



eBay Digital Density in Europe

Further evidence that small business digitalisation delivers inclusive growth

November 2026

EXECUTIVE SUMMARY

This paper presents eBay data that counters the perception that Europe's leading urban growth hubs are always destined to outperform the rest in digital commerce. Rather, the digitalisation of small and medium-sized enterprises (SMEs) can harness technology to address regional imbalances rather than worsen them. Regions perceived as secondary, economically depressed, rural, and less prepared for the digital transition often outperform national capitals and other large cities.

Two indexes are used to rank and compare Nomenclature of territorial units for statistics (NUTS) regions within EU Member States and their UK equivalent. eBay Digital Density is an index based on the measurement of eBay small business activity on a per-capita basis. The Regional Prosperity Index (RPI) measures a region's per capita GDP. In both cases, the figures are based on per capita activity and normalised to allow for comparisons between regions with larger and smaller populations, and countries with higher or lower overall levels of economic development.

RPI results confirm that the national capital cities are nearly always located in the most advantaged region. The 18 capital regions in European Union countries with at least five NUTS 2 regions have an average RPI value that is 74 percent higher than the country as a whole, compared to an average of just 13 percent higher for the leading eBay Digital Density regions. Concretely, this reveals that digital SME success does not have to follow wealth. In other words, eBay Digital Density reflects a different geography of enterprise, one less tied to accumulated regional prosperity than the traditional capital-city growth model. Through ecommerce, regions outside national capitals can become engines of inclusive growth.

eBay Digital Density results also challenge predictions of so-called "Digital Readiness". Based on an analysis of EU NUTS regions that graded and ranked them into quartiles from "least prepared" (Red) to "most prepared" (Green) for the digital transition, the national capitals were unsurprisingly all rated Green. However, eBay Digital Density leaders were very diverse, with an equal number of leaders coming from regions in the bottom two quartiles than were from Green regions, including four eBay leaders coming from Red regions. These findings demonstrate that SME digitalisation can upset traditional digital expectations.

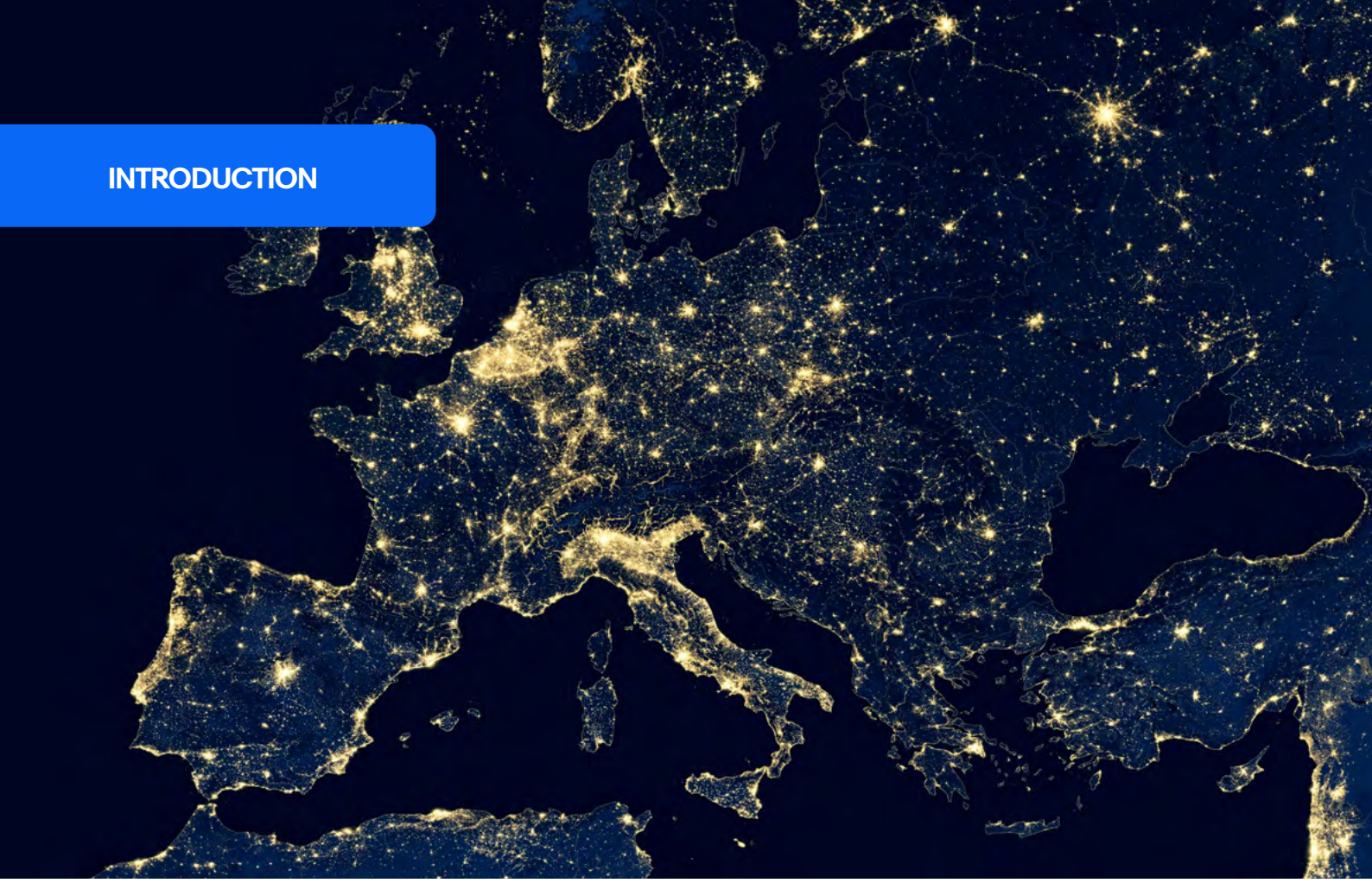
Finally, eBay Digital Density challenges the expectation that urbanisation, including higher population density, is inevitably linked to tech-driven economic success. Nearly every national capital region has the highest population density in their respective countries, and each is predominantly urban. Top eBay small business communities come from a wide range of regions, including some very rural, with six having population densities below 100 people per square kilometer.

eBay Digital Density continues to challenge the assumption that Europe's national capital regions and predominantly urban areas will dominate every measure of entrepreneurship and mastery of digital tools. Instead, policies and investments to promote digitalisation and ecommerce by independent small businesses can pay inclusive growth dividends in regions otherwise slipping behind.

