

Is Google Gearing Up for Google Store

Contributed by Nathan Dickman
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The announcement by the Wall street Journal that Google is about to introduce an online payment system to help facilitate e-commerce is good news. Google wallet will put them in a position to integrate all their services into a global one: the "Google Store".

Google has been experimenting with a payment system since March of this year when it began testing a third-party system to send payments to webmasters running AdSense advertising. Google wallet will put them in a position to integrate all their services into a global one: the "Google Store".

Google Store: a necessity?

Google draws 95% of current revenue from paid advertising - it has become a necessity to increase the number of sites displaying AdSense and the number of advertisers promoting their products or services through Adwords.

Diversifying services that can be easily monetized is also important for investors. Google Store would be the perfect platform to launch their new acquisition: URCHIN (web traffic log analysis program).

Google is struggling with Froogle, and seriously needs a platform to promote this service, and increase its popularity.

Compete with Yahoo Shopping?

Yahoo Store continues to dominate its market. It's one of the more profitable pieces of Yahoo, and the stores built with it are the foundation of Yahoo Shopping.

While learning the ins and outs of the Yahoo merchant system involves a steep learning curve and can be a time consuming task for newcomers - like setting up a merchant account to accept credit cards, populating the inventory database, setting up shipping options and tax calculators - it has proven itself to be a reliable hosting solution.

Google will have to sort this out first if they want to become a serious threat to Yahoo shopping. But Google has got a tracked record of "going global" at a blistering pace! And the offer could be very attractive:

- 1) Free hosting: Rumours have started to spread that Google is currently looking into providing free hosting services
- 2) Free analytics tools (URCHIN)
- 3) Easy to set up micropayment system (Google Wallet)
- 4) Free email account (GMAIL)
- 5) Free Adwords account
- 6) AdSense account automatically set up
- 7) FREE promotion service through FROOGLE
- 8) Free search facilities

If Google manages to make e-commerce stores as easy to set up as a blog (BLOGGER), they may become a very big e-commerce player.

About the Author:

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