

Review: Google to rival PayPal in online commerce

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The Mountain View, Calif.-based company once again is making headlines, this time with the launch of Google Checkout.

And once again, the new product is a jab to who Google finds as its major competitor Microsoft, who continues to play catch-up in the Internet realm.

Google is billing its latest service as a "checkout process that makes online shopping faster, more convenient and more secure for Google users," which now provides a rival to PayPal owned by eBay since 2002. But the service could also mean good news for the declining interest in its online shopping search engine Froogle.

Not only enabling shoppers to purchase from participating stores with a single Google login, the checkout service will also work with Google's search advertising program AdWords -- to help merchants acquire new customers and process all or a portion of their Checkout sales for free, it said. Stores so far providing the option include Jockey, Starbucks Store, Levi's, Timberland and Buy.com.

"By integrating the checkout process with search and advertising, we're helping our users complete the cycle of searching, finding and buying," said Salar Kamangar, Google's vice president of product management. "In the offline world, shoppers don't tolerate long lines and tedious data entry just to buy something. They shouldn't have to in the online world either. Google Checkout simplifies and improves the online purchase experience for both consumers and merchants."

According to Google, shoppers can access Google Checkout by looking for the Google Checkout icon on AdWords advertisements or come across the Google Checkout option on a participating store's site. They then create a login from the merchant's site with a single username and password by entering basic information including contact details, payment preferences and shipping information, the company said. And by creating the login once, when they are ready to check out items, they can complete their transactions with their login transaction with their login information to avoid multiple forms. Moreover, Google is providing shoppers with the ability to track their purchase history, orders and shipping details.

Google also notes that shoppers can enhance their security when making purchases by being able to conceal the buyer's credit-card number and reimbursements for unauthorized purchases as well as the ability to choose whether or not to keep e-mail addresses confidential or turn off unwanted e-mail from the stores where they ship, it said.

And on the merchant side, Google is promising that it helps streamline the checkout process while attracting new customers and increase sales via its AdWords advertising program. In addition, Google said that the AdWords advertisers could also process all or a portion of their sales for free, explained that for every \$1 merchants spend on AdWords, they can process \$10 in sales through Google Checkout at no charge.

Merchants are also given the opportunity to integrate the checkout service into their current commerce platforms -- GSI Commerce, MonsterCommerce, and ChannelAdvisor already doing so -- through options including "cut-and-paste buy buttons, as well as an advanced API that integrates with existing merchant shopping carts and order management systems," the company said.

Currently, the service is open to all U.S. merchants, as Google continues to work to expand the service internationally.

The launch of Google Checkout marks yet another product among the wave of products Google released this year alone, and that's not including the presence it's making in terms of expanding its company, joint ventures, vocal in Congress and internationally, as well as in other markets -- stepping on the toes of some industry leaders in the process beyond the search-engine arena that it dominates.

Yesterday, it announced that mobile-phone users can get free access to Google e-mail, news alerts and headlines, and a personalized Google homepage for mobile devices and PDAs. It also announced Friday it had sold its stake in Baidu.com, a Chinese search engine, in a move to concentrate on its own search engine in the country, Google.cn, also known as "Guge." And earlier last week it said that it was currently testing a new type of online ad that would protect advertising partners from paying additional funds due to click fraud as well as testing a free ad-supported video model on Google Video for a limited time.

Over the last several months Google's services continue to grow including releases of government and financial search engines, a free Web-based spreadsheet application for easy collaboration, and integrated IM service in its e-mail browser. Also introduced was Google Video, Google page creator, Google Notebook, Google Mars, Google Trends, Google Web Toolkit, and Measure Map, which provides statistics for blog writers, among other things.

And so far, this year also meant working with Vodafone to develop a mobile-search service, paying \$1 billion for a 5-percent stake in AOL as their partnership includes looking at the market for graphical online ads, releasing the joint venture Joga.com for soccer enthusiasts with Nike Football, and entering into multi-year distribution deals with Adobe and Dell Computers, to name just a few.

The company in March 2006 also joined the Standard & Poor's 500 index, which determines the 500 leading companies in leading industries of the U.S. economy.

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