More Data for Online Shoppers, and Plenty of Pictures, Too

By BOB TEDESCHI

WHILE the online advertising boom has sent ripples of so-called Web 2.0 innovations through the Internet's media sites, most commerce sites are still stuck on Web 1.0.

Some expected that situation to change quickly last year, after three companies paid a total of more than $1.7 billion to buy the comparison shopping sites Shopping.com, Shopzilla and Pricegrabber. Since then, though, relatively few entrepreneurs have followed that money into the e-commerce realm.

That may be starting to change, with the recent introduction of two shopping services, Mpire.com and Slide.com, that present new variations on the traditional method of finding items online. While these services are still too new to have gained much of a following, analysts said they at least showed that innovation in this category was far from dead.

Of the two new services, Mpire shows perhaps more immediate promise, analysts said. The site, introduced in late June, allows shoppers to view the most recent selling prices of millions of items, based on data from eBay, then compare prices and other attributes on items selling on a handful of major sites, like Overstock, eBay, Craigslist and, starting today, Amazon.com.

For instance, someone searching for an iPod Nano with two gigabytes of memory would have seen last week that people paid $153, on average, for the item last month on eBay, and an average shipping price of $16.55. Mpire also displayed a graph of the average prices paid in each of the previous 30 days.

By contrast, the established comparison shopping sites showed a range of prices from $120 to $270 from various merchants.

"I wanted to create the Kelly's Blue Book for everything," said Matthew Hulett, Mpire's chief executive. "I want to show consumers what prices they should actually be paying."

That idea follows on the success of Zillow.com, where Mr. Hulett once worked. Zillow.com attracted considerable attention earlier this year when it began listing projected selling prices for homes and condominiums. Unlike Zillow, though, Mpire is earning money from merchants, who pay the site 10 to 20 cents every time someone clicks on their link.

Mr. Hulett would not say how many visitors or sales the site had generated since its introduction, but according to Allen Weiner, an analyst for Gartner, a technology consultancy, Mpire's price data sets it apart from other sites in the market.

"Mpire is certainly one of the most interesting companies in the Web 2.0 shopping space, which has been surprisingly sparse," Mr. Weiner said. "There's been a lot done to help people share information about goods, but what most of the new sites lack is that kind of Web 1.0 element of using technology to scour the marketplace."

Mpire will also add more social networking components to the site, Mr. Weiner noted, by offering users the ability to send items to friends, add product reviews or link to articles about certain products. "This will all give people more information to help them make decisions," Mr. Weiner said. "It adds another dimension to the comparison shopping experience."

Slide.com, by contrast, seeks to bring the shopping experience directly to the user's computer rather than compelling users to go to a particular Web site. The service, which is led by a PayPal founder, Max Levchin, began as a photo-sharing site, allowing users to present continuous slideshows of photos on their computer screens.

Mr. Levchin said that feature, which has attracted millions of users, was essentially a testing ground for a shopping service in which users sign up to see slideshows of products they are interested in buying.

Users first download a piece of software to their computers, then select from various sites products they are interested in seeing. For instance, users can choose to view women's shoes from Zappos.com or jewelry from Bluenile.com, and those items will show in a continuous loop on part of their desktop, along with product descriptions. When users click an item, a browser window opens to the purchase page on the merchant's site.

Buyers who are interested in the wares of a particular eBay seller may also receive a feed of that seller's items and the time remaining in the auctions, assuming the seller signs up to provide the free service.

"One of the problems Slide is trying to solve is the information glut on the Web," Mr. Levchin said. "There are far too many sites showing you things to buy. This allows you to bring things you want to see to your desktop."

Slide earns a commission, usually 5 percent to 15 percent, for every purchase made through the site. Mr. Levchin said the total number of sales had not been high, because the service emerged from its testing phase only recently, but early results suggested that the service's users might be avid shoppers.

"Well over half" of the people who have used the service have purchased something, said Mr. Levchin, who added that was an inflated rate reflecting few users. "But it means there's a lot of room for it to go down and still be a very successful business," he said. The service pulls products from only a handful of sites now, including BlueNile, Zappos and Ujena.com, a swimwear site, but in the next few weeks Mr. Levchin said Slide would add about 50 retailers, including Gap, Old Navy and CompUSA.

Sites that distribute merchandise on Slide, Mpire and others say the new services are an important avenue of growth. Greg Isaacs, director of the eBay developers program,

which helps syndicate eBay listings across other sites, said he had seen an acceleration in sites looking to help distribute eBay's listings since last year, when eBay started paying more generously for leads.

In the past, Mr. Isaacs said, eBay paid for each new user an outside service helped bring to the company, but now it pays 40 percent to 65 percent of the revenue eBay makes on each sale an affiliate generates.

EBay, Amazon and others have also opened much of their technology to outside companies like Mpire and Slide, so these new companies can more easily transfer pricing data, photos, product descriptions and other information directly to their sites. That, Mr. Isaacs said, is a shift from several years ago, when Web sites were more secretive about how their technologies worked.

"Now, as long as the user is coming back to the site or somehow we're gaining an economic benefit, there's very little downside," Mr. Isaacs said.