

# How Amazon is Supporting Small Businesses During COVID-19 and Beyond

**PAYCHEX**  
Business  
Series

Coronavirus



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## Full transcript

**Gene Marks:**

Hey everybody. I'm your host, Gene Marks, and this is season two of the Paychex Business Series podcast. I'm a certified public accountant and a regular business columnist at a bunch of places that you probably read. I write every week for *The Guardian*, for *The Washington Times*, *Philadelphia Enquirer*, *The Hill*, *Forbes*, and *Entrepreneur*, but most importantly, I am a small business owner. I run a 10 person financial and technology management services company outside of Philly.

I've teamed up with Paychex, the leading provider of human resources, payroll, benefits, and insurance services to bring you real-life stories and advice from real-life business owners and experts.

Last season we talked about the challenges associated with COVID, and this season we're focusing on moving forward, innovating, and navigating the road to recovery. My special guest today, I'm really happy to have here with us, is Keri Cusick. Keri is the head of small business empowerment at Amazon.

**Keri Cusick:**

Thanks for having me, Gene.

**Gene Marks:**

So, first of all, what exactly do you mean by head of small business empowerment at Amazon? What is your job?

**Keri Cusick:**

Yeah, that's a great question. My job is to understand small business needs and help them grow their business in partnership with Amazon, so that's the work my team and I come to work focused on every day.

**Gene Marks:**

Got it.

**Keri Cusick:**

Which can mean a lot of different things, but we're working with lots of different teams across Amazon, lots of leaders in the industry to listen, learn, and develop things that are going to make a difference for our small business partners, which is a really gratifying way to get to spend your day every day.

**Gene Marks:**

How long have you been with Amazon?

**Keri Cusick:**

Six and a half years, almost.

**Gene Marks:**

Wow. Where were you in a prior life?

**Keri Cusick:**

I describe myself frequently as a recovering lawyer. I actually started my professional career in commercial litigation, and then started making my way towards projects and work that I felt like made a difference in the world. I moved from there into renewable energy and got to work on some really cool renewable energy projects for a number of years before I made my way to Amazon, so it's been a fun journey.

**Gene Marks:**

When you talk about small businesses on Amazon, first off, there's a lot of misconceptions. But one thing I just want to try and make clear with you is that there are a lot of different types of small businesses that make money off of Amazon, right?

**Keri Cusick:**

Absolutely. Yes, Amazon works with more than 2 million independent partners in the U.S., And those partners include businesses that sell in our stores, businesses that operate delivery service, businesses that use tools from Amazon web services, they build Alexa skills, they publish books with Kindle Direct Publishing. Over half of everything that's purchased from Amazon is sold by an independent third-party seller, which are mostly small-medium sized businesses, but we have a wide range of small businesses that we do partner with.

**Gene Marks:**

Obviously, people have their criticisms about Amazon, particularly with small business, and I want to give you a chance to respond to that, Keri. I mean, how do you view Amazon's relationship with small businesses, and what does Amazon do for small businesses?

**Keri Cusick:**

Yeah. At Amazon, supporting small businesses is a fundamental part of our work. It's an extension of our customer centric culture. We've got 14 leadership principles here at Amazon. The very first one is customer obsession, and for us, small businesses are among the customers that we obsess over. We know that our success depends on their success, and every day I've come to Amazon for the past six and a half years every conversation has literally started with working backwards from that. Working backwards from doing the right thing for our customers, including those small business partners. So I've gotten to see that year over year.

**Keri Cusick:**

In addition to seeing just the way we approach our work, I've also had the privilege of seeing how selling in Amazon stores, how partnering with Amazon to grow a small business has enabled hundreds of thousands of smaller companies to sustain and even grow. Even in a year as challenging as this one has been with the COVID-19 crisis, our commitment to supporting small businesses and adapting together for the future has never been more steadfast.

