merchants will not be happy to see another Amazon type, entry unless Flipkart steers away from many of the undesirable aspects presently on Amazon, which are anti-merchant in nature. Some of them include Amazon tracking the best-selling items of a merchant & then finding a similar product to compete w/ that merchant by offering the same item at a lower price. Also, Amazon requires merchants to provide large inventories of products at Amazon’s warehouses w/ fewer products to sell off-platform. Amazon charges high fees for fulfillment, storage & logistics along w/ aggressively dissuading any merchant complaints by directing consumers to a competitor in retaliation along w/ placing Amazon’s products ahead of merchants & removing who is not selling enough product.

70% of products sold on Amazon are not Amazon products & 60% of their annual revenue is from Amazon Web Service (AWS).



buying by customers in brick-and-mortar stores, where 60% of what they buy is not what they came into the store to purchase.

Facebook launched in a dorm room February 2004. Following is the first 10 year summary of financial growth:

Sept. 2004, ? GR, \$500T VC, \$5 M MC, 10% equity.

May 2005, \$6 M GR, \$12.7 M Accel, \$100 M MC, 16.66 multiple, 12.7% equity.

May 2006, \$50 M GR, \$27.5 M Greylock, Meritech & Founders Fund, \$525 M MC, 10.5 multiple, 5.2% equity.

Oct. 2007, \$150 M GR, \$240 M Microsoft, \$15 B MC, 100 multiple, 1.6% equity.

May 2009, \$750 M GR, \$200 M Digital Sky, \$15 B MC, 20 multiple, 1.3% equity.

Jan. 2011, \$2 B GR, \$250 M Goldman Sachs & \$50 M Digital Sky, \$50 B MC, 25 multiple, 1 % equity. (Note: + CLUB projects \$2 B GR & \$50 B MC in its 1st year of operation, not 7th year.)

14 other online shopping sites

BeFrugal

SwagBuck

iBotta

Mr.Rebates

WikiBuy

The 10 company comparison categories include:

Industry savings at the point-of-sale

Cash Back (Rebate)

Points

In-store savings

Online savings

Shopping Bot (lowest price comparison)

Social Network capabilities

Cost of membership / revenue model

Percent (%) discounts

Number (#) of users / members



See + CLUB Equity Ownership Multiples & Percentages.pdf w/ gross annual revenues for 1st to 5th op. years of \$2 B, \$5 B, \$10 B, \$15 B & \$20 B; Multiples of 2.5 x, 5 x, 10 x, 15 x, 20 x, & 25 x; Funding \$350 M, \$500 M & \$1 B & ROI in 5th op. yr. of 1 x, 5 x, 10 x, 15 x, 20 x, & 25 x.

W/ a \$50 B MC in 1st op. year by using a social network multiple of 25 x projected gross annual revenue (GR) of \$2 B.

\$500 B MC in 5th op. yr. via a multiple of 25 x GR of \$20 B. ROI at IPO will be 25 x w/ guarantee via added equity if projections missed w/ Goldman Sachs, JP Morgan & Morgan Stanley as underwriters for the + CLUB IPO as w/ the Facebook \$16 B IPO.

\$1 Trillion MC in 10th yr. using a multiple of 20 x projected GR of 50 B.

VC team possible to fund venture:

Promus Ventures
SoftBank
Microsoft
JP Morgan
Goldman Sachs
Morgan Stanley
Digital Sky
Tiger Global Management



Flipkart does not have an Internet cloud offering & has been using AWS, allowing Amazon to track Flipkart's operations in bad faith, as w/ their employees.

SoftBank buys 20% of Flipkart for \$2.5 B in 2017 & sold same to Walmart in 2018 for \$4 B, making the MC at \$20 B. Also, Walmart spent \$16 B for 77% of Flipkart.

Other prior owners incl. Tiger Global Mgt. @ 4.7%, Accel @ 1.1% & Microsoft @ 1.3%. W/ a gross annual revenue ~ \$5 B the multiple would have been ~ 4 x.

Assuming ~ \$30 B Market Cap in the 14th operating year, prior to the new group's \$3.6 B investment by SoftBank (\$500 M), Singapore GIC Pte, Canada Pension Plan Investment Board & Abu Dhabi Investment Authority. MC following the recent funding is \$37.6 B. W/ a GR of \$6 B, \$7 B or \$8 B now, the multiple will be 8 x, 7x or 6 x.

Walmart bought Jet in 2016 for \$3.3 B to expand its e-Commerce position, attempting to stop Amazon's rise. W/ Walmart controlling this entity to expand their own customer base as before w/ their purchase & failure w/ Jet, along w/ again going up against the world's largest sector competitor, Amazon, what is a valid FlipKart growth projection & ROI multiple for investors to expect in 5 years - 8 x, 7 x or 6 x?



