

# Amazon to offer movie streaming service: report

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US online retail giant Amazon plans to offer a movie streaming service that would compete directly with Netflix, Britain's Financial Times has reported. The Seattle, Washington-based Amazon is planning to bundle access to the movie service with Amazon Prime, which costs \$79 a year and gives Amazon customers unlimited free shipping of books and other items, the FT said.

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The Seattle, Washington-based Amazon is planning to bundle access to the movie service with Amazon Prime, which costs \$79 a year and gives Amazon customers unlimited free shipping of books and other items, the FT said.

The FT's report came after technology blog Engadget briefly published a screenshot of a promotion for the upcoming service.

"Your Amazon Prime membership now includes unlimited, commercial-free, instant streaming of 5,000 movies and TV shows at no additional cost," it said.

Amazon already offers online movies for rent or purchase as part of its [video on demand](#) service but not digital subscriptions offering unlimited streaming like [Netflix](#) for a flat monthly fee.

"Amazon is switching focus away from the rental business in favour of the [subscription model](#) which connects far better with its core, online retailing profit centre," Arash Amel, research director at media consultancy IHS Screen Digest told the FT.

"This is about keeping consumers in the Amazon environment while providing extra value -- providing subscription video is a far better way to do that than by selling digital downloads (of movies)," Amel said.

The report of Amazon's plans to offer an unlimited [streaming service](#) comes after the company completed its acquisition of British-based movie and games rental service Lovefilm.

LoveFilm, which has been compared to Netflix, has become one of Europe's top movie subscription services over the past seven years.

The LoveFilm site boasts 1.4 million members across Europe and, like Netflix, offers DVD rental by post and online movie streaming direct to computers, Internet-enabled televisions and other devices.

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