A consumer is provided with a first asset in return for a promise to earn an agreed number of points over a agreed redemption period. The consumer subsequently earns the points by purchasing one or more second assets. At least one of the second assets is different from the first asset. Each purchase has an associated point value, at least one of the point values being different than at least one other point value. A trading system includes a first set of websites where a consumer can select and obtain a first asset in return for a promise to earn points by making future purchases of one or more second assets. The consumer can fulfill its obligation to earn the stated number of points by purchasing one or more second assets at a second set of websites. Each of the second assets has an associated point value.
Fig. 4

- **Appliances**
  - Carpet Cleaners
  - Dishwashers
  - Disposers
  - Dryers
  - Trash Compactors
  - Vacuum Cleaners
  - Clothes Washers

- **Automobiles**
  - Accessories
  - Audio
  - Compact Vehicles
  - Luxury Vehicles
  - Midsize Vehicles
  - Racing Vehicles
  - Sport Utility Vehicles
  - Trucks and Vans

- **Books**
  - Audio Books
  - Biographies
  - Literature
  - History
  - Home
  - Technical
  - Travel

- **Clothes and Accessories**
  - Baby Clothing
  - Bridal
  - Children
  - Men's Clothing
  - New Age Clothing
  - Sports Clothing
  - Teen Clothing
  - Women's Clothing

- **Baby Gear**
  - Clothing
  - Bathing
  - Car Seats
  - Monitors
  - Nursery
  - Playpens
  - Strollers
  - Videos

- **Computers**
  - Accessories
  - Desktops
  - Drives
  - Laptops
  - Modems
  - Printers
  - Software

---

Proceed
Fig. 8

**Automobiles**

**Honda Civic**

*Midsize Vehicles*

2000 LX Sedan

- Color: Green
- Mileage: 0

<table>
<thead>
<tr>
<th>Dealer Name</th>
<th>Price in U.S. Dollars</th>
<th>Consumption Points</th>
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<tr>
<td>ABC Dealer</td>
<td>$23,250.00</td>
<td>1,500 Points</td>
</tr>
<tr>
<td>Bob's Honda Dealer</td>
<td>$23,500.00</td>
<td>2,000 Points</td>
</tr>
<tr>
<td>Honda USA Dealer</td>
<td>$24,500.00</td>
<td>4,500 Points</td>
</tr>
<tr>
<td>Trustworthy Honda Dealer</td>
<td>$22,000.00</td>
<td>0 Points</td>
</tr>
<tr>
<td>USA Oldest Dealer</td>
<td>$32,500.00</td>
<td>8,500 Points</td>
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ELECTRONIC TRADING SYSTEM AND
METHOD FOR MARKETING PRODUCTS
AND SERVICES

BACKGROUND OF THE INVENTION

[0001] The present invention relates to a process and system for marketing products and services, and in particular to a process and system which allows buyers to obtain assets in exchange for promises to make future purchases of other products and services.

[0002] Traditional purchase transactions require buyers to have sufficient and available funds. Alternatives to cash transactions include a variety of credit in the form of loans and credit lines and have long been recognized as available mechanisms for buyers to obtain assets without an initial investment of money.

[0003] Purchasers relying upon credit to obtain assets may incur charges including interest and late-payment penalties. Interest rates vary depending upon the type of loan and the type of agreement with lenders. Credit cards may charge no interest if monthly bills are paid immediately when due, usually within thirty days of the receipt of the credit card invoice. However, if a credit card invoice is not paid within thirty days, additional charges including interest and late-payment penalties may accrue. Other types of loans may impose charges on the borrower including interest which begins to accrue immediately upon the start of the loan.

[0004] In place of credit and cash purchases, new types of purchase transactions have emerged in the commercial marketplace. Suppliers recognize the value of guaranteed future purchases and offer goods and/or services to buyers in exchange for promises to purchase a minimum number of related goods and/or services in the future. For example, book seller A offers a buyer ten books in exchange for a promise to purchase a minimum number of books within a specified time period. When the buyer purchases the agreed to number of books within the specified time, he fulfills his obligation and the transaction is complete. The buyer obtains the initial ten books at the cost of guaranteeing book seller a minimum number of future purchases. In these types of “book club” transactions, buyers are obligated to fulfill their minimum orders by purchasing from the original seller. In the preceding example, if the buyer purchases a minimum number of books within an agreed to time period from book seller B, his obligation to book seller A would not be discharged. Examples of companies offering goods and services in exchange for promises to purchase goods in the future include BMG Music Service, Columbia House, and the Doubleday Book Club.

[0005] In addition to purchase transactions wherein goods and/or services are obtained in advance and in exchange for promises to purchase a minimum quantity of goods and/or services in the future, marketing programs based upon customer loyalty developed other types of exchange. Frequent-flyer programs and the like, for example, have gained wide popularity in many industries.

[0006] Frequent-flyer programs encourage buyers to purchase travel-related services, often air travel, at an agreed to price. When a buyer purchases air travel, he or she subsequently earns credits toward future air travel, usually measured in miles, which can be redeemed within a specified time period. When the buyer purchases additional air travel from the same airline in the future, the balance of accumulated miles increases.

[0007] These programs further reward customer loyalty by increasing the rate at which frequent-flyer miles are earned as buyers continue to purchase from the same airline. With few exceptions, frequent-flyer miles must be redeemed for air travel or travel-related services, for example car rentals and hotels. Unlike the book club example discussed above, frequent-flyer programs do not offer air travel up front and in advance, and do not obligate the buyer to purchase anything in the future. Examples of companies employing frequent-flyer types of incentive programs include United Airlines, Hilton Hotels, and United Parcel Service. These companies offer related future services in exchange for present purchases.