Late 2011, \$3 B GR, \$82 B MC, 25 multiple.

May 2012, \$3.9 B GR, \$16 B IPO, \$104 B MC, 26.6 multiple, 15.4% equity.

2014 (10 years after launch), \$12.47 B GR, \$226 MC, multiple 18.12. (Note: + CLUB projects \$50 B GR, \$1 Trillion MC, multiple 20 in 10th year.)

Facebook has grown considerably in value over the last 7 years, along w/ many concerns in its operations worldwide, which absolutely need to be addressed, but are not issues for this comparison.

Discount Shopping Sites / Browser Extensions / Coupon Aggregators / Shopping Bots



RetailMeNot inc.



GROUPON

Rakuten
(Formerly Ebates)

Instant savings at the Point-of-Sale	✓ Online and in-store immediate discounts on purchases	✓ Online, limited in-store coupons	✓ Searches and applies coupon codes at online checkout	✓ Coupon vouchers must be presented at the POS	
Cash Back (rebates)		✓ 15-30 days		✓ Groupon+ for dining	✓ Pays out every three months
Points					✓ Rakuten Super Points to be used at affiliate stores
In-Store Savings	✓	✓ Some coupons marked as "in-store"		✓	✓ Some in-store cash back rebates
Online Savings	✓	✓	✓	✓	✓
Shopping Bot (lowest price comparison)			✓ Searches for lowest price		
Social Network Capabilities	✓ Enormous online shopping portal, unlimited communication capabilities / direct dialog between consumer and retailer	NONE	NONE	NONE	NONE
Cost of Membership/ Revenue model	Subscriber based \$100/yr. or \$8.33/month FREE for the retailer. <small>Retailer pays no commission or ad fees, that savings is passed onto the consumer in the form of larger discounts</small>	Free for consumer. Commission based, charges retailer	Free for consumer. Commission based, charges retailer	\$4.99/month Groupon Select, and collects 50% of each sale from the retailer	Free for consumer, stores pay commission
% Discounts	5% - 90% Average yearly savings \$100s - \$1,000s	3%-60%	Average discount 17.9% Average yearly savings \$126	25% - 90%	3%-8% Typical
# of Users/Members	100 million first three months. Billions of website visits over 12 month span	500 million website visits over 12 month span	Over 10 million users	45.3 million Unique customers	Over 13 million



WeChat Shop



Instant savings at the Point-of-Sale	Stores can offer promotions through WeChat shop although not the core of its business	✓	✓	✓ Coupon aggregator, crowd sourcing platform	
Cash Back (rebates)	✓			✓ 10 weeks after approval	✓ 30+ days
Points	✓			✓	
In-Store Savings		Minimal		✓	
Online Savings	WeChat shops offer deals via the WeChat app to consumers using WeChat	✓	✓	✓	✓
Shopping Bot (lowest price comparison)		✓	✓		
Social Network Capabilities	✓	NONE	NONE	✓ Members post deals and rate them in a forum.	NONE
Cost of Membership/ Revenue model	Free for consumers, revenue from advertising and payments	Amazon Prime \$119/year. Amazon charges sellers subscription fees, per item fee, referral fee and closing fee.	Advertising revenue, sellers pay to rank higher on search results, commissions, user fees	Advertising and commission from 1% - 8.5% on purchases	Free for consumer, advertisers pay commission
% Discounts		5%-40%		5%-75%	
# of Users/Members	Over 1 billion	100 million Prime memberships	755 million	11 million	11 million



Instant savings at the Point-of-Sale	✓ Online/Printable coupons				✓
Cash Back (rebates)	✓ Paid within 7 days		✓ Within 48 hours	✓ Credited within 30+ days	
Points		✓			
In-Store Savings	✓	✓ Issued gift cards	✓		
Online Savings	✓	✓ Coupon codes	✓	✓	✓
% Discounts	5% - 90% discounts, up to 40% cash back				
Shopping Bot (lowest price comparison)					✓
Social Network Capabilities	NONE	NONE	NONE	NONE	NONE
Cost of Membership/ Revenue model	Retailers pay commission	Consumer watches videos, answer surveys and gets paid with gift cards. Advertisers charged.	Gets paid commission for directing consumers to retailers.	Gets paid commission for directing consumers to retailers.	Free
# of Users/Members		15 million Attracts 1.5 million per month	22 million app downloads		\$4.4 million
Country of Origin	USA	USA	USA	USA	USA