Key Learnings

- **National capital regions average 1949 people per square kilometer,** while leading eBay regions average just 675, including six top eBay regions with under 100 people per square km.
- **Ten eBay Digital Density leaders are regions with GDP per capita below their national average.** National capital regions, by comparison, top their country's GDP per capita ranking 20 of 23 times.
- **Four top eBay Digital Density regions are rated as "least prepared" for the digital transition,** defying expectations of "digital readiness".

Stimulating the growth of secondary and urban regions should be a priority for European and national policymakers, for example by implementing public policies and investments that broaden SMEs' access to cross-border trade, ecommerce and financing, while lowering barriers to scaling their businesses.



INTRODUCTION

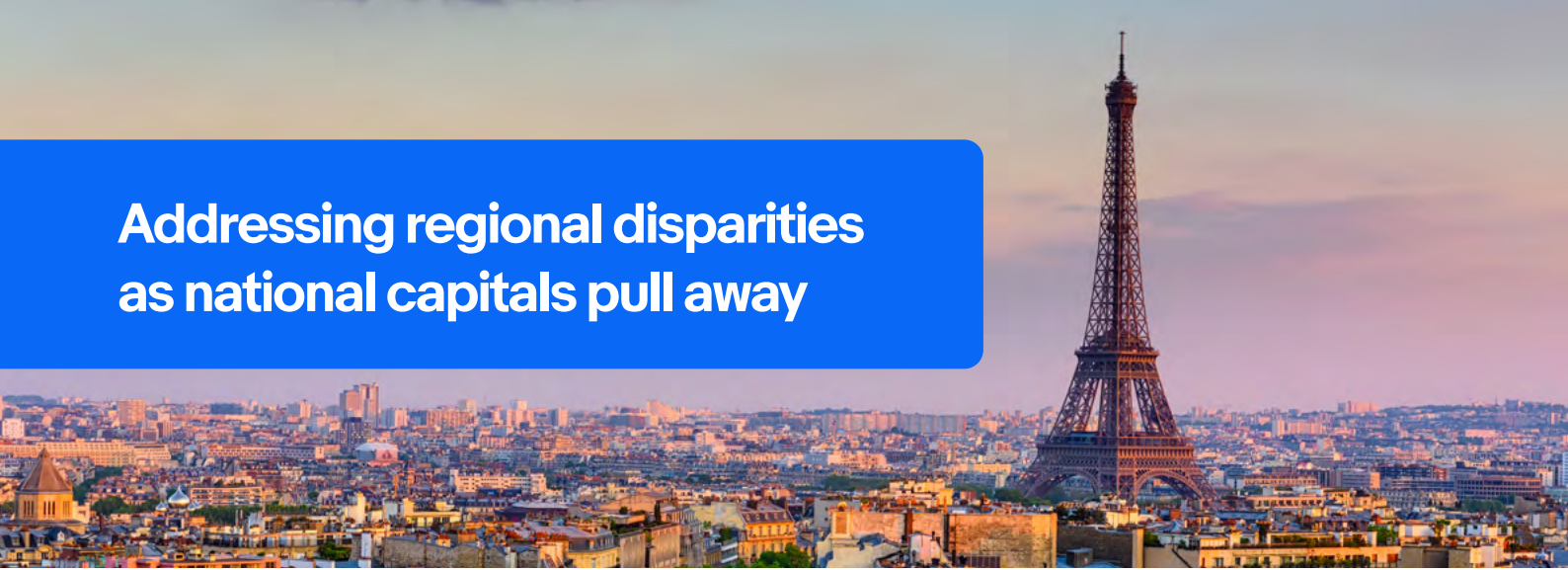
The European Union (EU) is home to a vast and digitally proficient population, a huge and productive economy, and one of the most vibrant ecommerce ecosystems in the world. At the same time, promoting bottom-up growth and reducing disparities in development between regions remains a major challenge on the path to building a more inclusive, balanced, and sustainable Europe.

EU policies have contributed to meaningful progress in reducing economic and social imbalances between Europe's major regions. However, regional disparities within many countries are worsening. The dominance of national capital cities presents a particularly striking challenge. Their roles as hubs of productivity, technology, entrepreneurship, and growth is generally an attractive development when seen from within these vibrant centers of activity and culture. However, as the capital regions "pull away" from the rest of their respective countries, it threatens to undermine long-term economic growth and social viability.

This paper presents eBay data that contends that the digitalisation of small and medium-sized enterprises (SMEs) can help address regional imbalances by enabling more growth in regions that are often perceived as secondary, economically depressed, rural, or less prepared for the digital transition. eBay "Digital Density" is a country-level ranked measurement of the per-capita eBay small business activity in the EU's Nomenclature of territorial units for statistics (NUTS) regions and the UK's International Territorial Levels (ITL).[1] In many EU Member States, the region that dominates the traditional economy, nearly always the highly urban capital region, does not lead in eBay Digital Density. Rather, eBay's ecommerce marketplace is leveling the playing field and allowing independent small business owners to tap their entrepreneurial spirit regardless of their local situation, with top eBay small business communities emerging in a very wide range of regions. This digitally-enabled success is often an inclusive counterbalance to the prevailing growth trends.

The analysis in this report is based on data covering transactions on the eBay marketplace in 2024 unless otherwise indicated. When analysing the activities of small businesses on eBay, the data was limited to transactions by sellers who were registered business enterprises in one of the 27 Member States of the EU and the United Kingdom with sales of EUR 9.240 and GBP 7.830 (equivalent to $10,000 USD) or more annually on the eBay marketplace.[2] In this report, these sellers are called "eBay small businesses".

> eBay's ecommerce marketplace is leveling the playing field and allowing independent small businesspeople to tap their entrepreneurial spirit regardless of their local situation, with top eBay small business communities emerging in a very wide range of regions.



