



# 2021 UK SME Community Report



July 2021

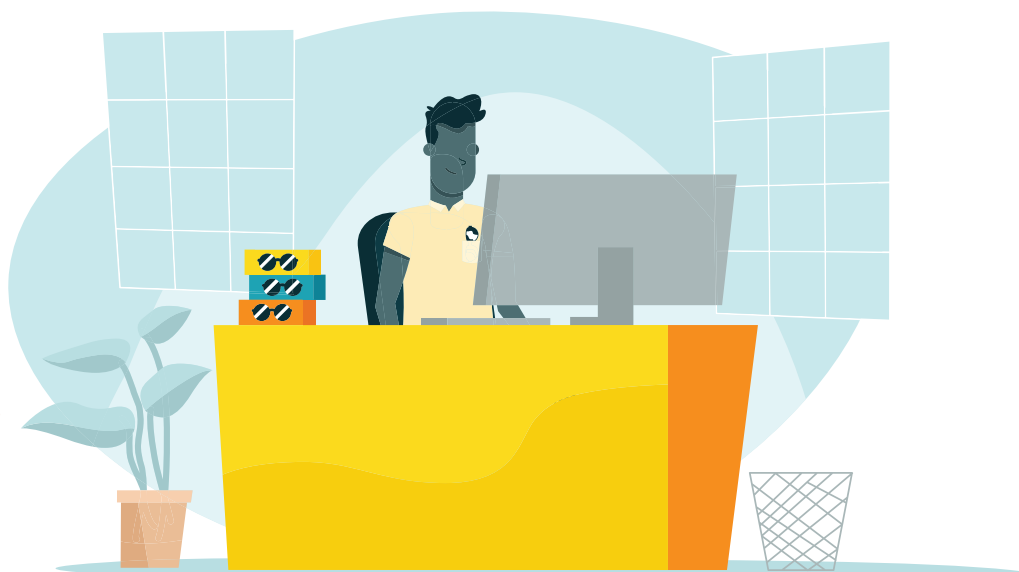
# Executive Summary

Amazon works with more than 900,000 independent partners in Europe, including selling partners, developers, content creators, authors, and delivery and IT solution providers. Every entrepreneur who has a great idea can quickly start selling online with Amazon. From Day 1 we offer a complete suite of tools to launch a business online. In 2020, we started partnering with over 200 new UK selling partners a day, and we currently work with tens of thousands of them, most of whom are small and medium-sized enterprises (SMEs), as a single team.

SMEs continue to account for more than 50% of everything we sell in our online stores, and we are always innovating to help them grow their business—our success depends on their success. In 2020, we spent approximately £2.6 billion in Europe on logistics, tools, services, programmes, and training our team to help small and medium-sized businesses selling on Amazon succeed. We also delivered more than 250 new tools and services to help them launch new products; sell across the UK, into Europe, and globally; analyse and optimise their business; and protect their intellectual property. Those SMEs help us deliver a great shopping experience to customers with a wide product selection and low prices, and we help them by providing access to hundreds of millions of active customer accounts around the globe in a trusted store.

COVID-19 has created challenges for smaller British businesses. Many have had to adapt, and some have started selling online for the first time. In 2020, we launched the Amazon Small Business Accelerator, a free programme to help 200,000 UK start-ups, small businesses and entrepreneurs to start and grow their businesses as well as develop the online skills to help them succeed. We also doubled our selection of free courses on our learning platform, Amazon Seller University, to train existing UK selling partners about how to grow on Amazon.

We have a twenty-year relationship with SMEs in the UK, and supporting them is a fundamental part of our work. The 2021 UK SME Report celebrates the success, resilience, and entrepreneurial spirit of more than 65,000 UK SMEs which partner with us every day and created over 175,000 jobs to date to run their online businesses on Amazon.



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# Expert Insights

Here's what leading small business experts and policymakers have to say about SME success with Amazon.