[0008] Other types of incentive-based point programs encouraging buyers to purchase are growing rapidly. Many companies have implemented programs in which buyers are awarded points whenever purchases are made. Restrictions on the buyer usually include the method of payment such as use of a specific credit card or using a specific purchasing venue such as a global communication network, for example the Internet. A further restriction limits buyers to choose from suppliers that accept earned points in lieu of money or credit payment. Companies accepting specific points in exchange for goods and/or service do not accept unrecognized points awarded by companies involved in different programs.

[0009] In most points programs, a buyer is credited points based upon purchases at agreed to rates, for example, 1 point per one U.S. dollar. Points earned through qualified purchases are assigned to the purchaser after receipt of the merchandise and/or service. The points are available for redemption after a minimum interm period subject to cancellation based upon unavailed credit, product returns or order cancellations. Redeemable points may be used for goods and/or services in the future only after this interim period has expired.

[0010] Unlike the book club and frequent-flyer programs discussed above, incentive-based points programs often allow points to be redeemed for unrelated goods and/or services. For example, a buyer will purchase furniture and earn 150 points which she later redeems for a personal stereo from a different supplier. Examples of companies offering incentive programs featuring points for purchases include MyPoints.com, Yahoo! Shopping.com and AltaVista_Rewards.com. Other companies in addition to dot.com companies offering points for purchases include Radisson_Hotels, American Express, and Marriott_Hotels.

SUMMARY OF THE INVENTION

[0011] According to one aspect of the present invention, a consumer is provided with a first set of assets from a first set of suppliers in return for a promise to make future purchases of one or more second assets. The first set of assets can consist of a single asset or a plurality of assets. Similarly, the first set of suppliers can consist of a single supplier or a plurality of suppliers.

[0012] The second assets can be purchased from one or more of the suppliers of the first set of suppliers. Alternatively, the second assets can be purchased from a second set of suppliers. The second set of suppliers can be totally different than the first set of suppliers, or can include at least some suppliers from the first set of suppliers. At least one of the suppliers of the first set of suppliers can be a financial institution. At least one of the suppliers of the second set of suppliers can be a financial institution.
The first and second assets can include a wide range of assets. Preferably, at least one of the second assets is a different category of asset than the assets of the first set of assets. For example, each asset of the first set of assets could be a product and at least one of the second assets could be a service. Similarly, each asset of the first set of assets could be a product and at least one of the second assets can be a product and at least one other of the second assets can be a service. Alternatively, each asset of the first set of assets could be a service and at least one of the second assets is a service which is different in kind than the first service. Even if the first and second assets are all products or all services, they could be different categories. For example, the first assets could be records and the second assets could be desks. Alternatively, the first assets could be travel services and the second assets could be advertising services. In contrast, different musical recordings would be part of a single category of assets. In the preferred embodiment, the promise to make future purchases of one or more second assets comprises a promise to earn an agreed to number of points, at least some of the points being earned by purchasing one or more second assets.

The assets can include products, services and/or a monetary payment. However, an asset can also be anything of value such as contractual rights or intangible property. The consumer preferably obtains the first asset by selecting the first asset from a plurality of different categories of assets. The point values for at least one of the first assets is preferably different than the point values from at least one other of the first assets. The first assets are preferably offered by at least two different suppliers. The suppliers can be manufacturers, retailers, distributors, trading houses or any other supplier of goods. The suppliers may themselves own title to the goods or may simply act as an intermediary for selling the goods of third parties.

When the consumer selects the first asset, he or she is provided with the asset from the supplier offering that asset and the supplier receives a payment for the asset from a financial institution supporting the underlying transactions in the marketplace. In return, the financial institution receives a portion of each payment made when the customer subsequently purchases one or more second assets.

In the preferred embodiment, the second assets are offered by a plurality of different suppliers, each of whom sets both a price for the purchase of the second asset and a number of consumption points which will be earned as a result of the purchase of the second asset. The financial institution receives a payment equal to the dollar value of the points which the consumer earns when payment is made for the second asset.

In order to encourage the consumer to purchase as many second assets as possible, in as short a time as possible, it is preferred that an interest charge be applied to the outstanding balance of consumption points which must be earned by the consumer. The interest, which preferably increases over time, can also be applied on the average daily balance or any alternative interest calculation method. An interest charge is also preferably imposed to compensate the financial institution of the cost of the funds advanced and to allow for appropriate risk management. To this end, a ledger is maintained to keep track of the balance of consumption points which must be earned by the consumer. Each time an additional second asset is purchased, the ledger balance is reduced. The outstanding ledger balance increases on a periodic basis as a function of the agreed to interest rate(s).

In the preferred embodiment, the consumer has the option of paying off part or all of its consumption point balance by making a cash payment having an agreed to point value.

The present invention is also directed towards a trading system comprising:

- a first set of sites where a consumer can select the first asset he or she wants to obtain in return for a promise to earn at least some of said points by making future purchases of one or more second assets, the number of points which the consumer must earn varying as a function of which of the first assets the consumer selects;
- a second set of sites wherein the consumer can fulfill its obligation to earn the stated number of points by purchasing one or more second assets, each of the second assets having an associated point value.

In the preferred embodiment, a plurality of different suppliers offer one or more of the second assets. Information is preferably provided at the second set of sites indicating the number of points which will be earned by the consumer when he purchases a given second asset. Each supplier preferably determines a purchase price for each second asset it lists along with the number of points which will be earned for the purchase of that second asset.

The first set of sites may be a single site or may be a plurality of sites. Similarly, the second set of sites may be a single site or a plurality of sites. Alternatively, both the first and second sites may be a common site.