Addressing regional disparities as national capitals pull away

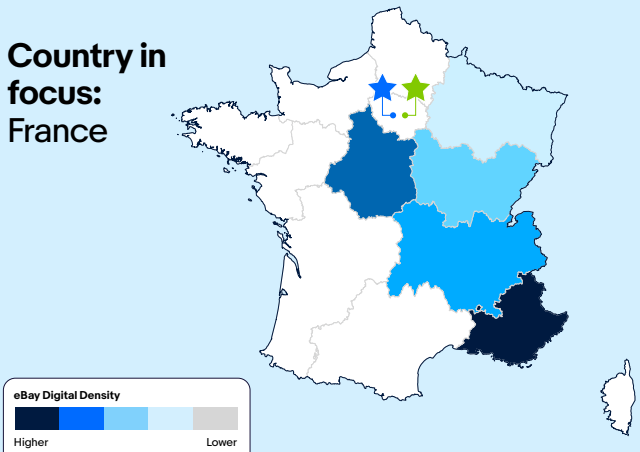
Economic and social imbalances between regions have plagued European markets for decades. EU policymakers have responded by consistently increasing investments in regional development, a commitment recently marked by the European Regional Development Fund's 50th anniversary.[3] These efforts have yielded clear results with economic inequality between countries declining significantly over the last two decades, particularly as Central and Eastern European regions have converged toward the EU average.[4]

However, even as national GDP per capita in Europe has converged, the economic performance of regions within countries has tended to grow apart.[5] While globalisation and technology reduced the impact of distance between countries, geography seems to matter more than ever inside national borders.[6] Many regions in Europe appear to have fallen into 'development traps', where a lack of innovation, lower-skilled labor pools, and stagnant productivity cause them to fall behind their more dynamic, urban neighbors.[7] Addressing these regional inequalities are a top development priority of the European Commission's Cohesion Policy.[8]

National capital regions have played a central role driving competitiveness, productivity, as well as innovation and growth. Workers in nearly all European capital regions are more productive, younger, and more highly educated than elsewhere in their country.[9] These regions act as powerful magnets for talent, leading to a persistent process of 'geographic sorting' that concentrates human capital and skills in a few dominant urban hubs.[10] European policymakers increasingly recognise that the "competitiveness" of national capital regions often "leads to internal divergence."[11]

The 'magnetism' of European national capitals also contributes to an 'urban paradox' where a dominant region concentrates investment and resources, yet simultaneously exacerbates social, economic, and environmental inequalities.[12] In economic terms, secondary cities and regions outside the national capital area have the potential to contribute more to output and growth if provided with the right digital and physical infrastructure.[13] There are also social implications of divergence between Europe's leading urban centers and increasingly secondary regions, with globalisation and the digital transformation seen as benefitting the young and more highly educated concentrated in urban hotspots versus those who are older and have lesser education.[14]

Country in focus: France



The eBay Digital Density figures for France reveal a regional balancing effect in a country with an otherwise economically dominant national capital region. Île-de-France is the wealthiest, most populous and most heavily urbanised region in France, and Paris appears on many lists of Europe's tech startup hotspots. But it sits eighth in eBay Digital Density among the country's 14 NUTS 1 regions. Provence-Alpes-Côte d'Azur, with a GDP per capita that is just below the national average and slightly above half that of Île-de-France, is tops in eBay Digital Density, while and Centre-Val de Loire is 2nd, Auvergne-Rhône-Alpes is 3rd, and Bourgogne-Franche-Comté is 4th, all sitting below the national average in GDP per capita.

Small business digitalisation is an inclusive regional development strategy

In the current execution phase of the European Commission's 2021–2027 Regional Development fund plan, the development of SMEs, specifically through digitalisation, is a top priority for achieving 'Digital Cohesion.'[15] There are more than 26 million SMEs in the EU, accounting for 99.8 percent of all business enterprises and employing almost 90 million people, with the Wholesale and Retail Trade sector remaining one of the EU's largest SME employers and a primary driver of value-added in regional economies.[16] Consequently, expanding SME digitalisation and internationalisation are two pillars of the EU's strategy to foster sustainable growth, regional resilience, and a more inclusive single market.[17]

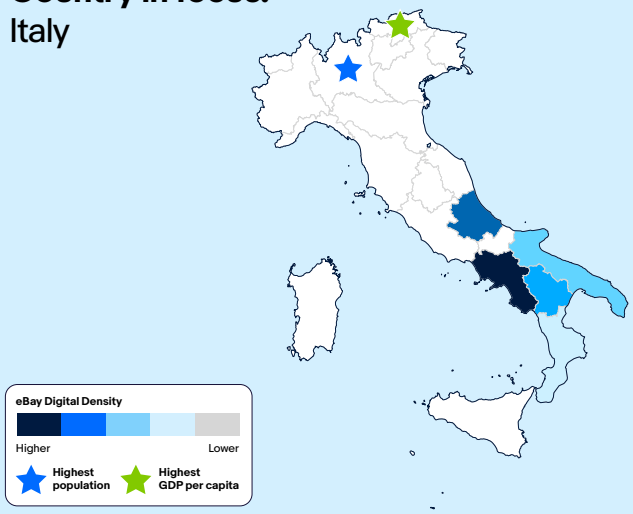
Digitalisation and its common-byproduct, cross-border trade, allow small business retailers to reach hundreds of millions of new potential customers, complementing local in-store sales. However, digital commerce traditionally involved a steep learning curve of new skills, methods and technologies, and larger companies have proved more agile in navigating these barriers. The adoption of digital tools by SMEs continues to trend upwards, with nearly 70 percent achieving at least a basic level of digital intensity, on a path to the Commission's target of 90 percent by 2030, while 23 percent of SME reported online sales, although the comparative rates for large European businesses remain well ahead at 96 and 48 percent.[18] The disparity in the adoption of "advanced digital technologies" such as AI is even greater, with 55 percent of large firms reporting their use in 2025 but only 17 percent of small firms.[19]

	SMEs	Large businesses
Achieved a basic level of digital intensity	70%	96%
Reported online sales	23%	48%
Adopted "advanced digital technologies" (including AI)	17%	55%

Platforms, especially marketplaces like eBay, are enabling smaller firms to overcome digital complexity and succeed online.[20] Once online, digitally adept European small businesses often operate on multiple platforms rather than limiting themselves to a single provider.[21] Operating on multiple platforms, especially when they provide improved access to new markets, brings clear diversification benefits, including reducing the risk an individual business faces should a critical destination market or region suffer an economic downturn[22], as well as reducing a small enterprise's dependence on any single service provider.[23]

The next sections demonstrate how eBay small business ecosystems in countries across Europe are confirming that SME digitalisation can help ameliorate the regional imbalances in countries that are often attributed to the digital economy, globalisation, and other factors driving the magnetism of top urban centers.

