

Patent talk: A system to guide price-touring shopper back to base

June 20 2017, by Nancy Owano

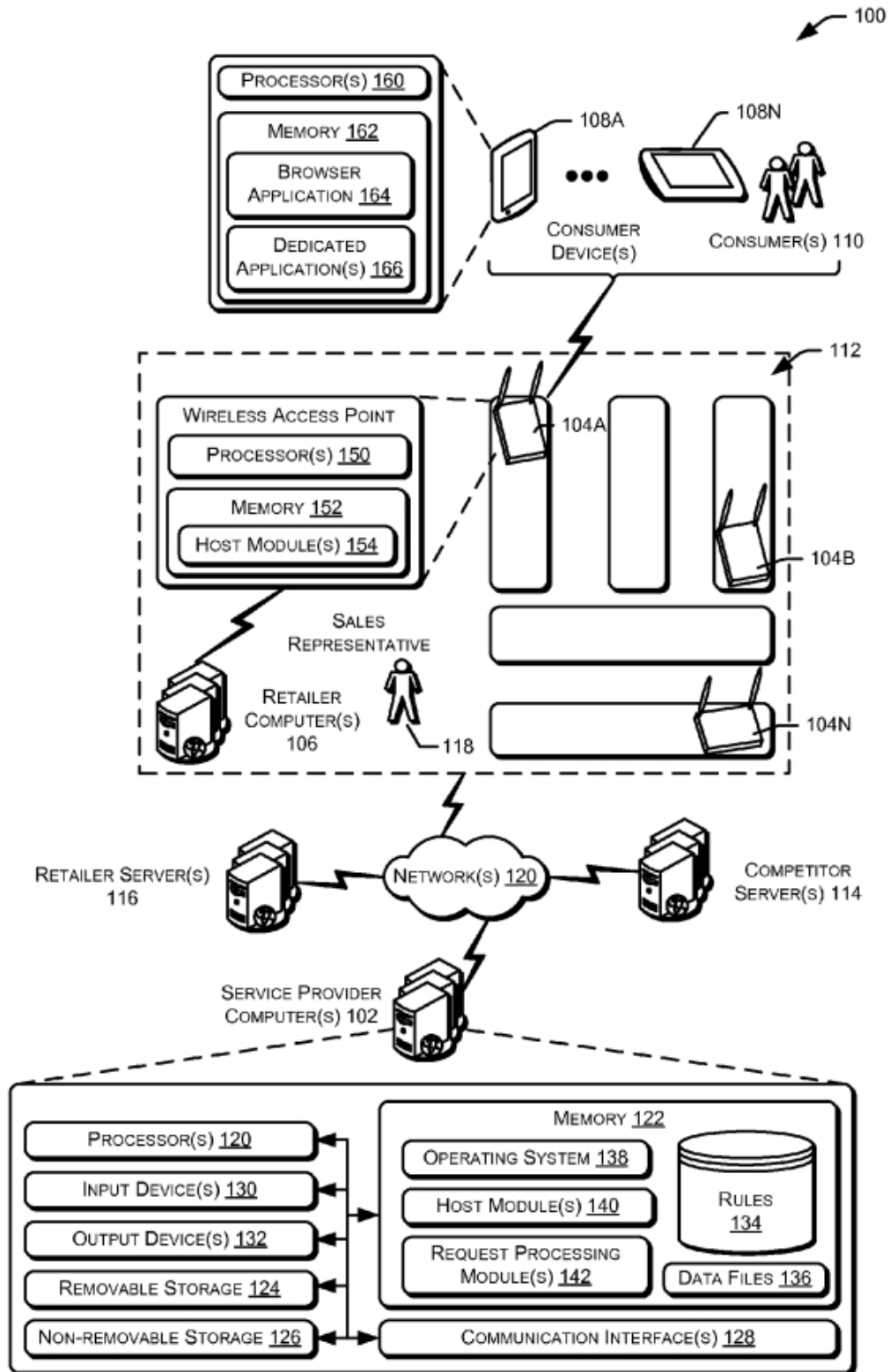


FIG. 1

Credit: US Patent "Physical Store Online Shopping Control"

(Tech Xplore)—As if Amazon did not garner enough of the recent headlines with its \$13.7 bill move to rope in Whole Foods, there is now a patent headline to digest. With the patent news, the drums are getting louder to signal the rise (and continued rise, and continued rise) of Amazon in the retail space.

The [patent](#) dated May 30 was first filed in 2012.

The patent suggests the scenario where, if you visit an Amazon shop to buy something, but then start looking online for cheaper prices online while you are still in the store, it cannot be on Amazon's watch—or rather instore WiFi system. Uh-uh. The technology would intercept you and interest you in a coupon or some other distraction

In short, price-comparing shoppers would not get far while in the store.

Amazon's patent describes a system that can identify a customer's Internet traffic and sense when the smartphone user is trying to access a competitor's website.

David Morris in *Fortune* wrote, "The patent, which has been written about in Bezos' own *Washington Post*, details a method for blocking, redirecting, or otherwise controlling customers' attempts to comparison shop on their smartphones when using a store's Wi-Fi network."

The patent is titled "Physical Store Online Shopping Control."

Brian Fung, *The Washington Post*, wrote, "Amazon was awarded a patent

May 30 that could help it choke off a common issue faced by many physical stores: Customers' use of smartphones to compare prices even as they [walk](#) around a shop."

Observers writing about the patent did not fail to see an irony in that traditional retailers have suffered from savvy consumers learning they could get better deals online. And here was Amazon with a patent discussion that was finding a way for shoppers to be detoured from looking at prices elsewhere while on the store premises.

How it would work:

"The [system](#) would identify when a customer is trying to access a competitor's website and take action," said *Fortune*.

Simply put, it is a mechanism, said *The Verge*, "where a retailer can intercept network requests like URLs and search terms that happen on its in-store Wi-Fi, then act upon them in various [ways](#)."

Amazon may, for example, redirect the customer to Amazon's own site or to other, Amazon-approved sites. It might send the customer's smartphone a text message, coupon or other information.

With the shoe on the other foot, from a store retailer perspective, using the premises you pay for with the support staff you pay for to enable people to look for prices elsewhere stings.

Amazon discussed a rationale for doing so in the patent's Background section. It said, "with the widespread proliferation of electronic commerce, a consumer is also able to purchase many of the same items from retailers that maintain an online presence. Accordingly, a negative scenario may exist for a [physical store](#) retailer when a consumer evaluates items at the physical store, leverages physical store sales

representatives, and then reviews pricing information online in order to purchase the same item from an online retailer. The physical store retailer pays for floor space, sales representative time, product inventory management, and other costs while not being able to complete a sales transaction."

All in all, it would be difficult to argue that Amazon is placing horrid restraints on the customer; the patent idea is about the shopper using the in-[store](#) Wi-Fi network. It could not stop a shopper from using his or her provider network on their own phones to comparison-shop among other retailers.

Also, as several sites pointed out, the fact that Amazon has the patent, originally filed in 2012, doesn't mean it will use it.

The intent, furthermore, may have been a defensive one.

Shona Ghosh, *Business Insider*, explained. "It's instead more likely that the patent is a defensive move against retailers. Now, retailers can't take [measures](#) to stop you from logging into their WiFi and looking for their products more cheaply online on Amazon."

More information: Physical Store Online Shopping Control, ([PDF](#))

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