The present invention is also directed towards a process for marketing products and/or services, the process comprising:

- providing a consumer with a first set of assets from a first set of suppliers in return for a promise to make future purchases of one or more second assets from a second set of suppliers, the second set of suppliers including at least one supplier which is not included in the first set of suppliers.

The present invention is further directed towards a process for enabling a consumer to obtain assets, the process comprising:

- entering into a contract under which a consumer is provided with an asset in return for a promise by that consumer to earn an agreed to number of points over a redemption period; and
- the consumer earning at least some of the agreed to number of points by purchasing one or more second assets, each purchase having an associated point value.

The trading system is preferably an electronic trading system carried out on a global communication network and the first and second sets of sites are preferably web sites.

One or more electronic terminals are preferably associated with a financial institution via which the financial institution makes payment to the supplier who supplied the selected first asset. The first assets offered at the first set of web sites are preferably a plurality of services and a plurality of products. Each of the first assets is preferably listed with an associated number of points which must be earned by the consumer in return for the first asset selected.

One or more computers preferably keep track of the number of points owed by each consumer. The computer periodically adds interest to the balance of points owed by the consumer.
Other features and advantages of the present invention will become apparent from the following description of the invention which refers to the accompanying drawings.

BRIEF DESCRIPTION OF THE DRAWING(S)

For the purpose of illustrating the invention, there is shown in the drawings a form which is presently preferred, it being understood, however that the invention is not limited to the precise arrangements and instrumentalities shown.

FIG. 1 is a schematic diagram illustrating an electronic trading system in accordance with the preferred embodiment of the present invention.

FIGS. 2a-2d are exemplary web pages which can be used by a consumer to obtain an asset in return for a future obligation to purchase additional products and/or services.

FIG. 3 is a flow diagram showing the manner in which a ledger can be maintained to determine a balance of consumption points which must be earned by the consumer.

FIG. 4 is a web page showing a list of categories of products which may be purchased by the consumer to fulfill its obligation to earn points.

FIG. 5 is a web page showing a plurality of brands of automobiles which may be purchased by a consumer to fulfill its obligation to earn points.

FIG. 6 is a web page showing a list or models of a brand of vehicle which may be purchased by a consumer to fulfill its obligation to earn points.

FIG. 7 is a web page showing sub models of a brand of vehicles which may be purchased by a consumer to fulfill its obligation to earn points.

FIG. 8 is a web page showing a plurality of suppliers who offer the sub-model of vehicle at different price/consumption point levels.

DETAILED DESCRIPTION OF EMBODIMENTS OF THE INVENTION

Referring now to the drawings where like numerals indicate like elements, there is shown in FIG. 1 an electronic marketplace constructed in accordance with the principles of the present invention and designated generally as 10. Electronic marketplace 10 includes a commitment web site 16 and a sales web site 18 which can be accessed by a plurality of consumers 12 (individuals, corporations or other entities) and a plurality of suppliers 14 over a communication network 22, preferably a global communication network such as the Internet. A financial institution 20, in communication with web sites 6 and 18, finances the underlying transactions taking place in the electronic marketplace 10. While the financial institution 20 is shown as being in direct communication with the web sites 16, 18, it can also be connected to the web sites 16, 18 over the communications network 22 if desired.

Two basic types of transactions take place in the electronic marketplace 10. The first is the purchase of goods or services on commitment web site 16 in return for a commitment to make future purchases of goods and services on sales web site 18. The second is the purchase of goods and/or services on sales web site 18 to fulfill this commitment.

The transactions taking place on commitment web site 16 are three-way transactions. Suppliers 14 place products and/or services on the commitment web site 16 which they are willing to sell to consumers 12 in return for a cash payment from the financial institution 20. The consumer 12 purchases the products and/or services by making a promise to the financial institution 20 to purchase other goods or services (which may be the same as or different than those obtained on the commitment web site 16) on the sales web site 18.

Financial institution 20 pays the supplier 14 who supplies the goods and/or services to the consumer 12 an agreed to amount for the sale of its goods or services based upon the size of the commitment made by the consumer 12. This amount is preferably less than the full retail cost for the products in question so that the financial institution effectively gets a discount on the products which are supplied to the consumer 12.

In most cases, the financial institution 20 will pay the supplier 14 directly. However, if the supplier 14 is acting as a distributor or other type of intermediary for third parties, the payment can be made either directly to the third party or a portion of the payment, for example, a portion corresponding to a commission, can be made to the supplier 14 and the remainder made to the third party who actually supplied the goods.

In the preferred embodiment, the consumer 12 agrees to purchase sufficient goods and/or services on sales web site 18 to earn an agreed to number of consumption points. The number of consumption points which the consumer 12 is obligated to earn will be dependent upon the value of the goods or services he or she purchases on the commitment web site 16. A less expensive product or service will require a relatively small commitment (e.g., 100 consumption points) while a relatively expensive product or service will require a relative large commitment (e.g., 1500 consumption points). The financial institution 20 will pay supplier 14 an amount corresponding to the number of consumption points which the consumer 12 has committed to earn in return for the product or service the consumer purchased on the commitment web site 16. For purposes of simplicity, it will be assumed in the following examples that the financial institution 20 and each of the suppliers 14 agree that each consumption point will be worth $1.00. However, any fraction or multiple of one dollar (or other currency) may be used. Using this assumption, if the supplier 14 sells a product or service in return for a commitment by the consumer 12 to purchase sufficient products and/or services on sales web site 18 to earn 500 commitment points, the financial institution will pay supplier $500.