Country in focus: Italy



Italy proves that eBay small businesses can thrive in a country's most economically challenged regions. Italy suffers persistent north-south regional disparities along a wide range of indicators. Against that backdrop, the highest levels of eBay Digital Density are in many of its most distressed regions. eBay Digital Density leader Campania, home of Naples, has an unemployment rate of nearly 16 percent and is 19th of 21 in GDP per capita. But eBay small businesses in Campania are not alone in pushing back against Italy's regional imbalances. The top seven regions in eBay Digital Density all have GDP per capita levels below the national average, including the bottom four: Calabria, Sicilia, Campania, and Puglia.



eBay sellers countering urban hot spot dominance

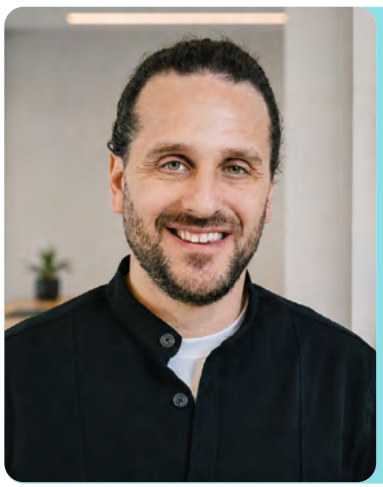
In this section we calculate and use two indexes to rank regions at primarily the NUTS 2 level in EU Member States and the ITL 2 level in the UK. One, called **eBay Digital Density**[24], is a measurement of eBay small business activity on a per-capita basis. The second, which we call the **Regional Prosperity Index (RPI)**[25], measures a region's per capita GDP. In both cases, the figures are based on per capita activity, allowing for more helpful comparisons between larger and smaller population regions. Second, both indexes normalise their values by presenting a region's performance, whether for eBay small business activity or per capita GDP, as a percentage of the national average, so that 25 percent above the national average results in an index value of 125. This allows for a greater sense of divergence from the norm, whether the underlying baseline of GDP or eBay activity is higher or lower.

The RPI results confirm that the capital city regions of Europe are nearly always the wealthiest and most advantaged regional economy in each Member State. In 20 of the 23 EU markets with more than one NUTS 2 region, the capital region enjoys the highest GDP per capita, often by a significant margin.[26] EU capital regions are even more likely to be the most urbanised in their respective country as measured by population density. There are only three exceptions, Italy's Lazio region (3rd), the Noord Holland region of the Netherlands (2nd), and the UK's Inner London – West region (2nd).

The regions that lead in eBay Digital Density in their national market are a far more diverse collection. Rather than following the national capital pattern of being the wealthiest and most urbanized, **the most robust eBay small business communities come from a wide mix of regions based on geography, population, population density and economic conditions** (See map on pages 8–9 for examples). While 9 of the 23 regions leading in eBay Digital Density also top their country's RPI, 10 of the top eBay Digital Density leaders have a GDP per capita that is below their national average, and 3 have a GDP per capita only slight above their national average.

Comparing national capital regions to eBay Digital Density leaders

We first compare the national capital regions from each country to the top eBay Digital Density regions based on the RPI scores. We limit this analysis to countries with at least five NUTS 2 regions to offer enough inter-regional differentiation for both eBay small business communities as well as GDP per capita.[27] Those 18 national capital regions have an average RPI value of 174, meaning they enjoy, on average, 74 percent higher per capita GDP than their country as a whole. We then did the same calculation using the region in each country with the highest eBay Digital Density. Those eBay Digital Density leaders were just 13 percent wealthier than their country as a whole.



Konstantinos Spiliadis
Youherbit
Patras, Greece

"eBay supports my business by giving me access to a global customer base, making it easy to sell beyond my local market without major upfront investment. The platform's integrated tools for payments and seller protection simplify cross-border trade and reduce the barriers to exporting. As a result, I'm able to reach new buyers, test demand in different markets, and grow revenue more efficiently."

Visit Konstantinos's store

Looking at the 18 Member States with five or more NUTS 2 regions, there are only five instances in which the national capital region was the leader in both RPI and eBay Digital Density (Prague, Copenhagen, Athens, Budapest and Bucharest). They are also the only examples among the 18 eBay Digital Density leaders where the top eBay small business community is located in the region with the highest per capita GDP. When we examine the 13 Member States with five or more NUTS 2 regions in which the national capital region is not the leading eBay Digital Density region, there is a similar economic divergence. The 13 national capital regions in these Member States average 171 for the RPI, or a GDP per capita 71 percent above their national average. The 13 regions that lead in eBay Digital Density in these countries average a RPI value of just 87, meaning their residents often live in regions with per capita GDP below their national average, sometimes significantly so, including Italy's top eBay Digital Density region, Campania, (38 percent below) and the Valencia region in Spain (19 percent below).

