

Amazon has announced a 21% rise in sales for its fourth quarter, amid an acceleration of online grocery sales. This past [Thursday the retail giant released its financial results](#), highlighting the introduction of Amazon Fresh as a free service for Prime members.

The grocery delivery service received more than double the number of orders in the fourth quarter as compared to last year during the same period. In the past, the service that provides two-hour grocery delivery from Amazon Fresh and Whole Foods Market cost US\$14.99 a month.

CEO of Amazon Jeff Bezos commented in the release that "members now have free two-hour grocery delivery from Amazon Fresh and Whole Foods Market in more than 2,000 U.S. cities and towns". This was a big step in the quarter as the company extended the free benefit for the first time.

Amazon's progress this quarter

Overall, Amazon's net income went up 8% to US\$3.3 billion this quarter, surpassing expectations from Wall Street. Sales in physical grocery stores, a majority of sales being in Amazon-owned Whole Foods stores, declined 1%.

Bezos went on to add that this is part of the expansion and improvement of Amazon Prime, stating that it "continues to get better for customers year after year". This quarter, more people joined the online Prime membership than ever before. As compared to last year, the number of items delivered to U.S. customers more than quadrupled in Q4 compared to 2018 Q4.

Along with its strength in the online grocery sector, the company attributed its success this quarter to device sales, new partnerships with automotive brands with its Alexa system.

It also highlighted that Alexa-enabled devices are expanding and that the company is joining initiatives to improve voice activated technology.

As orders boom for Amazon, competitors like Walmart and Kroger ramped up their online grocery platforms as well. In efforts to compete, Walmart launched its Delivery Unlimited and [InHome Delivery](#) last fall and summer. [In November, analysts said that Kroger's e-commerce prices](#) were best suited to compete with Amazon.