



Small Online Business Inclusive Global Trade Report

March 2023

ebay

EXECUTIVE SUMMARY

The eBay marketplace helps sellers of all sizes and levels of experience succeed. eBay works to jumpstart ecommerce by new entrepreneurs, small retailers, and established firms just stepping out onto the global internet. Additionally, we are equally committed to helping established sellers continue their growth journey, continually investing in improved marketplace processes, seller data and performance analytics, shipping tools and partnerships, support on key tax and regulatory issues, and site policies and security practices that help maintain a safe community. Finally, eBay, a true marketplace for 25+ years that never competes with its sellers, empowers them to craft online stores with unique logos, branded shops, and custom packaging and shipping supplies, to build a presence that is truly their own.

This report, based on data covering transactions on the eBay marketplace in 2020 unless otherwise indicated, reveals tremendous export success by small businesses using eBay in 18 markets globally, running the trade gamut from Net Importers to Net Exporters, and the development spectrum from Advanced to Emerging Economies. It provides further evidence that eBay's level-playing field marketplace is breaking the traditional link between firm size and the ability to be a successful exporter, which is a clear step forward to a more balanced and inclusive economy.

Top Findings Include

- **Nearly Every eBay Small Business in Every Country is an Exporter.** Across the 18 markets studied, at least 93 percent of the small businesses on eBay in each country exported. In 10 markets, the export rate was fully 100 percent! In the traditional economy across the 18 countries, the overall business export rate ranged from 1 to 31 percent.
- **eBay Sellers Export to Far More Countries Than Traditional Businesses.** Offline, exporting is hard and smaller businesses export to fewer countries than larger businesses. This is not the case on eBay. Country-by-country, eBay small business exporters averaged sales into 13 to 35 international markets, which is three to six times greater than the comparable offline trade performance.
- **eBay Micro-Multinationals are Collectively Virtual Export Giants.** Country-by-country, the share of eBay small businesses selling into ten or more export markets ranged from 42 to 93 percent, while the share reaching "Global Seller" status by exporting to four or more continents ran from 29 to 91 percent. And, looked at collectively, each country's eBay small business community exported like a virtual multinational giant, with 13 seller communities making sales into 200 or more different international markets in a single year.
- **Expanding Export Diversity for Greater Growth and Resilience.** Top eBay export markets often add to, rather than overlap, traditional national export markets. Country-by-country, the Top 10 export markets for eBay small businesses included an average of 5.7 target markets that are not in their country's overall Top 10 export destinations.

While each datapoint in the report reinforces that eBay's level-playing field marketplace has largely severed the traditional link between firm size and the ability to be a highly successful exporter, the inclusive nature of eBay-based trade goes farther.

Export success on the platform is not contingent on the overall trade balance in a small business's national economy, or the level of economic development of their domestic market. In fact, eBay small businesses in countries that are otherwise Net Importers, or are based in Emerging Markets, are not just trade equals; As a group they slightly outperform the averages of those operating from countries that are Net Exporters and Advanced Markets.

INTRODUCTION



The eBay marketplace helps sellers of every size and experience level succeed. eBay jumpstarts new entrepreneurs, small retailers, and established firms stepping out onto the global Internet, providing support to learn marketing and listing best practices, create a dynamic digital storefront, and access unmatched mentoring from within a global community of established eBay merchants that share information on successfully growing business operations. Equally committed to helping sellers continue their growth journey, eBay invests in improving checkout and payment processes, as well as providing sellers with advanced data and performance tools to stay on top of market trends, optimize listings, and gain competitive insights. Selling to customers around the world requires world class shipping, and eBay delivers with tools and partner relationships empowering sellers with discounted fees, free automatic tracking, and the ability to choose the shipping service that offers the best value and convenience. The world is a big and challenging place, so eBay supports its small business community on key tax and regulatory issues around the globe, as well as with site policies, 24/7 transaction monitoring, and data systems that help maintain a safe community where sellers succeed. Finally, eBay, a true marketplace for 25+ years that never competes with its sellers, empowers them to craft and differentiate their online stores with their own logos, branded shops, and custom packaging and shipping supplies, to build a unique online presence.

