

Walmart says it will expand the reach of its unlimited delivery service, in a move that is seen as a challenge Amazon Fresh's more expensive service.

The retailer's Delivery Unlimited will be expanded to 1,400 stores nationwide later this fall.

The program gives customers the option to pay a yearly US\$98 fee or a monthly US\$12.95 fee to receive unlimited Walmart Grocery Delivery orders.

In contrast, AmazonFresh's service costs US\$180 a year, which is on top of the required Amazon Prime subscription of US\$119.

Since Amazon acquired Whole Foods Market in 2017, traditional supermarkets have been under pressure to keep up, with more and more people purchasing online and having their groceries delivered.

"Grocery Delivery takes convenience to a new level, and our customers love it," said Janey Whiteside, chief customer officer at Walmart.

"With Delivery Unlimited, we're providing incredible value for our customers and leveraging our unique assets to save them both time and money."

The retailer began piloting Delivery Unlimited in four markets - Houston, Miami, Salt Lake City and Tampa - earlier this year.

Walmart is now expanding the program to all 200 metro areas where Grocery Delivery is available today. Delivery Unlimited will be available in more than 1,600 stores and more than 50% of the country by the end of the year.

"We've been investing in our online grocery business by quickly expanding our Grocery Pickup and Delivery services. Delivery Unlimited is the next step in that journey," said Tom Ward, senior vice president, digital operations, Walmart U.S.

"By pairing our size and scale and these services we're making Walmart the easiest place for to shop. Combine that with the value we can provide, our customers can't lose."