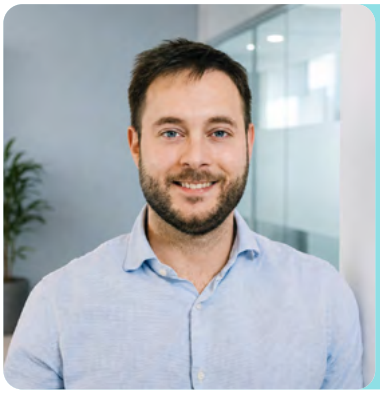
eBay Digital Density success occurs across "digital readiness" levels

A 2022 study from "Maucorps et al." projects the regional growth effects of the digital and green transitions in Europe.[28] They calculate "digital readiness" at the NUTS 2 regional level based on five criteria that are combined into a single joint score and then they classify the regions into four color-coded quartiles: Green (High readiness), Yellow (Medium high readiness), Orange (Medium low readiness), and Red (Low readiness).[29] They contend that their digital readiness analysis suggests that the digital transition will amplify polarisation in regional income levels, with already economically strong metropolitan regions benefitting most, noting in particular the "high innovation potential" of those regions.

Looking at eBay Digital Density in the context of this digital readiness analysis further illustrates the inclusive growth potential of eBay small business activity. All national capital regions in the 17 EU Member States with at least five NUTS 2 regions fall into the Green quartile based on the study's formula.[30] However, once again, the eBay Digital Density leaders paint a different picture of digital readiness and a more inclusive example of real-world digital success. While eight of the 17 respective eBay Digital Density leaders are in the Green quartile, eight come from the bottom half (split evenly between Red and Orange) and one region is in Yellow level.

eBay Digital Density regional "digital readiness" levels

Green	Yellow	Orange	Red
Brabant-wallon (Belgium)	Provence-Alpes-Côte d'Azur (France)	Steiermark (Austria)	Южен централен (Bulgaria)
Praha (Czech Republic)		Oberpfalz (Germany)	Campania (Italy)
Hovedstaden (Denmark)		Limburg (Netherlands)	Lubuskie (Poland)
Åland (Finland)		Småland med öarna (Sweden)	Algarve (Portugal)
Attiki (Greece)			
Budapest (Hungary)			
Bucuresti-Ilfov (Romania)			
Comunitat Valenciana (Spain)			



Pierre Meesemaecker
CAPNOR SAS
Dunkerque, France

"We are a family business selling reconditioned automotive spare parts, and eBay has helped us grow across Europe. We joined eBay after the pandemic, when friends described it as a real driver in the market, and it has been a great experience! "

Visit Pierre's store

eBay Digital Density

Higher — Lower

National border
Regional border

Highest population

Highest GDP per capita



Ian Naughton

Naughton Car Dismantlers
Castlebar, Ireland

"eBay has been a fantastic platform for us, particularly due to its ease of use, global reach, and the ability to engage directly with customers from all over the world."

Visit store

Finland

The remote island region of Åland leads in eBay Digital Density outpacing the Helsinki-Uusimaa region, which ranks 1st in GDP per capita and population density.



Zaira Zanghy

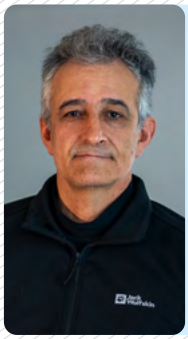
PC Dynamics
Montesilvano, Italy

"With eBay, we found security and trust. Compared to other platforms, eBay protects both us and our customers, and for a business like ours, that makes all the difference."

Visit store

France

Provence-Alpes-Côte d'Azur leads in eBay Digital Density while having a GDP per capita 11 percent below the national average.



