



Small business success in challenging times

2020 AMAZON UK SME IMPACT REPORT





EXECUTIVE SUMMARY



In 2019, Amazon spent over £2 billion on logistics, tools, services, programme and people to fuel the success of its Selling Partners, most of which are SMEs.



Amazon works with more than 900,000 independent partners in Europe, including sellers, developers, content creators, authors, and delivery providers.

The UK SME Impact Report demonstrates the success of UK small and medium-sized businesses, highlighting how Amazon supports these businesses in selling to customers across the UK and abroad, growing their business, and in creating new jobs.

In 2019, more than 60% of the tens of thousands of UK-based SMEs selling on the Amazon stores exported to customers around the world and achieved more than £2.75 billion in export sales. To date they have created over 85,000 jobs.

Selling partners in the UK continue to account for more than half of everything we sell in our online stores. Between June 2019 to May 2020, they have sold more than 600 million products in our stores – equivalent to more than 1,200 products a minute – and saw an average of nearly £75,000 in sales.

Amazon also invests in the success of authors, software developers as well as independent package-delivery and logistics services providers.

- thousands of independent European authors have self-published millions of books through KDP since the service was launched in Europe in 2010
- Amazon Delivery Service Partner (DSP) programme has helped thousands of partners to create jobs for tens of thousands of drivers worldwide
- since launching our AWS Activate Credits program, Amazon has provided hundreds of millions of Euros in AWS credits to help startups accelerate their growth and development as they build their businesses in the UK, France, Germany, Italy and Spain
- there are now more than 700,000 developers building for Alexa around the world and skill developers on Amazon

At Amazon, supporting small and medium-sized businesses is a fundamental part of our work and this report celebrates their success.

Selling Partners continue to account for more than 50% of everything we sell in our online stores.

Amazon works with more than 900,000 independent partners in Europe, including sellers, developers, content creators, authors, and delivery providers.



UK SELLING PARTNERS DATA
1 June 2019 - 31 May 2020



UK Selling Partners sold more than 600 million products in our stores, up from 500 million year-on-year.



On average, UK Selling Partners sold more than 1,200 products a minute in our stores.



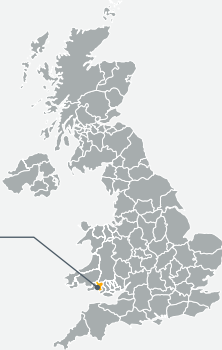
UK Selling Partners had an average of **almost £75,000 in sales**, up year-on-year from about £60,000.



Jem Skelding

CEO
Naissance, ethical skincare & cosmetic ingredients

“Naissance is a brand of ethical skin care and cosmetic ingredients. The business started from my spare bedroom in rural Wales. Today, we ship products to customers in over 90 countries with packaging in five languages, and turnover in excess of £10m. Amazon’s global Fulfilment by Amazon programme has helped us make our range available worldwide by providing fast local shipping to many different countries, and recently we were voted Amazon’s Exporting Small Business of the Year. Thanks to our growth we have been able to create many new jobs within our local community as we now employ more than 100 people.”



NEATH PORT
TALBOT, WALES

In 2019, Amazon spent approximately £2 billion on logistics, tools, services, programmes, and people to fuel the success of its Selling Partners in Europe, nearly all of whom are SMEs.

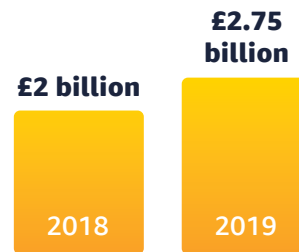


UK SMEs DATA
1 January - 31 December 2019

Tens of thousands

UK-based SMEs selling on the Amazon stores.

UK SMEs selling on the Amazon stores achieved over £2.75 billion in export sales, up year-on-year from £2 billion.



Over **3,200 UK SMEs** surpassed **\$1 million in sales.**



To date, UK SMEs selling on Amazon.co.uk have created **more than 85,000 jobs.**



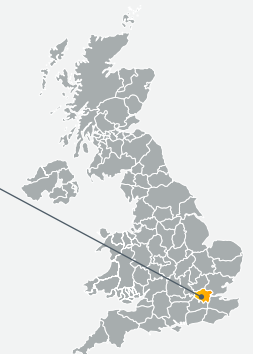
Al Shariat

CEO

Coconut Merchant, organic coconut food products

"At Coconut Merchant supporting farmers is the ultimate objective. We try and get as close to farmers and farmers' cooperatives as possible, and we work hard to make sure they get a fair price for their produce. Reaching international customers can be a big challenge for these farmers. We use Amazon's large customer base and extensive fulfilment network to reach customers around the world. Today we have the world's largest range of coconut products, with over 145 products for sale on Amazon in countries including USA, Canada, Mexico and Europe."