In the preferred embodiment, the financial institution 20 maintains web sites 16 and 18 and will charge suppliers 14 a service fee (e.g., 3%) for all transactions that take place on the web site. Alternatively, the web sites 16 and 18 can be maintained by one or more third parties who may charge a transaction fee in addition to or in lieu of the transaction fee charged by the financial institution 20. Assuming that the financial institution 20 charges the supplier 14 a transaction fee of, e.g., 3% of the purchase price, the financial institution 20 will pay the supplier $291.00 ($300.00 less the transaction fee of $9.00) for the transaction.

A simple example of the types of choices which will be available to the consumer is shown in FIG. 2A. The customer will be presented with one or more categories of products and/or services which he may purchase in return for a commitment to make future purchases of products and/or services on the sales web site 18. In the example shown, a small number of choices are available. However, any number of choices, presented in any format, can be made available to the consumers 12.
Assuming that the consumer wants to purchase hotel services, he or she selects the category "hotel services." This can be done in any desirable manner, such as by navigating the web page and clicking on the desired category. He or she will then be provided with a list of different hotels who are offering their services on the commitment web site 16. This is shown in FIG. 2B as a separate web page. Alternatively, it could be a pull-down menu on the first web page shown in FIG. 2A or other desired presentation. The consumer then selects an appropriate supplier, for example, Hyatt Hotels. Upon doing so, the consumer 12 is presented with various options relating to the type of services he can purchase. In the example shown in FIG. 2C, Hyatt Hotels is offering two types of services. It will sell time at its resort properties for an obligation to earn 300 consumption points for each day that the consumer stays at the resort property. It is also willing to sell time at its non-resort properties in return for an obligation to earn 100 consumption points for each day that the consumer stays at a non-resort property.

Assuming that the consumer selects the resort property option, he or she will be asked how many days he wishes to purchase. In the example shown in FIG. 2D, the consumer is shown a separate screen which allows him or her to enter the number of days desired and to accept his or her entry. Assuming that the consumer selects five days, he or She will be entitled to a five-day stay at a Hyatt resort property and will have obligated his or herself to earn 1,500 consumption points over a specified redemption period (e.g., two years) by making future purchases of products and/or services at the sales web site 18 during the redemption period. The redemption period can be a preset period for all transactions or can be agreed to on a transaction by transaction basis. If the consumer has not earned a sufficient number of consumption points at the end of the redemption period to fulfill his or her commitment, the consumer agrees to pay the balance of the consumption points (at an agreed to conversion rate) to the financial institution 20.

Once the transaction taking place at obligation web site 16 is complete, the financial institution 20 provides a payment to Hyatt Hotels based on the number of points committed to by the consumer. The financial institution 20 will have already entered into a contract with Hyatt Hotels under which it agrees to pay a predetermined dollar value per point to Hyatt Hotel in return for every consumption point a consumer 12 commits to in return for the service provided by Hyatt Hotels. Similar contracts are made with each supplier 14 who sells its products on the commitment web site 16.

Summarizing the foregoing example, the consumer 12 has purchased five days at Hyatt Hotel resort properties in return for a commitment to the financial institution 20 to purchase sufficient products and/or services on sales web site 18 to earn 1,500 consumption points (plus interest). Hyatt has sold five days at its Hyatt Hotel resort properties in return for a cash payment of $1,465.00 ($1,500.00 less the transaction fee of $45.00) from the financial institution 20. The financial institution 20 has received an up-front payment of $45.00 together with a promise from the consumer 12 to make sufficient future purchases on the sales web site 18 to fully repay the financial institution the $1,500.00 it has laid out (with interest).

In order to ensure the success of the electronic marketplace 10, it is desirable that as many purchases be made on the sales web site 18 as possible. This will increase the number of suppliers 14 who sell their products on the sales web site 18 and will make the sales web site 18 more competitive. It is also advantageous to the financial institution 20 to obtain repayment of the money it paid to the supplier ($1,500.00 in the foregoing example) as soon as possible. Since Financial institution 20 wishes to minimize its risk, it would prefer that the consumer 12 make sufficient purchases on sales web site 18 quickly to fulfill its consumption points obligation, and thus remove the risk.

In order to encourage the consumer 12 to make as many purchases on sales web site 18 as possible, in as short a time as possible, the number of consumption points owed by the consumer 12 (the consumption point balance) preferably increases over time. This can be done on any periodic basis in any manner desired. For example, the balance of consumption points may be increased every month at an agreed to interest rate (e.g., 1½ percent). Since the consumer 12 will presumably be earning consumption points by making purchases on the sales web site 18 during the redemption period, the consumption point balance will be reduced over time and the interest rate is applied only to the outstanding balance at the anniversary of each interest period (e.g., once per month).

To further encourage the consumer to purchase more products on sales web site 18, the percentage rate preferably increases over time. For example, during the first six months of the redemption period, the commitment point balance will be increased by 1 percent per month, during the following six month period, it will be increased by 1¼ percent per month, during the following six month period by 1½ percent per month, etc. Whether a constant or variable interest rate is used, the rate can vary from consumer to consumer based on various factors including the consumer's credit rating.

As noted above, the consumer 12 normally pays off his consumption point balance by purchasing goods and/or services on the sales web site 18. In the preferred embodiment, the consumer is also provided with the option for paying a cash amount in lieu of earning consumption points. For example, the consumer 12 can be given the option of purchasing consumption points at $1.00 per consumption point. Thus, the consumer can reduce or pay off his or her obligation to the financial institution 20 at any time during the redemption period.