Mario Silvestre

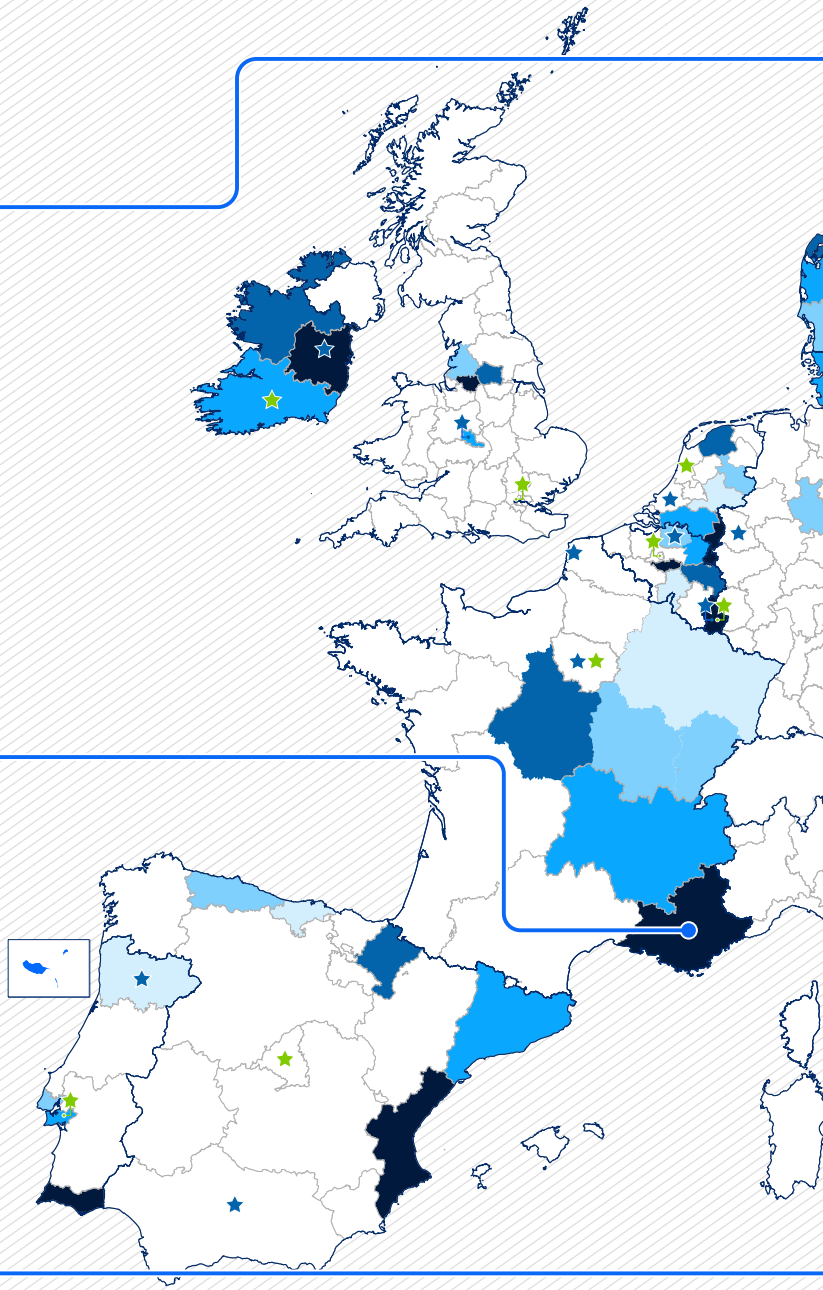
Thebestteaintheworld
Odivelas, Portugal

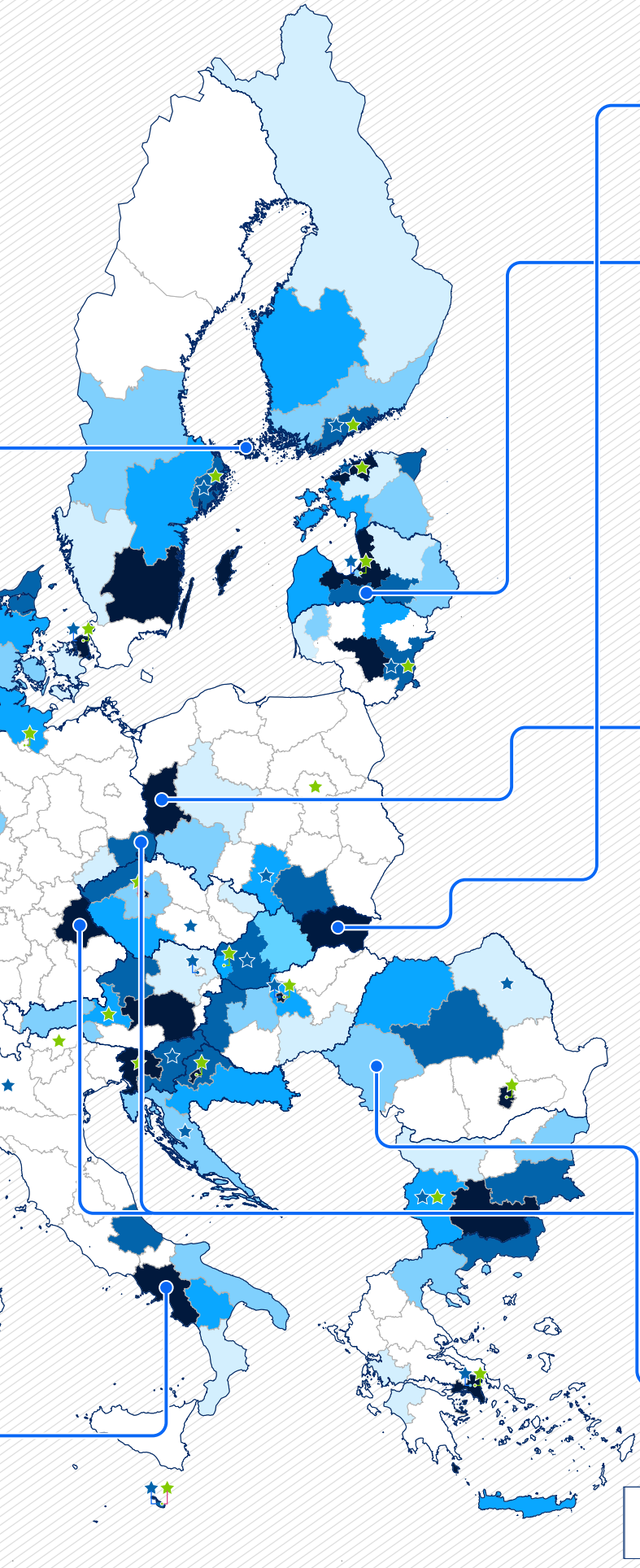
"The international marketplace allows my products to reach consumers all over the world. If it weren't for online sales, my business simply wouldn't exist, and I would not be able to create a business out of my passion."

Visit store

Italy

Campania leads in eBay Digital Density despite having the highest unemployment rate and 3rd lowest GDP per capita.



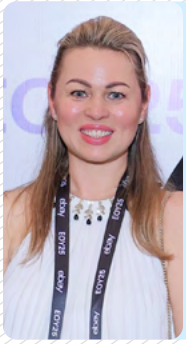


Slovakia

Východné Slovensko leads in eBay Digital Density despite having a GDP per capita that is more than 60 percent lower than the capital region of Bratislavský kraj.

Latvia

Zemgale ranks 2nd in eBay Digital Density, while having the a GDP per capita more than 50 percent lower than that of the leading region.



Deimanté Sejonaité
Poppri Fashion Auction
Ukmergé, Lithuania

"eBay is a global platform that generates a very large flow of visitors, so its reputation creates a special sense of security for buyers, and as a result, strengthens our reliability and sales."

Visit store

Poland

The Lubuskie region, one of the most rural, leads in eBay Digital Density, while Warszawski stołeczny, which is not in the eBay top 5, ranks 1st in GDP per capita. The top six regions in eBay Digital Density are below the national average in GDP per capita.



Frank Burguera
California Motorcycles
Oliva, Spain

"Selling on eBay has helped expand our physical business. It's like having a virtual shop in every country around the world."

Visit store

Germany

Oberpfalz and Dresden are the top two eBay Digital Density regions, but rank 9th and 31st in GDP per capita, respectively. Hamburg and Oberbayern, the two wealthiest regions, rank just 19th and 33rd in eBay Digital Density, respectively.

Romania

The Vest region ranks 4th in eBay Digital Density despite being the most rural and having the lowest in population.



eBay success is not dependent upon urbanisation and population density

The phenomenon of urban hotspots pulling in growing numbers of people, especially younger, more highly educated and more productive workers, is well understood. Similarly, areas facing economic development challenges often include more remote and rural areas with low population densities and minimal urbanisation. Unlike many traditional measures of tech-led economic activity, high population density and greater urbanisation are often not tied to eBay small business success.

> Overall, the 23 Capital City regions average 1,949 people per square kilometer while the eBay Digital Density leaders average just 675.