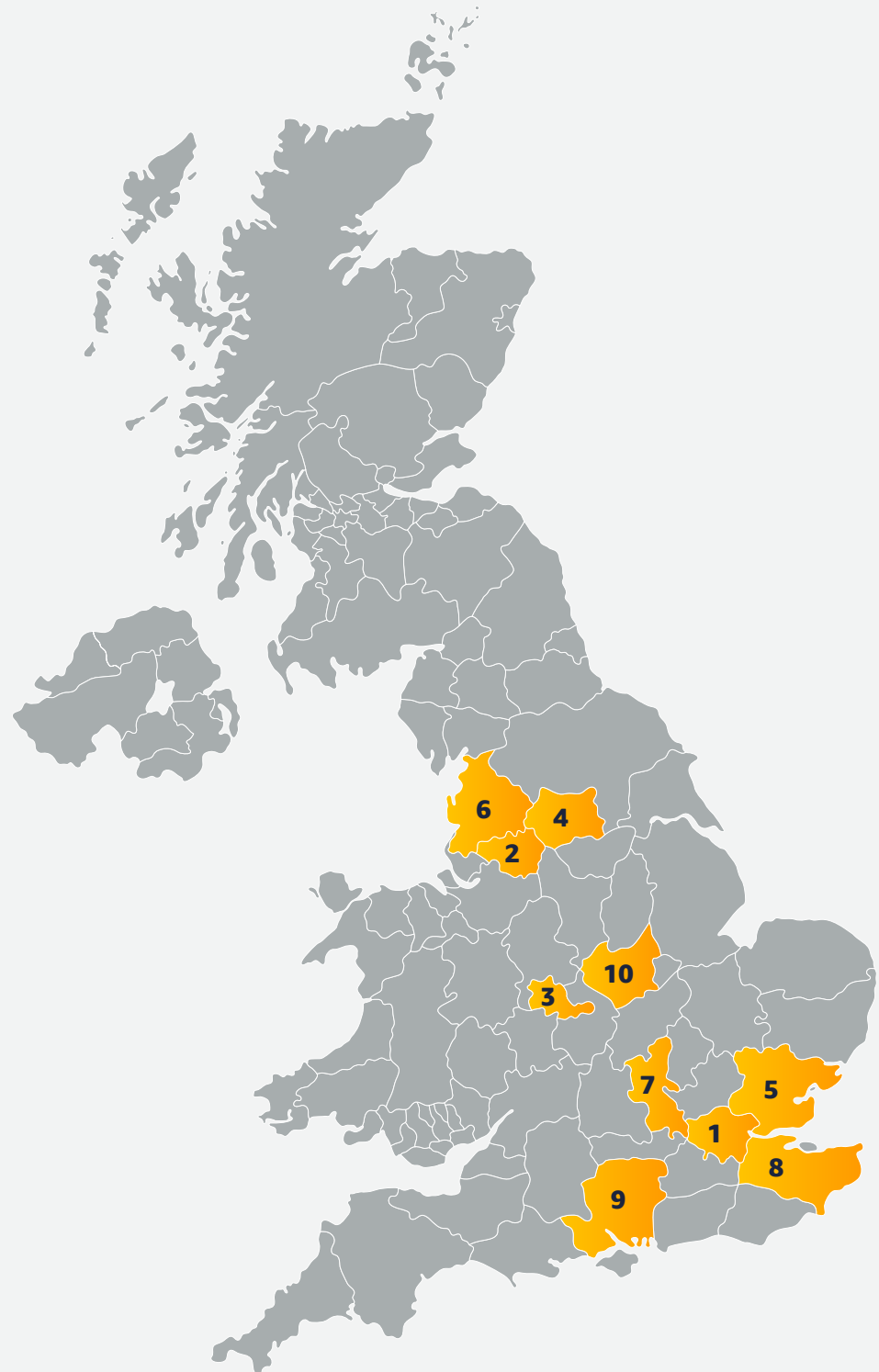
GREATER LONDON, ENGLAND



The UK's top counties with the highest number of SMEs selling on the Amazon stores in 2019.