**“We welcome the Amazon UK SME Impact Report’s encouraging findings which demonstrate how tens of thousands of small businesses have been able to increase their resilience during the pandemic by embracing digital technology. As we look toward the future, equipping small businesses with the skills and resources they need to take advantage of digital trade will be a vital component of our successful economic recovery.”**

—Tej Parikh, Chief Economist, Institute of Directors

**“Exporting companies are more resilient, productive and pay higher wages than their peers. So it is great to see UK businesses joining Amazon and accessing new customers internationally. In addition, the Amazon Small Business Accelerator, which helps thousands of UK entrepreneurs start or grow online businesses, is boosting jobs across the UK and, for many, be the beginning of their exporting journey.”**

—Graham Stuart MP, Minister for Exports, UK Government



**“It has been a challenging time for businesses and individuals up and down the country, not least for smaller businesses without the resource or ability to adapt. We have however been heartened to see a renewed surge of entrepreneurship and resilience in rural areas, as people have overcome obstacles and embraced the opportunities of remote working and a decentralisation from major cities. The insights shared in this report show how rural businesses are excelling by selling on Amazon. They are testament to these businesses’ drive, their adaptability, and their resourceful use of the empowering tools and opportunities provided by Amazon.”**

—Jemma Clifford, Co-Founder of the Rural Business Awards

# Celebrating the Success of UK SMEs on Amazon

Our UK SMEs have benefitted their communities and the economy: to date, SMEs selling on Amazon have created over 175,000 jobs in the UK and 25,000 jobs internationally to support their businesses online.

## UK SME Performance Data January–December 2020



More than 65,000 UK SMEs sell on Amazon, and around 65% of them sold their products to customers around the world.



UK SMEs selling on Amazon recorded more than £3.5 billion in export sales, up from £2.75 billion year on year.



UK SMEs had an average of more than £300,000 in sales—up year on year from over £200,000.



UK SMEs sold more than 750 million products on Amazon, up from 550 million in same period the previous year—equivalent to more than 1,500 products a minute on average.



Over 14,000 UK SMEs selling on Amazon surpassed £100,000 in sales, and over 1,000 welcomed sales of £1 million or more for the first time.



UK SMEs selling on Amazon have helped to create and support over 175,000 jobs across the UK and a further 25,000 jobs internationally.



The top five categories for UK sellers were Home, Health & Personal Care, Toys, Apparel, and Beauty.



Around 40% of Amazon selling partners in the UK are women-owned businesses, according to a recent poll.



More than 30,000 UK SMEs used Fulfilment by Amazon, and their sales grew on average by 35%.



**“We started our business in 2016 when I was a new dad and saw a gap in the market for appealing, pocket-friendly and good-quality nursery bedding. As an online brand operating out of two rural locations—off Swansea Bay and, more recently, also the Surrey countryside—we’ve been thrilled to reach customers far and wide. While we’re the ones with the creativity and the business strategy, Amazon has played a key part in our growth, off our shoulders, but also through its fulfilment network helping us expand into Europe.”**

—Tom Lloyd, co-founder of Bloomsbury Mills, which creates and designs vibrant children’s textiles from their headquarters in coastal Swansea, Wales

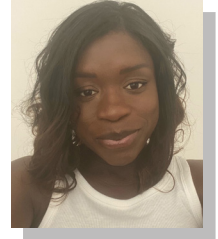


**“My initial plan was to launch my healthier treats into physical shops—but COVID-19 hit and suddenly everything shut down. So I decided to pivot and launch entirely online by creating my own website and selling on Amazon. The risk of launching online paid off as customers loved the products—and Amazon has been a big part of our success, thanks in part to the advice they provided on the Amazon Small Business Accelerator.”**

—Alexei Khatiwada, Founder of Lexi's, a London-based healthier snack business

**“I grew up in restaurants watching Dad create unique dishes that customers would travel miles to taste and we have always talked about jarring his popular sauces. We launched in July 2019, having realised there was a gap in the market for gourmet Caribbean food. We have mainly sold our products online and in food markets, with a few sauces stocked in small deli retailers, but when Covid-19 hit it was a knock to our business as many of the events we booked were cancelled overnight, so we really had to focus on building our online presence. The Amazon Small Business Accelerator bootcamp was not only timely for improving our online operations, but it was extremely helpful for plotting out the stages required for scaling our business. Following the bootcamp, we listed on Amazon in October 2020, and have noticed a significant increase in sales since then.”**

—Charmaine Smikle, Director of Earl's Kitchen



## Tailored Solutions for SMEs

SMEs can mix and match “add-on” options to reach even more customers with their products such as Amazon Launchpad or Amazon Handmade. And with Amazon Business, SMEs can reach business customers of all sizes.