As noted above, the consumer 12 will normally satisfy its consumption point balance by making purchases of products and/or services on the sales web site 18. To this end, a plurality of suppliers 14 will list their products on the sales web site 18 and will specify a purchase price to be paid and a consumption point value to be earned for each purchase. Each supplier 14 can preferentially set his own price and associated point value for the goods or services in question. The number of points provided will affect the price of the goods and services charged by the supplier 14 since a payment will be made to the financial institution 20 as a function of the number of consumption points awarded. For example, if a product is listed with a price of $1,000.00 and the number of points to be earned by the purchase of that product is 200 points, then the supplier 14 will receive a cash payment equal to the sales price less the dollar value of the points awarded (i.e., $800.00). As in the case of the commitment web site 16, it is expected that the financial institution 20 will maintain sales web site 18 and will charge a transaction fee (e.g., 3%) for all sales that take place on the sales web site. While it is preferred that the financial institution 20 maintain the web site, it is possible that one or more third parties will maintain one or
more sales web sites 18 and that those parties may charge a transaction fee in lieu of or in addition to the transaction fee charged by the financial institution 20.

[0059] Dependent upon his or her current consumption point balance and the current interest rate being applied to that balance, the value of each consumption point to the consumer 12 varies. If a consumer 12 has a large consumption points balance, or if the interest rate being applied to the consumption point balance is high (because it is late in the redemption period), he or she will have an additional incentive to earn consumption points and may be willing to pay more for a product or service to obtain those points. In contrast, if the consumer 12 has a small consumption point balance, or is paying a relatively low interest rate on its consumption point balance, he or she may be more interested in obtaining the best price for a given product. This is an opportunity for suppliers 14 to sell their products and/or services on the sales web site 18 at various price/consumption point levels in competition with one another. It is also an opportunity for consumers 12 to select the particular price/consumption point level which is most attractive to him or her.

[0060] In the preferred embodiment, the consumer 12 visits the sales web site 18 and selects a category of products and/or services he wishes to purchase. By way of example, but not limitation, this can be started by entering a first web page shown in FIG. 4 and listing the categories of products and services being offered.

[0061] The web page shows an asset choice display screen 22 which contains a series of product categories 24 and series of asset types 26 for each product category 24. Exemplars of categories 24 include appliances, automobiles, books, clothes and accessories and computers. Any number of and any desired categories of assets (whether products or services) can be included. The user navigates asset choice display screen 22 to locate and select a specific category of asset that he or she wishes to purchase and then selects asset type 26 he or she is interested in within the selected category 24.

[0062] For example, a buyer can select automobiles from category 24, and navigate asset type 26 to select mid-size vehicles. The consumer 12 is then presented with a manufacturers display screen 28 such as that shown in FIG. 5.

[0063] FIG. 5 includes a list of automobile manufacturers 29 which enables the consumer 12 to narrow his or her choices. He or she selects the desired choice, e.g., Honda®, in any appropriate manner, such as by clicking on the portion of the screen corresponding to the Honda selection and is then presented with the next user display screen shown in FIG. 6.

[0064] FIG. 6 shows an example of asset models display screen 30 which shows a list 32 of the types of mid-sized vehicles sold by Honda. The desired model, category, for example, Accord®, Civic®, or Prelude®, can be selected by the consumer 12. Assuming the consumer 12 selects Honda Civic®, he or she is presented with a display screen 34 shown in FIG. 7. Display screen 34 contains a list 36 of the sub-models of the Honda Civic® and the consumer 12 selects the sub-model of interest.

[0065] FIG. 8 shows an example of vendor display screen 36 showing a plurality of suppliers 14 who are offering a Honda Civic 2000 LX Sedan. In this example, five dealers are offering a green Honda Civic LX Sedan for sale. Each supplier offers a green Honda Civic LX Sedan at a different price/consumption point combination. Depending upon the consumer’s outstanding consumption point balance, certain deals may be more or less attractive to them. Assuming that each consumption point is effectively worth one dollar ($1.00), the deal presented by Honda USA Dealer is arguably the best deal. The net cost of the car to the consumer will be $20,000.00 (i.e., $24,500.00 less the value of 4,500 consumption points at $1.00 per point). However, this will only be true if the consumer 12 has an obligation to earn at least 4,500 consumption points. Additionally, if he or she is paying a large interest rate on his or her consumption point balance, this deal will become more attractive. In contrast, a consumer 12 with no obligation point balance would probably consider the Trustworthy Honda Dealer price of $22,000.00 to be most attractive. A wide variation in prices and consumption points provides the consumer 12 with a rich variety of options. The particular option which will be most attractive to a given consumer will be dependent upon his or her personal circumstances.

[0066] When a consumer 12 locates an offer at a price/consumption point level that is satisfactory to him or her, he or she selects the offer in any convenient manner, for example, by using a mouse or other pointing device, thereby entering into a transaction with the selected supplier 14, for example ABC Dealer. Various forms of payment and/or financing can be provided to enable the consumer 12 to purchase the vehicle. Whatever particular type of financing is agreed to, a direct payment of the full purchase price is preferably made to the financial institution 20 who will then retain a dollar amount equal to the number of consumption points earned ($1,500.00 if the ABC Dealer’s offer is accepted) and also withholds a transaction fee (e.g., 3% of the purchase price or $697.50) agreed to in advance between the financial institution 20 and the supplier 14. The financial institution 20 then pays the net amount of $21,052.50 ($23,250.00 minus $1,500.00 minus $697.50) to the ADC Dealer. While it is preferred that the payment be made to financial institution 20, it is within the scope of the invention to make the payment directly to the supplier 14 who then pays the appropriate fees to the financial institution 20 or alternatively, to make the payment to a trusted third party who divides the payment between the supplier 14 and the financial institution 20.

[0067] While earned consumption points are normally used to pay off an outstanding balance of consumption points, it is possible to permit the consumer 12 to have a negative consumption point balance (i.e., to have earned more consumption points than he or she owed). In such case, these consumption points can be used to obtain products and/or services for free as with many existing incentive-based point systems presently in the market, for example, MyPoints.com.

