

United States Small Online Business Report

Executive Summary

The COVID-19 pandemic has presented unexpected and unprecedented challenges for small enterprises and entrepreneurs across the United States. 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 the expansive trade success of independent small businesses and entrepreneurs using eBay in every state, often giving rural businesses an improved opportunity to grow. The findings demonstrate that the global commerce opportunities provided by eBay offer a pathway to economic recovery that is geographically inclusive.

Global trade has historically been the purview of large corporations. Nearly all traditional small businesses are locked into their local market and rarely serve foreign customers. However, a new model of small business trade, powered by the Internet, is emerging. Small businesses are able to create a storefront online and compete in global markets, while at the same time maintaining their facilities and employment in their local community. eBay is at the forefront of harnessing technology to empower small businesses to engage in this expansive commerce. In short, nearly every eBay-enabled small business in America is an exporter reaching customers in markets around the world. The top five export destinations for the

products of American eBay-enabled small businesses are Canada, Australia, the United Kingdom, China and Mexico.

The export success of eBay-enabled small businesses is good economic news, but some believe that technology and trade are accelerating forces of economic concentration with prosperous metropolitan communities enjoying the bulk of all economic growth while rural communities fall further behind. The second part of this report investigates the rural-urban divide, comparing rates of eBay-enabled small business growth to business growth in the traditional economy. Nationwide, the rate of growth in the number of eBay-enabled small businesses in rural counties was 13.1 percent from 2011–2017, significantly greater than the 0.6 percent rate of growth in the number of rural firms overall. With regard to metro county growth, the nationwide figure for traditional enterprises was 7.8 percent, a staggering 13 times greater than the 0.6 percent rate in rural counties. However, on eBay, the 31.5 percent increase in the number of small businesses across metro counties was just a little more than two times the healthy 13.1 percent rate in rural counties. These figures point to a far greater balance between rural and urban enterprise creation on eBay than found in the traditional economy.

The eBay technology platform is conclusively reducing the barriers that have traditionally locked small businesses into their local market. While this is a major growth opportunity for independent small businesses across the United States, the relative value appears to be even greater in remote, rural and less advantaged areas. Government tax, regulatory and economic development policies aimed at enabling meaningful local economic development in less advantaged and remote regions should pay particular heed to the challenges facing technology-enabled independent small business models.

United States

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

