

European Union Small Online Business Trade Report

Executive Summary

The COVID-19 pandemic has presented unexpected and unprecedented challenges for small enterprises and entrepreneurs across the European Union. We are committed to supporting our vibrant seller community during these difficult times and are unwavering in our mission to empower people and create economic opportunity for all. This report explores how European small businesses and entrepreneurs can seize such new opportunities to grow using the global online marketplace.

Cross-border trade has historically been the purview of large corporations. Nearly all traditional small businesses have been locked into their local market. Even today, most EU small enterprises rarely do business outside their home country. However, a new model of inclusive trade has emerged in the EU, with small businesses in every Member State creating storefronts on eBay and successfully competing in markets across Europe and around the globe. At the same time, these small businesses are maintaining their independence, facilities and employment in their local community.

Traditionally, commerce over distance has come with significant costs. This impeded the ability of most micro and small firms to participate directly in international markets, and even to serve customers throughout large national markets. We have seen this manifested in the EU context in limited participation by micro and small businesses in cross-border commerce within the Single

Market, even when connected to the Internet. The difficulties of selling consistently into remote markets has also disadvantaged enterprises, especially small ones, that are based further from the fastest growing economic hubs, creating challenges for broad-based and balanced economic development.

On eBay, EU small businesses are not locked into their local market. Unlike in the traditional economy where small business cross-border trade is an aspiration, on eBay it is the norm. Nearly every eBay-enabled small business in the EU is an exporter reaching customers in markets around the world.

The top five cross-border destinations for these eBay-enabled small businesses are Germany, United Kingdom, France, United States and Italy.

The export success of eBay-enabled small businesses is a good news story of inclusive European trade, small business empowerment, and broad-based economic activity emerging from every part of the EU. It is powering new enterprise development and resulting in robust rates of younger firms on eBay, especially in Member States with the highest startup rates. Government leaders at the EU and Member State levels intent on promoting small business trade, inclusive growth and harnessing technology to serve people, while protecting the integrity of small European enterprises, can better meet these goals through policies that:

1. Enable small business participation in global commerce.
2. Adapt the new EU VAT framework to small business needs.
3. Ensure fast, affordable, reliable and traceable delivery within the EU.
4. Promote sustainable commerce.
5. Adopt a smart, balanced approach to illegal content online.

European Union

Share of enterprises exporting



Share of eBay-enabled small businesses exporting to 10+ markets



Average number of foreign destination markets



Share of eBay-Enabled small businesses exporting to 4+ continents