[0068] The financial institution 20 (or an entity working with or on behalf of the financial institution 20), must maintain a ledger of accounts determining the various consumption point obligations accrued by the consumer’s 12 as their fulfillment of those obligations. A simple, non limiting, example of how this accounting can be carried out is shown in FIG. 3.

[0069] Starting at block 40, the consumer selects a product and/or service at the commitment web site 16. Upon selection of the particular product or service, a consumer account is opened for the customer 12 in a ledger as shown in the block diagram 42. As described below, a formal registration process will preferably take place in which the consumer provides various information to the financial institution who will then determine whether and under what conditions the consumer will be able to participate in the electronic marketplace 10.
The consumer account preferably includes information concerning the consumer, for example his or her name, address, social security number and, if available, credit rating. The credit rating could be determined, for example as a function of the consumer’s prior credit history. It can also be determined by analyzing the consumers future ability and willingness to fulfill their obligations or future ability and need to purchase second assets. Alternatively, the consumer’s credit history itself can be stored. With the consumer’s permission, a credit card and/or bank account number of the consumer, against which the financial institution can charge a payment in the event of the consumer’s failure to meet its obligations to the financial institution, can be stored.

The ledger includes a ledger balance for the consumer indicating the current consumption point balance which must be satisfied by the consumer. As shown in step 44, the ledger balance is initially set to be equal to the point value of the product or service purchased at the commitment web site. For example, if the consumer has obtained a product for 1,500 consumption points, the ledger balance is set at 1,500.

In step 46, a redemption period clock, corresponding to the redemption period, is initiated. For example, if the redemption period is two years, the redemption clock will initially be set at two years and will count down on a daily basis until it expires.

At step 48, a determination is made as to whether a product or service has been purchased at the sales web site. If it has, the number of consumption points earned as a result of the purchase are subtracted from the ledger balance.

When no product or service has been purchased, or if a product or service has been purchased and the consumption points have been subtracted from the ledger balance, the system determines whether a cash payment has been received from the consumer as partial or total payment of the consumption point balance.

If no cash payment has been received, or if one has been received and the corresponding consumption points have been subtracted from the ledger balance, the system proceeds to step 56 where it determines whether the interests accrual period has expired. The interest accrual period can be any desired period, typically monthly or quarterly. If it has expired, interest is added to the ledger balance.

The interest added to the ledger balance can be constant or variable. If constant, a preset percentage, e.g., 1% per month, is added to the ledger balance at the end of each accrual period. In order to further encourage the purchase of products on sales web site, it is preferred that the interest rate increase over time. For example, a 1% interest rate can be applied for each month during the first 6 months of the payback period, 1¼% can be added during each month of the second 6 months, 1½% during the third 6 months, etc.

If the interest accrual period has not expired or, alternatively, if it has and interest has been added to the ledger balance, the system determines whether the redemption period has expired. If it has, the customer has failed to meet its obligation within the redemption period and he or she must now make a monetary payment to the financial institution equal to the monetary value of the ledger balance. In the preferred embodiment, a penalty will also be charged to the consumer. Payment of the outstanding balance (plus penalty) can be made in any suitable manner. It can be made by having the consumer make a direct payment to the financial institution (e.g., by making a check payment, making a cash payment, making a bank transfer or by authorizing a credit or debit card charge to an appropriate account) or by automatically debiting a bank account or credit card account previously identified by the consumer at the time he or she purchased the product or service at commitment web site (or registered at the commitment web site). In the latter case, the consumer would have previously agreed to permit the financial institution to debit such bank account or credit card in the event the consumer failed to reduce his or her ledger balance to zero by the end of the redemption period.

If the redemption period has not expired, the system determines if the ledger balance is zero. If it is, it returns to the account of the customer. If not, the system returns to step 48 and once again determines if any product or service has been purchased.

In the foregoing embodiment, a separate ledger account is opened for each product or service purchased by the consumer at the commitment web site. Alternatively, a single ledger account can be maintained for each consumer and the single account can keep track of all of the purchases made by the consumer at both the commitment web site and the sales web site (as well as any monetary payments made by the consumer). In this case, an appropriate modification for dealing with varying redemption periods must be made.

In the preferred embodiment, the ledger account is closed once the consumer has reduced its ledger balance to zero. If desired, the ledger balance may be kept open and future purchases on commitment web site will be applied to that ledger account. Additionally, it is possible for the ledger account to keep track consumption points earned at the sales web site which are over and above those required to bring the ledger balance to zero. These additional consumption points (a negative balance) can be used by the consumer to obtain free products and services much like conventional incentive-based systems.

In the preferred embodiment, the web sites are shown as being two separate web sites. However, they can be combined into a single web site. Alternatively, each of the web sites may themselves be formed from a plurality of web sites.

In the preferred embodiment, the consumers suppliers are all connected together electronically. However, any other forms of communication between the various entities in the marketplace can be used. For example, consumers can be provided with catalogs corresponding to the products and services sold on commitment web site and sales web site and can send in his or her orders by mail, by phone, etc. Similarly, live retail locations can be used in lieu of, or in addition to, the commitment web site and/or the sales web site.

As indicated above, a registration process is preferably carried out when a consumer first requests access to the electronic marketplace. This could be carried out, for example, in step 42 of FIG. 3 when the account for the customer is opened in the ledger. Various credit screening can be done at this point and the financial institution can accept or reject the customer before it enables the customer to obtain any products on commitment web site. Additionally, the
financial institution can vary the interest rate and/or require various transactional fees as a function of the credit worthiness of the consumer.

[0084] In the embodiments described above, the assets obtained by the consumers 12 at the commitment web site 16 are products or services. If desired, the consumer 12 can also be provided with the option obtain an up-front cash payment (the first asset) in return for its commitment to purchase products and/or services on sales web site 18.

