

# Amazon says small business owners earn \$90,000 a year from selling in its stores

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While it's often blamed for the fall of brick-and-mortar stores nationwide, Amazon also helps millions of small businesses thrive in the digital era.

The tech giant published its second annual "Small Business Impact Report" on Tuesday, revealing that it has helped more than 1.9 million U.S.-based small and medium-sized businesses (SBMs) generate more than \$160 billion in 2018.

The company says that these businesses, on average, pull in \$90,000 a year in Amazon sales.

Small [business](#) owners and authors expand their business by selling in Amazon's stores, publishing via the company's [e-book](#)'s unit and utilizing the [online retailer](#)'s various web services.

Builders and developers who create Alexa-enabled devices also bring in revenue by selling items on the nation's largest e-commerce marketplace. In fact, the tech giant says 90% of the Alexa-enabled gadgets on its site were built by someone outside of the company.

"As we work to help them grow their businesses, we are making big investments in our delivery network, [data centers](#), AI research (and) robotics," said Jeff Wilke, CEO of Amazon's worldwide consumer division, in a statement.

The CEO said that the company is "inspired by the type of inventiveness that makes entrepreneurs tick," so Amazon has invested tens of billions to help them succeed.

Here are some of the key takeaways from the report:

## **Sellers**

The number of companies selling products in Amazon's stores is growing, and last year the number of SMBs that surpassed \$1 million in sales grew by 20% over the year before, Amazon said.

On average, U.S. [small business owners](#) sold 4,000 items a minute in Amazon's stores. The e-commerce website lent more than \$1 billion to help owners build inventory.

The top-selling categories are Health & Personal Care, Home, and Beauty.

## **Writers**

In 2018, authors made more than \$260 million from Amazon's ebook publishing unit called Kindle Direct Publishing.

The Seattle-based company says that thousands of independent authors earned more than \$50,000 last year and more than a thousand surpassed \$100,000 in royalties.

Since 2007 when the publishing division launched, hundreds of thousands of authors from around the world have self-published using the service.

Authors get to keep 70% of every sale, Amazon says.

## **Delivery**

Amazon lets entrepreneurs build their own business by delivering packages.

The [company](#) claims that small business owners earn as much as

\$300,000 in annual profit by operating a fleet of up to 40 vehicles, however, the report did not reveal how much delivery operators make on average.

## **States**

Some states are outselling others. These states are the fastest growing, according to Amazon:

1. Mississippi

2. Nebraska

3. Maine

4. Texas

5. Indiana

6. Colorado

7. North Dakota

8. Vermont

9. Wisconsin

10. Missouri

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