NUMBERS OF SMEs BY COUNTY

1. Greater London, 10,000+
2. Greater Manchester, 3,500+
3. West Midlands, 2,000+
4. West Yorkshire, approx 2,000
5. Essex, 1,500+
6. Lancashire, 1,500+
7. Buckinghamshire, 1,000+
8. Kent, 1,000+
9. Hampshire, 1,000+
10. Leicestershire, 1,000+

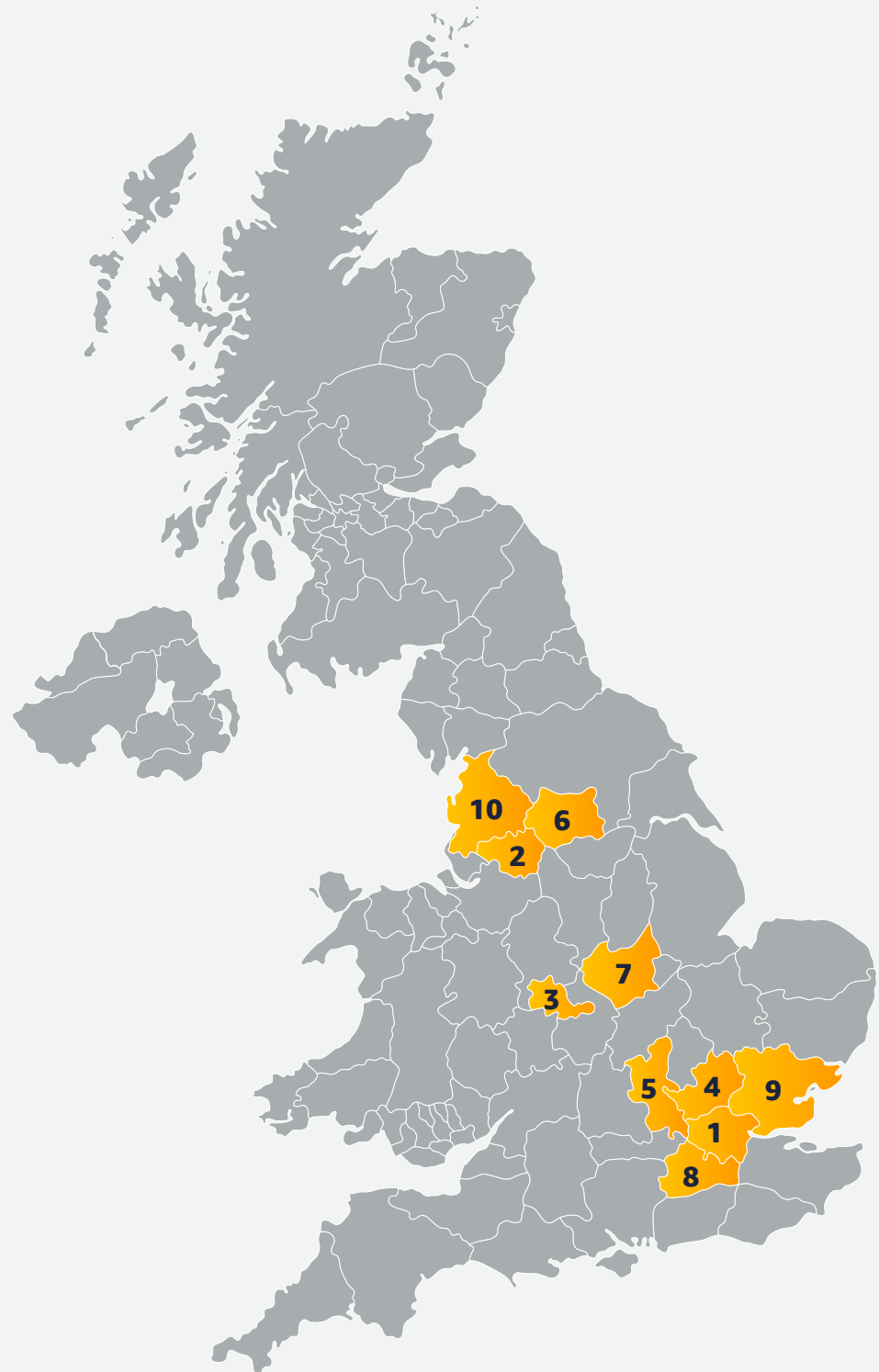


The UK's top counties by export sales in 2019.

SMEs sell around the world on Amazon's stores. These are the counties with the highest export sales.

SME EXPORT SALES BY COUNTY

1. Greater London, £750+ million
2. Greater Manchester, £250+ million
3. West Midlands, £150+ million
4. Hertfordshire, £125+ million
5. Buckinghamshire, £100+ million
6. West Yorkshire, £75+ million
7. Leicestershire, £50+ million
8. Surrey, £50+ million
9. Essex, £50+ million
10. Lancashire, £50+ million



Delivery and logistics

Amazon takes an active role in helping entrepreneurs start and manage their delivery business. Through the Delivery Service Partner (DSP) programme, Amazon helps entrepreneurs build their own business delivering Amazon packages. They can build

their business knowing they will have delivery volume from Amazon, access to the company's sophisticated delivery technology, hands-on training, and, through DSP, discounts on a suite of assets and services, including vehicle leases and comprehensive insurance.