[0085] In the foregoing embodiments, a single financial institution 20 is shown. However, a plurality of financial institutions can cooperate to finance the transactions taking place in the electronic trading system 10.

[0086] As noted above, it is preferred that an incentive be provided to the consumer to earn consumption points as soon as possible. One possible incentive is the accrual of interest on the outstanding consumption point balances described above. However, any desirable incentive can be provided. For example, a discount can be provided, for example, the consumer’s obligation can be fulfilled if it earns 95% of the required consumption points within a six month period. Additionally, bonus points can be provided for early satisfaction of the consumption point obligation.

[0087] The present invention advantageously provides a comprehensive network-based facility offering a variety of participants in the product chain to engage in transactions with each other using, e.g., a simple web browser interface. A plurality of users can simultaneously log into the marketplace 10 to buy and sell assets. By web-enabling electronic marketplace 10, all users are afforded twenty-four hour per day availability. Consumers and suppliers can study the market at their convenience and receive relatively easy to find, comprehensive asset information.

[0088] The present invention advantageously functions to offer goods and services in advance from a plurality of companies which can be obtained by promising to purchase goods and/or services in the future from related and/or unrelated suppliers. The present invention advantageously encourages many parties to participate for the following reasons. Consumers have incentive to use electronic marketplace 10 for several reasons. Initially to receive an asset up front without any cash payment. Additionally, the price of goods and services at the sales web site will likely be highly competitive due to large scale volume movement of goods and services at that site. Consumers will also be seeking to satisfy their consumption point obligations. Suppliers will want to use electronic marketplace 10 because of a significant demand for their goods and services. Financial institutions will have incentive to participate in marketplace 10 because of potential returns on their investments. By web enabling the marketplace, the system will operate twenty-four hours a day and reach a larger audience than a marketplace bound by specific hours of operation.

[0089] As used herein, the term “set” refers to a set of one or more elements. For example, a first set of suppliers includes one or multiple suppliers. A first set of assets includes one or more assets.

[0090] The first set of assets may be provided to the consumer by one or more first suppliers. The first suppliers can have title to the assets that they provide and/or can merely act as an intermediary (e.g., an agent) in connection with the supply of those assets to the consumer. That is title to the first assets can be with one or more third party suppliers and the first suppliers can merely act as an intermediary for those suppliers. In the later case, the financial institution (or other third party financing the underlying transactions) can pay the first suppliers for the first assets transferred or can pay the third party suppliers directly, depending on the preferences of the parties to the agreement.

[0091] In a similar manner, the second suppliers can sell second assets that they have title to and/or can sell second assets owned by third party suppliers. In the later case, the second suppliers act as an intermediary (e.g., an agent) for the third party suppliers. The consumer can make payments to either the second suppliers or directly to the third party suppliers, depending upon the preferences of the parties to the agreement. In either event, the financial institution (or other third party financing the underlying transactions) will receive a portion of each such payment.

[0092] Although the present invention has been described in relation to particular embodiments thereof, many other variations and modifications and other uses will become apparent to those skilled in the art. It is preferred, therefore, that the present invention be limited not by the specific disclosure herein, but only by the appended claims.

1-116. (canceled)

117. A computer-implemented process for providing products and/or services to consumers, said process comprising: storing information into an electronic database via one or more communication interfaces to assist in providing products and/or services, said information corresponding to:

i. one or more first assets from a one or more first suppliers provided to a first consumer selecting said one or more first assets;

ii. an obligation of said first consumer, in return for receiving said one or more first assets prior to fulfillment of the obligation, comprising a promise to make at least one future purchase of one or more second assets;

creating records in said electronic database for a plurality of consumers regarding selected first assets and related promises to make future purchases of second assets, the electronic database being accessible over an electronic network;

determining, using a processor, whether said first consumer has satisfied the obligation; and

updating said records in said electronic database based on whether the obligation has been fulfilled.

118. The process according to claim 117, wherein the first consumer’s promise to make future purchases is associated with a fulfillment date.

119. The process according to claim 117, wherein said promise is for a purchase regarding second assets that are in a different category of assets than said assets of said first assets.

120. The process according to claim 117, wherein said one or more first assets consists of a single asset.

121. The process according to claim 117, wherein said selected one or more first assets is supplied by a single supplier.

122. The process according to claim 117, wherein said selected one or more first assets and the one or more second assets are supplied by a single supplier.

123. The process according to claim 117, wherein the selected one or more first assets are delivered from a web site.

124. The process according to claim 117, wherein the selected one or more first assets and the one or more second assets are delivered from a web site.
125. The process of claim 117, wherein the products and/or services are made available to consumers from a web site.

126. The process of claim 117, wherein the selected one or more first assets are provided for free.

127. The process of claim 117, wherein the selected one or more first assets are provided at a discount.

128. The process of claim 117, wherein first assets of said first suppliers are delivered through an intermediary that charges said first suppliers a fee.

129. The process of claim 117, wherein first assets of said first suppliers are delivered through an intermediary that charges said first suppliers a fee corresponding to each selected first asset delivered to a consumer.

130. The process of claim 117, wherein said selected first one or more assets are in the same category as said second one or more assets and said selected first one or more assets are a different asset type as said second one or more assets.

131. The process of claim 117, wherein said selected first one or more assets and said second one or more assets are in the computer category.

132. The process of claim 117, wherein said selected first one or more assets is in the computer category and said second one or more assets is a different type of asset in the computer category that increases the functionality or capability of said selected first one or more assets.

133. The process of claim 117, wherein said second one or more assets enables the selected first one or more assets to operate or function.

134. The process of claim 117, wherein said selected first one or more assets is a computer and the second one or more assets is software.

