

"THE FOCUS ON STRENGTH, BALANCE AND FLEXIBILITY... GIVES ME A STRONG SENSE OF WELL-BEING."

(I'm talking about my bank.)

BrooklineBank
Member FDIC

Advertise on NYTimes.com

THE MEDIUM

Amazon's Prime Suspect



Kevin Van Aelst

By VIRGINIA HEFFERNAN
Published: August 6, 2010

I'm a member of [Amazon Prime](#), and I can't help congratulating myself. Though I should know better, I persist in believing that Amazon Prime, a program that for an annual fee gets me "free" two-day shipping on purchases from Amazon, is something I've been tapped for — like *Skull and Bones*. Sure, I know that Amazon flogs Amazon Prime on every Web street corner, and if you shop even once at the nation's largest online retailer you practically have to fight *not* to join up, which is to say, to *pay the 79 bucks* that make you a member. But on most days I'm so delighted by the warm welcome the site gives me, the exciting word "free" — it never gets old — and Amazon Prime's many right-this-way-madams that I let myself believe I'm just better and wiser than other Amazon shoppers. With the double-consciousness of the recreational shopper, who knows the clerks are on commission but still craves their solicitousness, I refuse to even entertain the idea I'm being suckered.

So it wasn't easy to suppress despair the other night when someone casually mentioned that there might be something . . . a little . . . chumpy about Amazon Prime. He wasn't even talking about the auto-renewal, though it's true Amazon doesn't exactly grab you by the lapels to warn you that your card has been charged again, or about Amazon's new program to draw students in by waiving the Prime membership fee for the first year. He hinted at something more sinister.

There have apparently been allegations that Amazon has dabbled in differential pricing. To spell it out, though it pains me: Amazon has in the past charged certain customers higher prices than others.

FACEBOOK
TWITTER
RECOMMEND
E-MAIL
SEND TO PHONE
PRINT
REPRINTS
SHARE

CYRUS
NOW PLAYING

Your Money E-Mail



Sign up for a preview of the week in finance, sent every Monday. [See Sample](#)
furd@mit.edu
[Change E-mail Address](#) | [Privacy Policy](#)

GROUPON

Boston's Best
up to **90% OFF**

Advertise on NYTimes.com

MOST POPULAR

E-MAILED BLOGGED SEARCHED VIEWED

1. [But Will It Make You Happy?](#)
2. [Bob Herbert: Putting Our Brains on Hold](#)
3. [36 Hours in Boston](#)
4. [Bucks: How to Find Cheaper College Textbooks](#)
5. [Your Money: Battle Looms Over Huge Costs of Public Pensions](#)
6. [Tony Judt, Chronicler of History, Is Dead at 62](#)
7. [Across Nation, Mosque Projects Meet Opposition](#)
8. [Normandy's Quiet Glamour](#)
9. [Personal Health: Be Sure Exercise Is All You Get at the Gym](#)
10. [A Man With Muffin Secrets, but No Job With Them](#)

[Go to Complete List »](#)



Hamptons hot spots of the season

[ALSO IN STYLE »](#)

[The price of ice cream](#)

I write this with an existential shudder. How and how much you spend is important on the Web, even constitutive of character; any halfway-engaged shopper wants to, to put it crudely, win at it. And I thought I *was* winning. Clearly, I would find preferential pricing dandy if I were being preferred. But at the first suggestion that the house might profit off me, too (in spite of this free Champagne from the casino? No way!), I get scared. We online shoppers take pride in being shrewd; the old model of American shoppers as seekers of status has been supplanted by a model of shoppers who acquire things almost incidentally to consuming information about them. Conducting research into the top-ranked thing for the best price has become the whole shopping game. When a purchase arrives, it can seem like an afterthought, a prize for being such an astute scholar of prices, such a conscientious, close reader of reviews.

I shop at Amazon now for what can fairly be described as “everything.” So it hurts to think that what I believed was a canny move may have marked me as a fish at the Internet poker table.

To help me face down my naïveté, I called Joseph Turow, who teaches at the University of Pennsylvania’s Annenberg School for Communication and who writes frequently about marketing. He cited some historical instances of suspected differential pricing (at Amazon and Victoria’s Secret) but said he didn’t know about Amazon Prime. Still, he said: “The flow of data about us is so surreptitious and so complex that we won’t even know when price discrimination starts. We’ll just get different prices, different news, different entertainment.”

In 2000, Amazon did cop to trying differential pricing. Amazon’s C.E.O., [Jeffrey P. Bezos](#), said the experiment was “a mistake.” Then in 2008, in response to a request from Eszter Hargittai, of the academic blog Crooked Timber, a spokeswoman for Amazon commented on conflicting screen grabs from two Amazon accounts — one showing an item for \$17.13, the other showing the same item from a different vendor for \$14.14.