One of your themes for this year for the podcast is innovating, and that's something we've been focusing on as well, as we know our small business partners are inventive and resilient and incredibly creative, and that getting to the other side of all of this successfully, surviving it, thriving through it requires innovating and adapting, and so we've been even more focused than ever on partnering with our small business partners to do that. To help provide education and resources and opportunities. We've seen incredible success stories come out of that, which is incredibly encouraging.

For example, we designed this year's Prime Day to support small businesses, which was particularly fun. We committed more than \$100 million dollars to help their growth over the course of that shopping event and the upcoming holiday season, which included holding our biggest small business promotion yet, and that promotion helped drive more than \$900 million in sales for small businesses in the two weeks leading up to Prime Day. During Prime Day, small-medium sized businesses achieved another \$3.5 billion in sales, which marks the two biggest days ever for small-medium sized businesses in Amazon Store, and in total is nearly a \$4 billion boost for small-medium businesses just in the course of that event. The 3.5 billion represents a 60% year over year increase in growth as we helped connect more customers who are shopping increasingly online right now with this small business partner.

So, we see lots of opportunity. We've seen small businesses thrive and succeed because Amazon provides some really great channels and opportunities to connect with the customers who love and are delighted by their products, and we've only seen those trends increased.

**Gene Marks:**

How do you respond to some small businesses complain that Amazon competes with them selling their own products that go up against some of their small business merchants. What do you tell your merchants who come to you with that problem?

**Keri Cusick:**

I think the first thing I'd reinforce is that more than half of the products sold on Amazon come from small- and medium-sized businesses, and so the products that customers are seeking or purchasing or discovering in Amazon Store from those businesses, more than half of the products come from those small- and medium-sized businesses. Amazon does sell a number of its own products, but it represents an incredibly small percentage of the overall products in our store. It's very normal for businesses to sell their own labeled products, but for us, it's a very small percentage.

On the other side of that, we are investing billions of dollars in helping small businesses and investing in tools and services and programs that help small businesses grow their brands, connect with more customers, and on the other side of that we see a ton of growth and opportunity.

**Gene Marks:**

A little bit diversion, but as an employee of Amazon, you've been there for over six years, there's a couple of things that I thought would be of interest for our listeners who run small businesses. First of all, you guys have a unique way of doing meetings.

**Keri Cusick:**

We do.

**Gene Marks:**

Yeah, a few people from Amazon have told me about this. It comes from Jeff Bezos, and it's literally like you either do this or you're out the door. What's so unique about the way you guys do meetings at Amazon?

**Keri Cusick:**

You write a lot of documents, Gene. We don't use PowerPoint. Whenever we have a meeting, the owner of that meeting has to actually prepare a document that crystallizes what we're there to talk about, the problem that we're trying to solve, the considerations that went into it, the research data that we've developed, pros, cons, et cetera, but we never have a meeting without a document. So you get very, very good at writing around here.

**Gene Marks:**

Yeah, I hear you have to write the document and then for the first half of the meeting everybody sits there and just has to read the document, correct?

**Keri Cusick:**

It's true, yeah. So you walk in the room, you've got the document, depending on the length of the document you spend the first, say, anywhere from 15 minutes to an hour reading, and then you've got your anchor point for the whole conversation. But it's very strange when you first walk in, because you don't start talking. Everyone just sits down, heads down, and read.

**Gene Marks:**

That is crazy. I mean, first of all, it's humbling as well. And then people come back and they give you comments on the document, and then I guess there's action items at the end.

**Keri Cusick:**

Exactly.

**Gene Marks:**

That the owner has to take away. That's really good. Also from a culture aspect at Amazon, you guys are a very pet-friendly environment, as well. Is that true?

**Keri Cusick:**

We are. We're very, dog-friendly. I'll be specific.

**Gene Marks:**

Yeah, there's like thousands of dogs registered by employees. Are you in the Redmond area? Is that where you live? So do you go into the main offices, or are you somewhere else?

**Keri Cusick:**

Yeah, in the Seattle area, so I've actually brought my dog to the office for years. She's a huge fan. She grew up there, and it's definitely one of my favorite things about getting to go into the office around here.

**Gene Marks:**

That's funny. That really is funny.

