

Amazon hopes to simplify Web shopping -- with words

October 29 2009, By RACHEL METZ , AP Technology Writer

(AP) -- You're probably used to typing your name, address and credit card number when you buy things online. Amazon.com is guessing you don't enjoy it, though, and wants to simplify the process by letting you purchase items with a short phrase such as "Shopping Fanatic" and an identification number.

The [online retailer](#) planned to unveil the system, known as Amazon PayPhrase, on Thursday.

Here's how it works. If you store a credit card number and shipping address with Amazon, you can elect to have that information represented by a short phrase and ID number. Then you can enter that phrase and PIN instead of giving a credit card and address to buy things on Amazon and other Web sites that accept this PayPhrase system.

Amazon says that approach is simpler than entering card numbers - and more flexible, because consumers can set up multiple phrases and ID numbers tied to the same credit card. That could enable parents, for example, to give their children passphrases that have monthly allowances.

The transactions are processed by Amazon, which earns a commission each time someone uses PayPhrase on a third-party Web site.

Amazon already has a service called Checkout by Amazon, which let you buy items on non-Amazon Web sites using the information stored in

your Amazon.com account. It also offers a "1-Click" ordering option on Amazon and other sites. The "1-Click" service isn't as flexible as PayPhrase, though, and Checkout by Amazon requires more steps.

PayPhrase will be available at all Web sites that use Checkout by Amazon, such as electronics retailer J&R Electronics and outdoor gear and clothing company Patagonia. Amazon would not say how many sites already use the service.

Matthew Williams, Amazon's general manager of consumer payments, says making it easier to buy things online might lead fewer people to abandon their virtual shopping carts. More than half of the times that consumers put something in an online cart, they don't end up buying the goods, according to a July report from Forrester Research.

Russ Jones, a payment consultant at Glenbrook Partners, a consulting firm, thinks PayPhrase may help Seattle-based Amazon get more merchants using its payment services. That doesn't necessarily mean, however, that these merchants will stop using competing offerings such as eBay Inc.'s PayPal or Google Inc.'s Checkout service.

"When you look around at leading e-retailers in the U.S., many of them are accepting four, five, six, even seven forms of payment," Jones said. "It's not uncommon that they'll embrace anything that drives incremental purchases."

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