GLOBAL DELIVERY AND LOGISTICS DATA



Amazon Delivery Service Partner (DSP) programme has helped **thousands of partners create jobs for tens of thousands of drivers worldwide.**



Ed Hattersley

OWNER
Warrior Logistics

Former Amazonian and Army Captain, Ed Hattersley launched his delivery company, Warrior Logistics, in Sheffield in July 2019 to help veterans in their civilian transition. "As an Amazonian, I had gained enough experience in the field to know that I could run my own logistics business. It was a fantastic opportunity to support veterans as they transition into civilian life, offering them work as they navigated the change. Amazon helped turn my idea into reality."

SHEFFIELD,
ENGLAND



Amazon Web Services

Amazon Web Services (AWS) is helping hundreds of thousands of SME startups, customers, and partners launch and scale businesses that enrich their communities and the world. With the power of AWS, businesses can instantly scale resources up or down as

their demands change. AWS provides startups, including both smaller, early stage companies and more advanced digital businesses, with free tools and resources to get started quickly on AWS and accelerate their growth and development. It's no wonder more startups build on AWS than any other cloud provider.



GLOBAL AWS DATA



AWS is helping **hundreds of thousands** of SMEs, startups, customers, and partners launch and scale their businesses.



AWS Activate has provided **hundreds of thousands** of startups with a host of benefits, including AWS credits, technical support and training.



EUROPEAN AWS DATA



Since launching our AWS Activate Credits programme, Amazon has provided **hundreds of millions of Euros** in 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

Foundry4, an AWS Partner

"I'd go far as saying that without AWS our business couldn't actually exist. AWS gives us access to massive compute power, amazing features and services that can benefit our clients, which as an SME ten years ago, we just wouldn't have been able to access."

LONDON,
ENGLAND



Alexa developers

Alexa is an opportunity for builders, developers, and entrepreneurs to innovate and build a voice-first business. Today, there are hundreds of millions of Alexa devices in customers' hands, including more than 100,000 smart home

products that can be controlled with Alexa, from more than 9,500 unique brands. Customers interact with Alexa billions of times each week, and engagement with Alexa has nearly quadrupled over the last two years.



GLOBAL ALEXA DEVELOPER DATA



700,000
Alexa developers

There are now more than 700,000 developers building for Alexa.



100,000
Alexa skills

There are more than 100,000 Alexa skills built with the Alexa Skills Kit.



There are skill developers on Amazon making six figures each year.



There are more than 100,000 smart home products that can be controlled by Alexa from more than 9,500 unique brands.



Richard Matthews

FOUNDER
Vocala, a leading European voice development studio

"After my first interaction with Alexa in 2016, I became fascinated with voice. It was a life-changing moment. In 2017, I took the decision to refocus my existing digital agency and rebrand as Vocala—a voice studio specialising in interactive voice experiences. Three years on, we own exclusive global licences with TV game shows and celebrities, our Skills portfolio entertains hundreds of thousands of users across the world every month, we have attracted global brands to support their journey into voice and grown our team by 400%. My decision back in 2017 has helped shaped my future, a future which is 100% invested in voice technology."



SURREY,
ENGLAND

Kindle Direct Publishing

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 percent of every

sale in royalties. Since launch in 2007, millions of authors from around the world have self-published millions of books through KDP, many of whom are building incredibly successful writing careers as a result.



GLOBAL KINDLE DIRECT PUBLISHING DATA



1,000+
authors reached
over **\$100,000**
in royalties

Thousands of independent authors earned more than \$50,000, with more than a thousand surpassing \$100,000 in royalties in 2019 through KDP.

In the last 12 months, **authors earned \$350 million** from the Kindle Direct Publishing (KDP) Select Global Fund, **totalling more than \$1.3 billion** since the launch of Kindle Unlimited.



EUROPEAN KINDLE DIRECT PUBLISHING DATA



Millions of
of books self-published
since 2010

Millions of independent authors have self-published millions of books through KDP since launching the service in 2010.

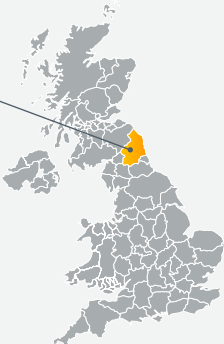


LJ Ross

AUTHOR
DCI Ryan mystery series

"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 nineteen bestsellers to my name. It's a dream come true."

**NORTHUMBERLAND,
ENGLAND**





To learn more about how Amazon supports and works with small and medium-sized enterprises, visit:

aboutamazon.co.uk/empowering-small-businesses