**Gene Marks:**

Now back to selling on Amazon. So, I also hear from a lot of clients of mine that sell on Amazon is that you guys can be a real pain in the neck to sell on. The requirements are heavy. There's requirements to respond to customer service complaints fast, to abide by the rules, to participate in certain programs. How do you respond to those concerns?

**Keri Cusick:**

That's a great question. I think I'd start with working backwards from the customer experience we're all trying to provide, right? I started at the top of our conversation commenting on how we're customer obsessed, and the work we do with our small business partners is an extension of that. So when we think about the store, obviously we're trying to create that amazing customer experience that Amazon customers have come to know and love, and to have that be the experience regardless of where the product the customer is purchasing is coming from.

We often find that our small business partners share that obsession, obviously. Customers are the lifeblood of the business, and that relationship that you curate, the experience that you provide, both with the product and the customer service, makes all the difference in that customer coming back and returning. We set a high bar for ourselves here at Amazon. Our selling partners join us in meeting that bar. It can be a lot of work, which I think is not a surprise to any small business partner or any person running a small business, but at the end of the day, we see the benefit that it drives for both our customers, but ultimately for the small business partners who those customers come back to time and again.

So one of the things that can be harder at scale, of course, is to make sure that experience for customers is consistent, and so making sure we do have where it's possible, make it as easy as possible to do the great thing, do the right thing, make sure those policies are clear, trying to communicate them as cleanly as possible, make it as easy as possible to execute, are all continuous things that we work to make even better and better.

That bar for customers is one of the most critical things, and despite how challenging it may be sometimes to get to that point or to develop your small business to the point where you've got a really great infrastructure to support some of it, the benefits on the other side in terms of the customer base and then the relationships and the trust you develop are worth it.

**Gene Marks:**

Makes sense. Makes sense. Okay, hopefully you're going to be an Amazon for another 50 years. You're happy where you are, it's all good, but I don't know, let's assume that you decided to leave the company and be an Amazon merchant yourself, right? Now, you've been in the know. You've been there for six years, so you know all the secrets, right? So first of all, what niche would you say would be something that you think, or maybe it could be a couple of niches, that you see for small businesses looking to get into, looking to grow, if you were to start your own business to sell on Amazon you'd be like, "Ah, that's a place I could make some money"?

**Keri Cusick:**

Such an interesting question. The interesting thing is if I were in that position, if I think back to the advice that we often give our small business partners who have similar questions like, "Where do I start? What are the opportunities?" It starts by a combination of filling a gap, right? What is a need no one else's meeting? How can I fill that, and being excited about it? Right? So, the folks that we also see be incredibly successful are also just really excited. They do what they love and they're really excited about it, which makes it easier and more enjoyable to pursue that offering and make it better and better for customers over time.

**Keri Cusick:**

If I had to pick a product for myself to get into, that one's tricky. I come from a family of entrepreneurs and I am constantly inspired. And when I say a family, I'm talking parents, grandparents, siblings, cousins, aunts, uncles, and incredibly inspired by their ability to identify and tap into that thing that people love. So for me, I know right now perhaps more than any other moment in time, there's been this year a heavy focus on less the things that people want, I guess I'll phrase, and more the things they need. Right? Those essential products. And then making sure you've got them and you've got them when you need them, and this year has been tricky for that in some areas, as we know.

So for me, I'd probably start by looking at some of those trends that have accelerated. Folks are shopping more online, they're starting to source more types of products online, things that they might've gotten in stores previously. What are folks leaning into and where are they sharing feedback that it could be better, right?

**Gene Marks:**

What's funny with your answer is that, so what that tells you about you is that it's not as if you want to sell something, you have some passion to sell some specific thing on Amazon, but you would more lean to saying, "Okay, well where are the trends going and where can I make some money? And I'd be happy to sell whatever it is because it's just fun to sell," along that line. So, you're a moneymaker.

**Keri Cusick:**

A little bit. I'd reframe it a bit as I thrive best when I'm helping meet a need or a problem.

**Gene Marks:**

Sure.

