Buy with Prime pushes Amazon further into checkout solutions for sellers

Article



The news: Amazon has launched Buy with Prime, which aims to improve its suite of checkout offerings for sellers, according to Bloomberg.





How it works: Buy with Prime lets merchants sell through Amazon on their own websites.

- Historically, Amazon's marketplace sellers would often link to Amazon on their own sites. The
 new feature enables them to place Amazon-based payments and fulfillment offerings on their
 proprietary pages—simplifying processes in ways that could meaningfully increase
 conversion.
- The service will be available by invitation only for an undisclosed fee, per PYMNTS.

What it means: Buy with Prime ramps up Amazon's <u>push</u> into the payments space.

- The firm has been innovating in the point-of-sale (POS) space. **Amazon One**, which lets customers pay for services or authenticate identity with their palms, is now operating within more than 70 locations, including **Whole Foods** and third-party businesses. And it's reportedly exploring an initiative called **Project Santos**, which aims to launch a POS system designed for small businesses.
- Amazon has also bolstered the payment options available on its website by adding Venmo and buy now, pay later (BNPL) provider Affirm. Opening its walled garden to more third-party partnerships could help Amazon increase sales.

This move advances its push into payments by bringing it one step closer to launching a full-suite online checkout solution for small sellers—which we highlighted earlier as a key innovation for this demographic.

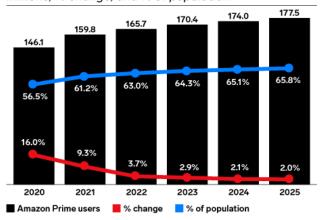
The bigger picture: Buy with Prime boosts Amazon's competitiveness while resolving some core pain points that could have inhibited its growth.

The firm has been working toward going head-to-head with **Shopify**, which has <u>ramped</u> up its own payments push and threatens to pull small sellers from Amazon: It will see an <u>estimated</u> **\$98.77 billion in retail ecommerce GMV this year**. Buy with Prime can help merchants' customize their own product-purchasing experience without hindering sellers' access to its 165.7 million US Prime users or its own access to seller data.

Sellers may have hesitated to work with Amazon out of unwillingness to share real estate on their checkout pages with a major rival. Though Buy with Prime will still give Amazon access to their data—and perhaps even more of it—the increased control it gives sellers might encourage more of them to take the plunge—in turn broadening Amazon's ambit.

US Amazon Prime Users, 2020-2025

millions, % change, and % of population



Note: individuals ages 18+ who have an Amazon Prime account and sign in at least once during the calendar year Source: eMarketer, Feb 2022 274237

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