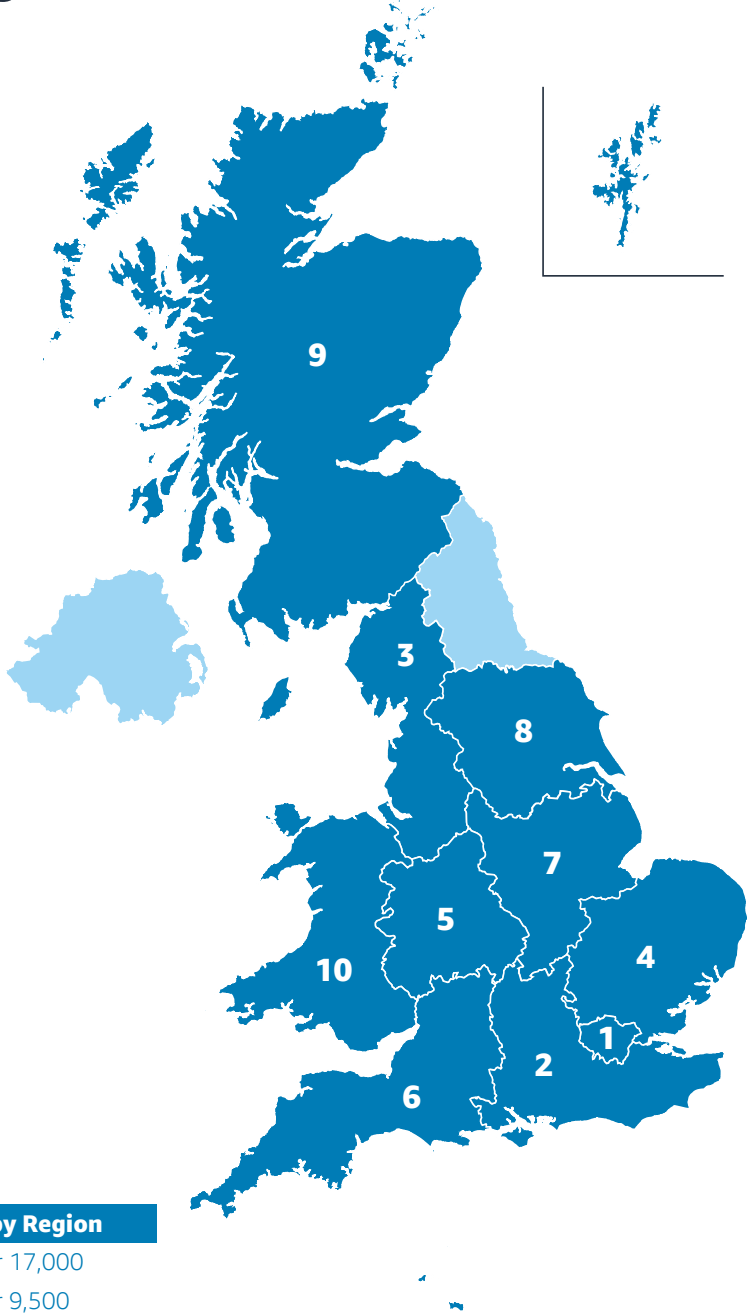
Since its launch, Amazon Launchpad has supported the launch of over 2,000 start-ups in Europe and worked with over 200 leading venture capital firms, start-up accelerators and crowd-funding platforms. There are now around 13,000 Amazon Launchpad products available on Amazon.co.uk in over 30 categories such as furniture, electronics, fashion or beauty.

Amazon Handmade is available for artisans from over 80 countries to sell their handcrafted products to millions of Amazon customers around the world. Together, we are growing craft communities and successful businesses.

In 2020, UK SMEs selling on Amazon Business generated over £300 million in sales with business customers including multinational enterprises, universities, energy companies and healthcare organisations. They sold millions of items across a variety of categories, including more than 2 million office supplies and computers and hundreds of thousands of health and sanitation products.

Many small and medium-sized businesses have joined Climate Pledge Friendly, Amazon's programme to help customers discover and shop for more sustainable products.