Comparing regions based on population density

As previously noted, the only three exceptions to European capital regions having the highest population density are Italy's Lazio region, the Noord Holland region of the Netherlands, and the UK's Inner London – West region. Each sits in the top 3 nationally. The regions that lead eBay Digital Density are a far more diverse collection. **Top eBay small business communities often come from regions with secondary cities, but they sometimes also come from heavily rural regions.** Six eBay Digital Density leaders have population densities below 100 people per square kilometer, including Sweden's Småland med öarna at 27 and Finland's Åland with just 20.[31]



Meroda Tekin
Fashionfouvintage
Berlin, Germany

"One of the reasons why I chose eBay is that it's so international, and that has really helped me grow. Especially with luxury, you're not just buying a product — you're buying knowledge. Live shopping feels like having coffee together while discovering incredible handbags and the stories behind them."

Visit Meroda's store

Comparing regions on an urban-to-rural scale

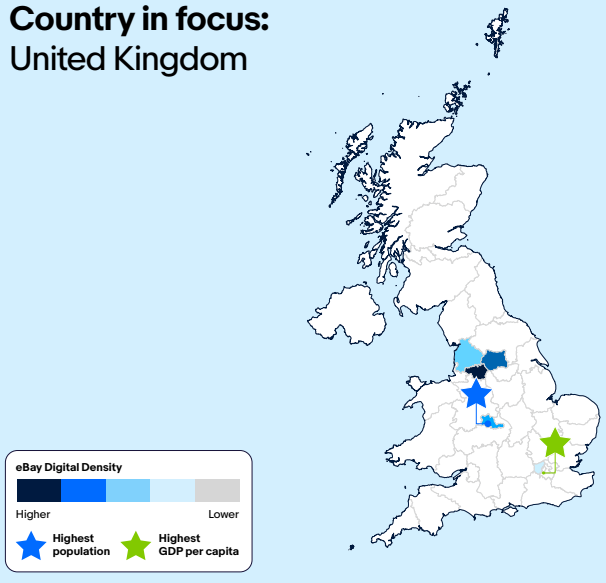
"De Beer et al." developed a Eurostat-type urban-rural typology of NUTS 2 regions using a three-tier urban scale classifying NUTS 2 regions as Predominantly Urban, Intermediate, or Predominantly Rural.[32] This can be used with other NUTS 2 datapoints such as eBay Digital Density and highlights the heterogeneity of the ranking's leaders.

All national capital regions in the 18 largest countries are Predominantly Urban. The eBay Digital Density leaders are again a far more diverse group. Ten of the top eBay regions are categorised as Predominantly Urban, but even that group is far different from the national capitals. While five national capitals are also eBay Digital Density leaders, the top eBay regions in Spain, France, and the United Kingdom are home to major secondary cities such as Valencia, Marseille, and Manchester. At the other end of the urban-rural scale, six eBay Digital Density leaders are Predominantly Rural on the study's scale, including Oberpfalz, Germany and Algarve, Portugal.

eBay Digital Density leaders among the *de Beer et al.* urban-rural scale

Predominantly urban	Intermediate	Predominantly rural
Praha (Czech Republic)	Brabbant-wallon (Belgium)	Steiermark (Austria)
Hovedstaden (Denmark)	Lubuskie (Poland)	Южен централен (Bulgaria)
Provence-Alpes-Côte d'Azur (France)		Åland (Finland)
Αττική (Greece)		Oberpfalz (Germany)
Budapest (Hungary)		Algarve (Portugal)
Campania (Italy)		Småland med öarna (Sweden)
Limburg (Netherlands)		
Bucuresti-Ilfov (Romania)		
Comunitat Valenciana (Spain)		
Greater Manchester (United Kingdom)		

Country in focus: United Kingdom



The ITL 2 region of Greater Manchester is not just #1 in eBay Digital Density the United Kingdom, it is the top eBay small business region in terms of activity in all European markets combined. And it sits at the center of a true **"superhub" of eBay small business success**, with the neighboring ITL 2 regions of West Yorkshire and Lancashire holding 2nd and 4th in eBay Digital Density in the United Kingdom. And pulling out to look at the United Kingdom's twelve ITL 1 regions, the fact that eBay is helping regionally balance the economy is clear, with the top four regions in eBay Digital Density being North West, West Midlands, Yorkshire and the Humber, and East Midlands. They sit 5th, 9th, 8th, and 10th in per capita GDP. London, dominant in GDP per capita, sits at a decidedly mid-table 6th in eBay Digital Density.



CONCLUSION

eBay Digital Density data, a measurement of the per capita eBay selling activity carried out by registered small businesses, provides a hopeful counterweight to the perception that the digital transition is a win only for national capital regions and other urban hotspots. Rather than win – lose, digitalisation can be win–win. While Europe's national capital regions are nearly always first in key measures including GDP per capita and urban density, often by a significant margin, eBay Digital Density presents more balanced leaders. The most robust eBay small business communities come from a wide mix of regions whether viewed through the lens of geography, GDP per capita, population, population density, or other economic measures, with some of Europe's most economically challenged areas, rising near, and even to, the top.

This report illustrates that Europe's national capital regions and urban centers do not dominate every measure of entrepreneurship or mastery of digital tools. Rather, digitally-enabled small businesses across Europe are succeeding, proving that technology and marketplaces that level the playing field are opening new opportunities for entrepreneurs just about everywhere. Policies and public investments that facilitate ecommerce by independent small businesses run counter to more of the "rich getting richer," but instead can pay dividends in many regions perceived as falling behind the hotspots.

