

EXECUTIVE SUMMARY

Technology platforms and ecommerce marketplaces are rapidly proliferating in Southeast Asia, a region primed for digital growth and opportunity. The vibrant digital ecosystem brings together many of the largest global platforms as well as innovative and fast-growing start-ups native to the region. As digitalisation changes daily life for many millions of people, including how they shop, work, communicate, and consume news and entertainment, the revolutionary ability of global ecommerce platforms to dramatically expand the export opportunities of small and medium-sized enterprises (SMEs) cannot be overlooked.

Countries in Southeast Asia are exceptionally well-positioned to capitalise on the new small business export opportunities created by global ecommerce platforms. They are home to large and capable micro and small business ecosystems and a vast pool of young, technologically savvy, and innovative entrepreneurs. This report details how small online businesses across six Southeast Asia countries - Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam - are using the eBay ecommerce marketplace to successfully sell to consumers in hundreds of export markets each year, contributing to important national efforts to use exports by SMEs to help bring balanced and inclusive economic growth.

The data on eBay and its role as a powerful export platform highlights how it is uniquely positioned to offer independent SMEs in the region ecommerce export opportunities. These directly reach many important consumer markets, including valuable markets outside the Asia Pacific region. While less than 20 percent of traditional businesses in each of the six markets highlighted in this report export, all eBay-enabled small businesses in Indonesia, Thailand, and Vietnam are exporters, and more than 95 percent in Malaysia, the Philippines, and Singapore use eBay to reach global consumers. These SMEs exporting on eBay have the reach of giant businesses, serving customers in an average of 25 different international markets on an annual basis. Across the six countries that are the focus of this report, an astounding 68 percent of eBay-enabled small businesses exported to 10 or more international markets, led by those in Singapore at 86 percent. And, as a collective, the eBay-enabled small business community in the region made sales in 214 international markets in 2020.

The data on exporting across the eBay platform reveals that it is especially valuable in allowing Southeast Asia's SMEs, who are increasingly comfortable engaging in ecommerce on multiple digital platforms simultaneously, to robustly export to several of

the world's most valuable consumer markets that are otherwise traditionally underrepresented in the exports of each country's traditional business communities. For example, the United States is a major market for eBay-enabled small businesses and traditional exporters in all six countries in the region. However, other important global markets such as the United Kingdom, Australia, Canada, Germany, France, Italy, and Spain are also in the Top 10 export markets for the region's eBay-enabled small businesses, while rarely cracking the Top 10 for the region's traditional businesses that export. Opening these valuable consumer markets to exports by local SMEs will help promote balanced economic growth by allowing the region's burgeoning digitally-connected small businesses to reach outside the region, diversify sales, and capture global opportunities.

Finally, the report examines the phenomenon of new enterprise creation and establishment, a key indicator of business and economic dynamism. Among all the eBay-enabled small businesses in the six regional markets in 2020, 70 percent were newcomers, and more than half were newcomers in each of the six countries. The eBay ecommerce marketplace provides a level playing field, which triggers such an effect by indiscriminately facilitating market entry and participation.

Southeast Asia Region Key Data Highlights*

eBay-Enabled Small Businesses



Share That Export



Average Number of International Destination Markets



Share That Export to 10+ Markets



Share That Export to 4+ Continents



Share That Were Newcomers

*Countries include Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam.