

Target fights Amazon by offering free twoday shipping and bringing online orders to cars

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Target is fighting Amazon's total retail domination by offering free twoday shipping, again raising wages and offering to bring online orders to customers' cars, the company announced at its annual meeting.

The Minneapolis-based retailer is offering free two-day shipping on hundreds of thousands of items on Target.com with \$35 purchase or when paying with a REDcard. No membership or annual fee is required.

The retailer also will increase the starting minimum wage to \$12, according to a news release. Target increased the minimum hourly wage to \$11 in late 2017 and said it will raise it to \$15 by the end of 2020.

The company said it will rapidly expand Drive Up, a service in which online order will be quickly delivered to cars in the <u>store</u> parking lots. The retailer said it expects to offer the service in 1,000 stores by year's end.

"Thanks to investments in our <u>supply chain</u> and digital operations, we're able use our stores to fulfill guests' digital orders with flexibility and speed," said Mike McNamara, Target's chief information and digital officer in a release. "With recent success, we're eager to scale Drive Up and other fulfillment options to more guests in 2018."

Walmart starts offering meal kits and prepared dinners, challenging Blue



Apron and restaurants

The retailer also plans to remodel and update more than 300 stores by the end of 2018.

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