

Amazon 2020 SME Impact Report: More than 600 million products sold by UK small businesses on Amazon's stores globally in one year

November 17, 2020

UK small businesses sold 100 million more products from June 2019 – May 2020 compared to year before, with an average of around £75,000 in sales

More than 60% of the tens of thousands of UK small and medium-sized businesses (SMEs) selling on Amazon's stores export around the world, and last year achieved sales of more than £2.75 billion

To date UK SMEs selling on Amazon.co.uk have supported 85,000 jobs

Amazon continues SME support with Amazon Small Business Accelerator and three-month subscription fee-waiver to help businesses who want to sell their products online

London, United Kingdom – 17 November 2020 – Amazon has published the '2020 Amazon UK SME Impact Report', highlighting how the company supports tens of thousands of UK small and medium-sized enterprises (SMEs), including independent sellers, authors, content creators, delivery providers and developers. Despite the impact COVID-19 has had on small businesses, many UK SMEs working with Amazon have been able to grow their businesses. From March – July 2020, SMEs accounted for more than 60% of sales on Amazon's stores.

In the period from 1st June 2019 to 31st May 2020, Amazon's UKselling partners:

- sold more than 600 million products in our stores, up from 500 million year-on-year;
- averaged 1,200 products sold per minute;
- achieved around £75,000 in sales on average, up from about £60,000 year-on-year.

In 2019, Amazon invested £2 billion on logistics, tools, services, programmes and people to support nearly 900,000 selling partners across Europe, nearly all of whom are SMEs. In the UK, more than 60% of SMEs selling on Amazon exported around the world and achieved more than £2.75 billion in export sales in 2019, up year-on-year from £2 billion. To date, SMEs that sell on Amazon.co.uk have supported 85,000 jobs.

Small businesses from across the UK are increasingly seeing success from selling on Amazon's stores, supporting regional economies and communities. Many selling partners are located outside of London – areas such as the North of England and the Midlands generated over 40% of total sales volume, while Greater Manchester and the West Midlands respectively achieved more than £250 million and £150 million in export sales last year. The number of SMEs in Scotland who sell their products on Amazon's stores increased by around a third last year; and by more than 20% in Wales, Northern Ireland and England respectively. Regions in Scotland and Wales saw particularly large increases in the number of SMEs in percentage terms: selling partners in South Lanarkshire, Scotland, grew by around 60% and by more than 40% in the Vale of Glamorgan in Wales.

"Empowering small and medium-sized businesses is at the core of everything we do. We will continue to invest in logistics, tools, and people to support small and medium-sized businesses. Supporting these businesses helps us to create the best shopping experience for our customers," said Francois Saugier, VP EU Seller Services at Amazon. "Despite this challenging period, selling partners have continued to grow with Amazon. When customers shop on our stores, more than 50% of the products they buy are sold by small businesses."

Amazon continues to support UK-based small businesses with the Amazon Small Business Accelerator, providing 200,000 companies with free training on a variety of topics to help them start, sustain and grow their businesses, and in November we're waiving the first three months of professional subscription fees for businesses who want to start selling their products on Amazon.

Amazon provides small business owners, startups, and entrepreneurs with tools and opportunities to succeed – whether selling their products online, running delivery and logistics companies, using the cloud to launch and scale their businesses, creating voice apps, or publishing their own books.

Jem Skelding, Founder of Naissance, a Welsh based natural beauty product business, commented: "Covid-19 has really shown the importance of online sales, as we have been able to meet soaring demand for organic and vegan products. We're based in rural Wales, and it has been a particular help selling via Amazon, who make it possible to ship our natural remedy and beauty products nationwide and to over 90 countries, with packaging in five different languages, resulting in a turnover in excess of £10m. Over the next 12 months, we want to increase our workforce by 20% as we work to grow our business."

Nutri-Align, a health supplements business, is one of the tens of thousands of SMEs selling on Amazon's stores. **Megan McManners, Founder of Nutri-Align** based in Leicester, said: "While I was undergoing treatment for breast cancer in 2019, Amazon played a critical role in keeping our health supplements business going by fulfilling orders – they took care of everything which meant I could maintain an income whilst having treatment. The business grew during this time and sales for our supplements have continued to grow throughout the pandemic, with sales tripling this year, as people turned their focus to health and wellbeing."

Based in Scotland, Nudie Snacks produces plant-based snacks, including crisps from 'wonky' vegetables. **Founder Tracey Hogarth** commented: "The pandemic made us sit up and reassess how we were going to adapt and survive. When lockdown began in March 2020 our sales fell by 95%, as we typically supplied our popular plant-based snacks to offices. We had to think quickly and find a solution and moving online selling through Amazon helped us to put our products in front of a huge audience. Looking ahead, we are hoping to continue to grow on Amazon so that we can expand into the European Market and offer our products to more customers outside the UK."

Amazon Web Services (AWS) is helping hundreds of thousands of SME startups, customers and partners launch and scale businesses that enrich their communities. Since launching the AWS Activate Credits programme, Amazon has provided hundreds of millions of euros of AWS credits to help startups accelerate their growth and development as they build their businesses in the UK, France, Germany, Italy, and Spain. **James Herbert, CEO of Foundry4** commented: *"I'd go far as saying that without AWS our business couldn't actually exist. AWS gives us access to massive computer power, amazing features and services that can benefit our clients, which as an SME 10 years ago, we just wouldn't have been able to access."*

Kindle Direct Publishing (KDP) enables authors to self-publish and distribute their books to millions of readers around the world, choosing where they want to sell, setting their own prices, and earning up to 70% of every sale in royalties. Thousands of independent European authors, including UK based LJ Ross of the 'DCI Ryan' mystery series, have self-published millions of books through KDP since the service was launched in Europe in 2010. **Author LJ Ross** commented: "Deciding to publish using KDP has been life changing. I never imagined that five years later I would have sold over five million books or that I'd have 19 best-sellers to my name. It's a dream come true."

This year, Amazon is investing more than £75 million to support small businesses globally with special Prime Day and festive season promotional programmes. Third party selling partners – most of which are SMEs – surpassed US\$3.5 billion in sales globally on Amazon Prime Day 2020, growing even more than Amazon's retail business. In the UK these businesses saw an increase of more than 75% in product sales. Earlier in the year, Amazon also provided practical advice for 1,000 businesses about how to prepare for reopening physical locations, in partnership with The British Chamber of Commerce.

View the full 2020 Amazon UK SME Impact Report: https://www.aboutamazon.co.uk/empowering-small-businesses

-ENDS-

About Amazon

Amazon is guided by four principles: customer obsession rather than competitor focus, passion for invention, commitment to operational excellence, and long-term thinking. Customer reviews, 1-Click shopping, personalized recommendations, Prime, Fulfilment by Amazon, AWS, Kindle Direct Publishing, Kindle, Fire tablets, Fire TV, Amazon Echo, and Alexa are some of the products and services pioneered by Amazon. For more information, visit www.aboutamazon.co.uk and follow @AmazonNewsUK.