It seems that the second item, which was sold through Amazon by an independent vendor that did its own warehousing and fulfillment, was not in fact among the site’s many items eligible for Amazon Prime. The lower price, which was indeed seen by some people, required that the buyer pay some \$3 in shipping that would make up the difference. This raised the possibility that sometimes getting an item to qualify for free shipping with Amazon Prime might just mean wrapping the shipping costs into the purchase price. I myself checked 25 prices of eligible items from a Prime account against the prices of the same items from a non-Prime account, and they were identical.

I came away thinking that there was no reason to quit Amazon Prime — yet. But there may be good reason to check my self-satisfaction over it. On the Web, often when we think we’re at our most savvy — conducting research, comparison shopping, deal getting — we’re engaged not in strategic critical thinking but in an infotainment ritual akin to watching commercial TV. At best, trying to beat the Web may make us spend a little more; at worst, it may deepen our involvement with a game that’s rigged against us.

Points of Entry This Week's Recommendations

THE ETHICIST

Joseph Turow, at the University of Pennsylvania’s Annenberg School for Communication, is the ranking wise man on some thorny new-media and marketing topics. Compare online prices on his books “Niche Envy” and “Breaking Up America” at [addall.com](#).

INCONSPICUOUS CONSUMPTION

If you want to shop online but are reticent about giving up your vital stats, small sites like **B&H** let you get in, shop and get out. Incognito. [Bhphotovideo.com](#).

EXPERIMENT: LEARN LESS, PAY RETAIL

The Martha Stewart of the south

nytimes.com

STYLE

ADVERTISEMENTS

Find your dream home with
The New York Times Real Estate



Follow The New York Times on Twitter

Watch today's top videos

See the news in the making. Watch
TimesCast, a daily news video.

Think twice before
traveling this summer. ▶

nytimes.com
Where the conversation begins.



Ads by Google

what's this?

Mass General/North Shore

State-Of-The-Art Center & Expert Doctors. Learn More,

Make An Appt.

www.MassGeneralNorthShore.org

Could all this “research” just lead you to spend more? Try an **online research diet** — buy only what you **need** at the **first** price you find — and see what happens! Use your brain to pursue something more interesting than discount airfares and cool watches.

A version of this article appeared in print on August 8, 2010, on page MM16 of the Sunday Magazine.

Times Reader 2.0: Daily delivery of The Times - straight to your computer. Subscribe for just \$4.62 a week.

E-MAIL
PRINT
REPRINTS

Ads by Google

[what's this?](#)

[Mass General/North Shore](#)

State-Of-The-Art Center & Expert Doctors. Learn More, Make An Appt.

www.MassGeneralNorthShore.org

Past Coverage

- [Amazon's Profit Rises 45%, But Results Miss Forecasts \(July 23, 2010\)](#)
- [UNBOXED; Yes, People Still Read, but Now It's Social \(June 20, 2010\)](#)
- [Apple Is Said to Face Inquiry On Its Online Music Tactics \(May 26, 2010\)](#)
- [LINK BY LINK; In a State's Search for Sales Tax, Amazon Raises Privacy Concerns \(May 3, 2010\)](#)

Related Searches

- | | |
|--|-----------------------------------|
| Amazon.com Inc | Get E-Mail Alerts |
| Computers and the Internet | Get E-Mail Alerts |
| Shopping and Retail | Get E-Mail Alerts |
| E-Commerce | Get E-Mail Alerts |

INSIDE NYTIMES.COM



MUSIC »



Arabian Night: Distant Heat Music Show

OPINION »



Op-Ed: This Bedbug's Life

MAGAZINE »



My Life in Therapy

FASHION & STYLE »



Weddings and Celebrations

OPINION »

Op-Ed: Garden Variety Javelinas

If the federal rules governing the borders were being enforced, Arizona wouldn't have bothered with the immigration law.

N.Y. / REGION »



Driven Mad on the Path to a New York License

[Home](#) | [World](#) | [U.S.](#) | [N.Y. / Region](#) | [Business](#) | [Technology](#) | [Science](#) | [Health](#) | [Sports](#) | [Opinion](#) | [Arts](#) | [Style](#) | [Travel](#) | [Jobs](#) | [Real Estate](#) | [Autos](#) | [Back to Top](#)

Copyright 2010 The New York Times Company | [Privacy](#) | [Terms of Service](#) | [Search](#) | [Corrections](#) | [RSS](#) | [First Look](#) | [Help](#) | [Contact Us](#) | [Work for Us](#) | [Advertise](#) | [Site Map](#)