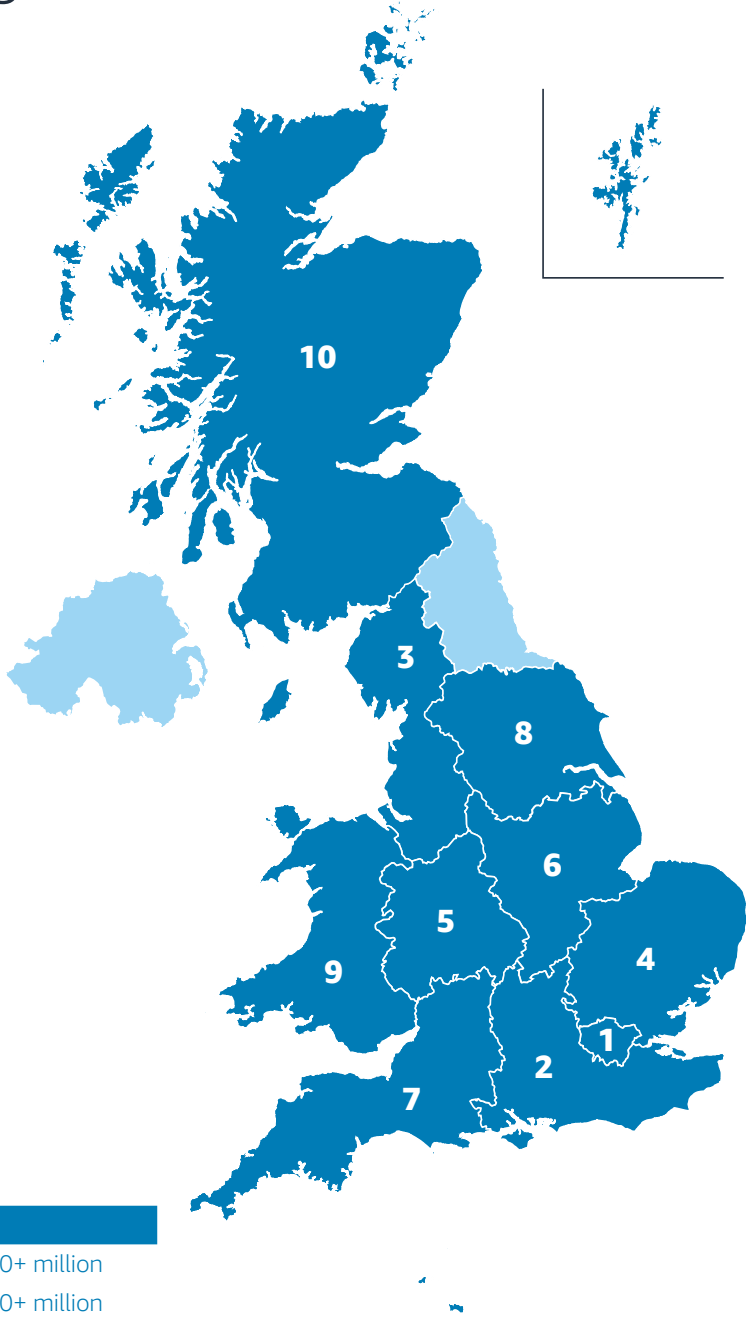
# The UK's Top Regions by Number of SMEs Selling on Amazon in 2020



**Number of SME Selling Partners by Region**

- 1. London over 17,000
- 2. South East (England) over 9,500
- 3. North West (England) over 8,500
- 4. East of England over 6,500
- 5. West Midlands (England) over 5,500
- 6. South West (England) over 5,000
- 7. East Midlands (England) over 5,000
- 8. Yorkshire and the Humber over 4,500
- 9. Scotland around 3,000
- 10. Wales around 2,000

# The UK's Top Regions by Export Sales of SMEs Selling on Amazon in 2020



### SME Export Sales by Region

1.	London	£900+ million
2.	South East (England)	£500+ million
3.	North West (England)	£450+ million
4.	East of England	£350+ million
5.	West Midlands (England)	£250+ million
6.	East Midlands (England)	£200+ million
7.	South West (England)	£200 million
8.	Yorkshire and the Humber	£150+ million
9.	Wales	£100+ million
10.	Scotland	£90+ million

To learn more about how Amazon  
supports small businesses, visit:  
[aboutamazon.co.uk/empowering-small-businesses](https://aboutamazon.co.uk/empowering-small-businesses)