**Keri Cusick:**

And so if I could find that thing where I know I could make a difference, I could fill a need and then make it really great, that would be a really satisfying way to spend the day.

**Gene Marks:**

Makes sense. Makes sense. So coming up in the future, tell us a little bit about where you think eCommerce and Amazon is going to be for small merchants in the next few years. Where do you think some of the developments will be?

**Keri Cusick:**

One of the interesting things as we've been studying this year and understanding what customers need, what small businesses need, is we've seen an acceleration of trends that were true pre-COVID. So in a world where a lot has changed and change is really the only constant, a few things have remained consistent. We've seen that customers continue and are always going to value the widest selection possible, low prices, and fast, convenient delivery.

So when we think about what that means for small business growth over the next several years, some of the advice we've been giving is that's the formula that has worked before COVID and we've only seen those trends strengthen as customers have adjusted their shopping behaviors to the world around us. No one store has everything customers want or need. Online shopping has saved customers time and expense of driving to multiple locations. Sometimes there's obviously costs involved with that, financial costs, time costs, and so we've seen that online shopping has become more important to people than ever.

**Keri Cusick:**

We've seen it's good for the economy. It's good for the environment, as well. It often allows increasingly customers to shop their values, which we've seen become even more important this year. For a lot of folks who even if it's been long-term important to them to shop small, to shop local, shop women owned, to shop black owned, et cetera, to support those businesses they care deeply about, doing that online has become even more important because in many cases they can't just walk down the street or drive across town to that brick-and-mortar store either because of physical limitations or what have you. So, we've seen that desire to do all of that online, paired with then also having the selection they want, the low prices they want. Fast, convenient delivery.

So our encouragement has been as we go into the rest of this year, which is going to be coming to a close shortly, and as we prepare for the next couple of years, to really lean into those truths, because they're going to be the things that drive customer behavior, those consistent desires, and meeting those customers where they are will be really important to not just surviving, which I know it's the minimum bar that we all want to hit, but then perhaps thriving as well and getting to create success stories.

One of my favorites, for example, from recently is the story of a company called Palouse Brand, who's a family farm operation in Washington state. They sell dried beans and peas and grains and other food products. They began their partnership with us in 2013, and they've shared that when COVID-19 hit early this year, because they were well-established online already and had already tapped in to starting to meet those three essential needs, they saw their sales double month over month as customers sought to stock up on non-perishable foods. They were able to ramp up their contributions to their community through financial and food donations, and then they also were able to create a ton of jobs. They hired more than 100 temporary and permanent employees, mostly single mothers and those recently laid off, to assist with the low workload.

That's the type of great flywheel that we love to see come out of this is meeting those customer needs and then getting to see it both feed the business and feed the local community in terms of jobs and contributions, and so leaning into those trends is what we see really fuel success stories like that.

**Gene Marks:**

All right. Well Keri, we're almost out of time, but I've saved my hardest question for you until the very end, so get ready for this one. So as an expert of all things Amazon as you are, Keri, is it the Marvelous Mrs. Maisel or the Marvelous Mrs. Maizel?

**Keri Cusick:**

Oh, it's Mrs. Maisel.

**Gene Marks:**

Is it Maisel?

**Keri Cusick:**

A hundred percent, it's Maisel. It has to be.

**Gene Marks:**

I'm glad you-

**Keri Cusick:**

What do you think?

**Gene Marks:**

I think it's Maisel, as well, but I'm glad we had that validated. Thank you very much.

**Keri Cusick:**

I am a huge fan. I've been watching that one since day one.

**Gene Marks:**

It is a great show, and Fleabag was another great show that I watched around the same time, but Marvelous Mrs. Maisel was great.

Keri Cusick is the head of small business empowerment at Amazon. Keri, I appreciate you coming on. It was very good information about it. Maybe in the future we can also dig in a little bit further into the details, other questions that come to me about succeeding and selling on Amazon, but that'll be for another episode at another time, so thank you for coming on and joining me.

**Keri Cusick:**

Absolutely. Thanks.

**Gene Marks:**

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