

## Amazon Business launches a new feature to help large customers to buy more easily from small and medium businesses

21/03/2024

A new, free feature, "Prefer Small and Medium Enterprises" makes tens of thousands of small businesses selling on Amazon Business more discoverable for customers, including multinational enterprises, FTSE100, universities, government agencies, and healthcare organisations

Amazon Business is committed to supporting the growth of small businesses with infrastructure, tools, and services

21 March 2024 – Amazon Business today announced the launch of a new feature, "Prefer Small and Medium Enterprises", that enables business customers to make targeted purchases from Small and Medium Enterprises (SMEs) that sell on Amazon Business. The feature enables procurement professionals to search for, and identify, sellers with fewer than 250 employees and less than €50 million revenue when purchasing supplies on Amazon Business.

SMEs form a key pillar of the economy, accounting for around three-fifths of employment and half of the turnover in the UK private sector Amazon Business research reveals that a significant proportion of SME owners aren't sure how best to scale their businesses online. At the same time, enterprise customers in the UK buying on Amazon Business have increased their spending by more than 60% year-over-year with SME selling partners showing that increasing purchasing from SMEs is a strategic priority for larger organisations.

SMEs selling on Amazon Business range from regional suppliers to small, family-owned businesses that can supply enterprise customers with what they need for their business. For example, an SME selling custom workplace safety equipment is now more visible to multinational enterprises, increasing the likelihood of them securing a larger order that helps their business to grow.

"We're excited that this new feature will enable our customers to address two of the challenges they are currently facing," says Fabricio Pedroza, Director for Amazon Business UK. "Firstly, B2B ecommerce provides significant growth opportunities, but SMEs have struggled to sell their products to multinational enterprises, often because they lack the resources or knowledge to reach them. At the same time, we know from our enterprise and public customers that they want to buy more from SMEs in order to support strategic procurement goals such as diversifying their supplier base and mitigating risk, specifically in the public sector where organisations face new legislative goals."

New legislation is also encouraging businesses to spend more with SMEs. The UK government has recently passed new procurement legislation that sets guidelines around how public bodies must consider SMEs as part of their procurement processes. The legislation will aim to help SMEs secure a greater share of approximately £300bn of expenditure per year. [4]

"At Transport for Greater Manchester, we've put social value at the heart of our operations," said Sian Kimberly, Procurement Process Manager, Transport for Greater Manchester. "We work to the Greater Manchester Combined Authority Social Value Framework, and we focus on six core principles. This includes Economic Diversity within the region, by actively encouraging staff to buy from SMEs wherever possible. Prioritising small businesses in our procurement processes not only enhances the resilience of our supply chain, but also drives economic growth in the UK while nurturing a vibrant ecosystem of independent suppliers, so we're excited to see features like this which can support us in achieving our goals."

For more than 20 years, Amazon has held strong relationships with tens of thousands of UK selling partners of all sizes, the majority of whom are SMEs. In 2021, Amazon invested €3.4 billion in Europe to strengthen the relationship that enables UK SMEs selling on Amazon to access hundreds of millions of customer accounts, generate sales in Amazon's stores and succeed while delivering value and a great shopping experience to its customers. Amazon Business serves as an important channel to empower SMEs to grow their sales and reach more customers and will continue to support brands which are looking to expand across Europe and beyond.

To find out more about how Amazon Business is supporting SMEs, visit <a href="https://business.amazon.co.uk/en/social-responsibility/buy-from-sme">https://business.amazon.co.uk/en/social-responsibility/buy-from-sme</a>

## \*Notes to editor

SMEs are defined as businesses with fewer than 250 employees and a turnover of less than €50 million, or a balance sheet total of less than €43 million.

## **ENDS**

## **About Amazon Business**

Amazon Business helps millions of customers worldwide—from small businesses, schools, hospitals, non-profit organisations, and government agencies, to large enterprises with global operations—reshape their procurement with cost and time savings, greater productivity, and insightful purchasing analytics. Procurement and business leaders enjoy convenient shipping options on hundreds of millions of supplies across categories like office, IT, janitorial, food service, and professional medical supplies. Customers also have access to a variety of business-tailored features and benefits, including a curated site experience, Business Prime, business-only pricing and selection, single or multi-user business accounts, approvals workflow, purchasing system integrations, payment solutions, VAT invoicing tools, dedicated customer support, and more. Amazon Business is currently available in the United States, Canada, United Kingdom, Germany, France, Italy, Spain, Japan, and India. For more information, visit the

Amazon Business Storefront, Amazon Business Blog, and @AmazonBusiness.

- [1] Source: https://www.gov.uk/government/statistics/business-population-estimates-2023/business-population-estimates-for-the-uk-and-regions-2023-statistical-release
- [2] https://business.amazon.com/en/work-with-us/enterprise/state-of-procurement-data-report-2024
- [3] Internal AB data (Approved on Q4 2023)
- [4] https://www.gov.uk/government/news/small-businesses-to-benefit-from-one-of-the-largest-shake-ups-to-procurement-regulations-in-uk-history