

Target to match online prices with online rivals

September 30 2015, by Anne D'innocenzio

Starting Thursday, Target will now match its online prices with more than two dozen online competitors including Amazon.com and Walmart.com.

The change in policy marks a big step for the Minneapolis-based retailer, which until now only matched prices at its own stores. Target is also allowing 14 days, up from seven, for shoppers to get a price adjustment. And the retailer is increasing the number of online [rivals](#) that it will match from five to 29. That includes for the first time stores that require membership, like Costco and Sam's Club.

The latest move underscores how Target aims to rev up its e-commerce business, which increased by 30 percent in the latest quarter. It also wants to win market share from rivals, a key part of its strategy under its CEO Brian Cornell, who took the helm in August, 2014.

Target made a splash last holiday shopping season when it offered free shipping without any minimum dollar order. Earlier this year, it permanently lowered its free shipping threshold to \$25 from \$50. But the latest move underscores how Target is trying to align its online price-match policy with its brick-and-mortar stores and create a seamless experience for shoppers jumping from stores to online.

"These are simple changes, but they mean a lot for our guests," Jason Goldberger, president of Target.com told a packed room of 13,000 store managers at a recent meeting held in Minneapolis.

In January 2013, Target announced that year-round it would match the prices of its store purchases with five online retail rivals that included Amazon.com, Walmart.com and Bestbuy.com. Target had started to match prices of store purchases with a group of online rivals in 2012 but that was only during the holiday shopping season.

Target's latest change in policy follows the lead of Wal-Mart, Best Buy and Staples, all of which match their online prices with online rivals. But Target's adjustment puts it ahead of other retailers like Toys R Us, which matches prices for in-store purchases with online rivals but only match their online prices with its own stores.

Late last year, Wal-Mart formalized its policy of matching its store purchases with online prices found on sites like Amazon.com. It also matches its online [prices](#) with select online rivals.

Sucharita Mulpuru-Koadali, an analyst at Forrester Group, says fewer people take advantage of price matching when they buy a product online versus buying it in a store because the process is more tedious. Target's spokeswoman Jenna Reck says that shoppers can price match by calling a Target.com customer service team. That's similar to what other rivals like Walmart asks online shoppers to do.

"They have to get on the price-matching bandwagon," Mulpuru-Kodali said of Target.

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