135. The process of claim 117, wherein said selected first one or more assets is a computer and the second one or more assets is a computer accessory.

136. The process of claim 117, wherein said selected first one or more assets is a computer device and the second one or more assets is a communication device enabling the computer device to transmit information.

137. The process of claim 117, wherein said selected first one or more assets is a service and the second one or more assets is a communication device enabling the computer device to transmit information.

138. The process of claim 117, wherein said selected first one or more assets is first software and the second one or more assets comprises a product or service enhancing said first software.

139. The process of claim 117, wherein said selected first one or more assets is first software and the second one or more assets is second software.

140. The process of claim 117, wherein said selected first one or more assets is first software provided for free and the second one or more assets is second software.

141. The process of claim 117, wherein said selected first one or more assets is first software provided at a discount and the second one or more assets is second software.

142. The process of claim 117, wherein said selected first one or more assets is first software and the second one or more assets is second software, the first software and second software being the same.

143. The process of claim 117, wherein said selected first one or more assets is first software and the second one or more assets is second software, the first software and second software having different functionalities.

144. The process of claim 117, wherein said selected first one or more assets is first software and the second one or more assets is second software, the second software having greater functionality than said first software.

145. The process of claim 117, wherein said selected first one or more assets is first software and the second one or more assets is a service used with said first software.

146. The process according to claim 117, wherein said one or more suppliers comprises a financial institution.

147. The process according to claim 117, wherein said selected one or more first assets comprises one or more products and the future purchase is for one or more second assets comprising one or more services.

148. The process according to claim 117, wherein said selected one or more first assets comprises one or more services and the future purchase is for one or more second assets comprising one or more products.

149. The process according to claim 117, wherein each of said one or more first assets is a first service and each of said one or more second assets is a second service which is different in kind than said first service.

150. The process according to claim 117, wherein said obligation to make at least one future purchase comprises a promise to earn an agreed number of points, at least some of said points being earned by purchasing said one or second assets.

151. The process according to claim 117, wherein said obligation to make at least one future purchase is conditioned on an event occurring after the promise is made.

152. The process according to claim 117, wherein said obligation to make at least one future purchase is triggered by an event occurring after the promise is made.

153. A computerized process for assisting in the marketing of products and/or services, said computerized process comprising:

- entering information into an electronic database, via one or more communication interfaces, to assist in the marketing of products and/or services, said information corresponding to:
  i. a first set of one or more assets provided to a consumer from a first set of one or more suppliers; and
  ii. an agreement with the consumer, the agreement comprising at least a promise to make future purchases of one or more second assets in return for receiving said first set of assets prior to fulfillment of the promise by the consumer, at least one of said second assets being a different than said assets of said first set of assets;
- delivering at least one of said first set of assets using a web site over a global communication network;
- creating at least one record in said electronic database for said consumer reflecting the first set of one or more assets and the promise from the consumer to make future purchases of the one or more second assets;
- evaluating using a computer processor the at least one record for monitoring promise fulfillment based on events subsequent to the promise; and
- updating said electronic database regarding promise fulfillment.

154. The process according to claim 153, wherein the selected one or more first assets are ordered at a web site.

155. The process according to claim 153, wherein the selected one or more first assets and the one or more second assets are delivered from a web site.
156. The process of claim 153, wherein the products and/or services are made available to consumers from a web site.
157. The process of claim 153, wherein the selected one or more first assets are provided for free.
158. The process of claim 153, wherein the selected one or more first assets are provided at a discount.
159. The process of claim 153, wherein first assets of said first suppliers are delivered through an intermediary that charges said first suppliers a fee.
160. The process of claim 153, wherein first assets of said first suppliers are delivered through an intermediary that charges said first suppliers a fee corresponding to each selected first asset delivered to a consumer.
161. The process of claim 153, wherein said selected first one or more assets are in the same category as said second one or more assets and said selected first one or more assets are a different asset type as said second one or more assets.
162. The process of claim 153, wherein said selected first one or more assets is a computer and the second one or more assets is software.
163. The process of claim 153, wherein said selected first one or more assets is a computer and the second one or more assets is a computer accessory.
164. The process of claim 153, wherein said selected first one or more assets is first software and the second one or more assets is second software.
165. The process of claim 153, wherein said selected first one or more assets is first software and the second one or more assets is second software, the first software and second software being the same.
166. The process according to claim 153, wherein said promise to make at least one future purchase is conditioned on an event occurring after the promise is made.
167. The process according to claim 153, wherein said promise to make at least one future purchase is triggered by an event occurring after the promise is made.
168. An electronic marketplace system, comprising:
a first set of websites operating on one or more servers enabling a consumer to select one or more first assets in return for an obligation to earn points, at least some of said points to be earned by making future purchases of one or more second assets, wherein the number of points which said consumer must earn varies as a function of which of said first assets said consumer selects;
a second set of websites operating on one or more servers where said consumer can fulfill said obligation to earn points by purchasing one or more of said second assets, each said second asset having an associated point value;
wherein said first and second sets of websites are hosted by at least one server, said server being further associated with at least one processor, and
determining, via the at least one processor, whether the consumer has satisfied the obligation.
169. The trading system of claim 168, wherein information is provided at said second set of websites indicating the number of points which will be earned by said consumer when he or she purchases a given second asset.
170. The trading system of claim 168, wherein said first set of websites is a single website.
171. The trading system of claim 168, wherein said second set of websites is a single website.
172. The trading system of claim 168, wherein said first and second set of websites comprise a single common website.
173. The process according to claim 168, wherein the first set of assets comprises an up-front cash payment.
174. The process according to claim 153, wherein the first set of assets comprises an up-front cash payment.