To turn this potential into more inclusive growth, policymakers should focus on enabling small businesses in every region to access digital markets, trade across borders, and scale sustainably:

- **Make SME digitalisation a regional development priority:** Cohesion funding and national programmes should support practical ecommerce capabilities, including online selling, digital marketing, payments, logistics and compliance. These programmes should be designed around the realities of small businesses, microbusinesses and sole traders.
- **Build a 28th regime that SMEs can actually use:** An optional EU-wide business framework should make it easier for small businesses to operate, raise finance and sell across borders. To support inclusive growth, it should be practical for marketplace sellers and regional SMEs, not only tailored to venture-backed start-ups.
- **Make the EU Delivery Act an SME growth tool:** Affordable, reliable and transparent delivery services are essential for small businesses to reach customers competitively beyond the densest regions. The EU Delivery Act should protect universal postal coverage, improve cross-border tracking and redress, and ensure smaller traders can access delivery services on fair and non-discriminatory terms.
- **Keep online marketplaces open and accessible:** Marketplaces give small businesses access to customers, trust tools and cross-border infrastructure that would be difficult to build alone. Digital regulation should preserve this role and avoid disproportionate obligations that make online selling harder for smaller firms on marketplaces, than for larger companies on independent websites.
- **Simplify cross-border ecommerce for small businesses:** Fragmented rules on VAT, customs, consumer protection, delivery and product compliance can discourage SMEs from reaching customers in other markets. A more predictable and proportionate Single Market framework would help entrepreneurs in all regions benefit from Europe's scale.
- **Support Recommerce as part of regional and sustainable growth:** Second-hand and refurbished goods businesses can create local economic activity while advancing circular economy goals. Policies that enable reuse, repair, resale and cross-border second-hand trade should be recognised as part of Europe's digital, regional and green agendas.

The digital transition will be more inclusive if Europe backs the tools and policy conditions that allow small businesses everywhere to reach customers everywhere.

RESOURCES

[1] The report uses the Nomenclature of territorial units for statistics (NUTS) 2024 classification in which the EU has 92 regions at NUTS 1, 244 regions at NUTS 2 and 1165 regions at NUTS 3 level. Additional background on the NUTS is available here: https://ec.europa.eu/eurostat/web/nuts. The report also uses the International Territorial Levels (ITLs) classification in which the UK has 12 regions at ITL1, 46 regions at ITL 2 and 182 regions at ITL 3 level. Additional background on the ITLs is available here: https://www.ons.gov.uk/methodology/geography/ukgeographies/eurostat.

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[3] European Parliament, European Regional Development Fund (ERDF), Fact Sheets on the European Union, 2025, available at: https://www.europarl.europa.eu/factsheets/en/sheet/95/european-regional-development-fund-erdf.

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[5] Austin Kilroy and Roberto Ganau, "How Do Small Regions in Europe Achieve Growth?", Brookings Institution, 28 January 2021, available at: https://www.brookings.edu/articles/how-do-small-regions-in-europe-achieve-growth/.

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[24] Calculating eBay Digital Density: eBay Digital Density is a measurement of the per capita eBay selling activity carried out by registered eBay small businesses in a jurisdiction. eBay Digital Density in this report is calculated at the NUTS 1, 2, and 3 regional levels. The level of eBay Digital Density is based on two factors – (1) the number of eBay small businesses per 100,000 inhabitants and (2) the total sales by eBay small businesses per 100,000 inhabitants. These two factors are combined in a weighted average and normalized in an Index based on how a region's eBay seller community performs in relation to the national average.

[25] Calculating the Regional Prosperity Index: Like with our calculation of eBay Digital Density, the Regional Prosperity Index provides a per capita ranking at the NUTS 2 regional level in EU Member States and their equivalent in the UK, in this case of GDP per capita. If the per capita GDP in a region is the same as their national GDP per capita, meaning income was perfectly average, the Regional Prosperity Index value would be 100. If a region's GDP per capita is twice the national average, the index value is 200. This is the regions within a country based on how much above or below the national average the regional economy is, which is helpful when comparing between Member States at different levels of economic development. It also allows for regional comparisons of Regional Prosperity across the EU and the UK based on how much the regional GDP per capita is above or below its national GDP per capita.

[26] The only exceptions are Austria's Wein region (Vienna), which is #2 in per capita GDP among the country's nine NUTS 2 regions, Germany's Berlin region, which is #10 of 38, and Italy's Lazio region, home to Rome, which is #5 of 21.

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[27] As both eBay Digital Density and the Regional Prosperity Index are normalized figures comparing NUTS 2 regions within a country (for the majority of countries covered in this report), the calculation is not applicable to countries with one NUTS 2 region as their values always equal 100 and the one region always ranks first. Therefore, eBay Digital Density and Regional Prosperity are not calculated for Cyprus, Estonia, Latvia, Luxembourg, and Malta. Similarly, intra-country regional comparisons at the NUTS 2 level in small states suffer from similar shortcomings due to limited regional distinctions, so countries with fewer than five NUTS 2 regions are not included in cross-European comparisons in this report unless specifically noted.

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[29] The five factors contributing to digital readiness in the Maucorp et al. analysis are: (1) Labor productivity (a proxy for the level of technology.); (2) Internet access (a) internet at home, b) broadband at home, c) online interaction with public authorities and d) internet access; (3) Business sophistication (a) employment (sectors K-N), b) gross value added (sectors K-N), c) innovative SMEs collaborating with others and d) marketing or organizational innovators; (4) Lifelong learning (Percentage of persons aged 25 to 64 who stated that they received education or training.); and (5) Labor market efficiency (a) employment rate (excluding agriculture), b) long term unemployment, c) unemployment, d) productivity, e) gender balance unemployment, f) gender balance employment, g) female unemployment, h) people not in education, employment or training (NEET) and i) involuntary part-time /temporary employment.

[30] The 2022 Maucorps et al. paper only addresses the European Union's NUTS 2 regions and does not include the United Kingdom, hence there are only 17 EU Member States with five or more NUTS 2 regions.

[31] The most rural eBay Digital Density leaders, with population density below 100 per square kilometer, are Steiermark (Austria), Югоизточен [Yugoiztochen] (Bulgaria), Åland (Finland), Lubuskie (Poland), Algarve (Portugal), and Småland med öarna (Sweden).

[32] Jan de Beer, Nico van der Gaag and Rob van der Erf, New Classification of Urban and Rural NUTS 2 Regions in Europe, Working Paper No. 2014/3, Netherlands Interdisciplinary Demographic Institute (NIDI), April 2014, available at: https://www.nidi.nl/shared/content/output/papers/nidi-wp-2014-03.pdf .







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