Since its inception, eBay has been at the forefront of a revolutionary change in international trade. Exporting at a truly global scale was long the domain of corporate giants. However, the eBay marketplace has leveled the playing field globally and empowered small businesses to reach consumers in over 190

markets. This report, based on data covering transactions on the eBay marketplace in 2020 unless otherwise indicated, covers a selection of 18 countries, distributed across the Americas, Europe, the Asia-Pacific region, and Africa. The countries include both Net Exporters and Net Importers, with an equal number of each.¹ Likewise, half of the countries are categorized as Advanced Economies and half as Emerging Economies.²

The findings herein continue to reinforce the fact that ecommerce enables micro, small, and medium-sized enterprises to export regardless of their home market, the overall trade balance in their national economy, or the level of development of their domestic market. And, it's not just the most technically proficient and best resourced enterprises that are trading.

Nearly every small business on eBay³ in all 18 countries is an exporter and this is a level of trade success unseen among small firms in the traditional economy.

Furthermore, in each country, their aggregate global export reach, number of markets to which they sell, and how those markets are spread across the globe, mirrors the reach of the largest multinationals.

We hope that our research and the data reinforcing how ecommerce marketplaces are supporting small businesses will feed into trade facilitation, development, and small business empowerment work streams wherever policymakers are engaged in efforts to promote more inclusive and robust economic outcomes.

Global Trade Should Be More Inclusive

Trade and market openness has historically led to improved economic performance in countries at all levels of development, creating new opportunities for workers, consumers, and firms, raising living standards, and helping lift millions out of poverty.⁴ Businesses that trade tend to achieve higher sales and productivity, employ more workers, and pay better wages, because they expand the number and size of markets to which they can sell, as well as increase their access to lower-cost inputs.⁵

It has been well understood, both intuitively and through economic study, that doing business over very large distances is difficult.⁶ It is easier to successfully engage with a customer that is nearby rather than one who is 100 kilometers away, or 1,000 kilometers, or on the other side of the world. Therefore, trade on a global scale across huge distances has predominantly been done by very large companies with vast resources. The traditional path to being a global trader involved enterprises that emerged and grew large in a sizable domestic market and continued their growth by targeting key export markets, establishing overseas operations in those markets, and eventually building a

multinational supply chain with vendors and consumers located around the world.⁷ While large firms account for approximately 5 percent of all businesses in many markets⁸, their share of total exports is far higher.⁹ Conversely, small firms in isolated and remote locales have traditionally had the most trouble reaching even regional markets, so the benefits of trade are especially valuable.¹⁰

The concept of inclusive growth is often focused on expanding economic opportunities for the majority of people, poor and middle class alike.¹¹ A more inclusive global trade system would include far more micro and small enterprises, including from developing and emerging economies.¹² eBay has long been at the forefront of breaking the link between enterprise size and global trade opportunities by reducing the cost of doing business over large distances enough to enable very small businesses to export at rates never before possible.¹³ Breaking the link between business size and trade is a step towards a more inclusive economy.



Anna Packer

Annaesthetic Miscellany
Flowery Branch, Georgia

Annaesthetic Miscellany is a homegrown scrappy eBay business and true to the name has thousands of listings across more than 20 product categories. In her previous career, Anna Packer, creator and owner, ran a successful private therapy practice as a Licensed Professional Counselor and taught undergraduate university courses as an adjunct psychology professor. She initially opened her eBay store as a side hustle to her therapy practice, and since 2019 has run it full time with the help of a couple of fantastic employees and one very busy thermal shipping label printer. Selling on eBay has given her the bandwidth to put more creative energy into her personal endeavors such as writing music and plays, practicing and performing, cooking, podcasting, and more. She even chronicled her experience in a book, “Miscellaneous: Taking Back Your Time Selling On eBay”.

“eBay’s global marketplace has fueled the growth of my business and opened doors for me I never thought possible. It is a platform full of opportunities!”

Ecommerce marketplace platforms are key to this digital transition in trade. Small businesses can maintain operations in their local community, creating jobs and other benefits, while also operating virtual storefronts on these platforms with vibrant international customer bases that help establish trust and facilitate sales across national and cultural borders.¹⁴ Many Internet-enabled small businesses, including in developing economies, have become “Micro Multi-National Enterprises” that supply a wide range of locally-made products and light customization services to global buyers.¹⁵

The next section will present findings based on eBay marketplace data to illustrate the very strong level of export activities by small businesses on eBay marketplaces in the 18 markets studied, as well as for the aggregated eBay small business communities from the Net Importer countries, Net Exporter countries, Advanced Economy countries, and Emerging Economy countries. Due to the presentation challenges related to providing accessible charts with data on all 18 countries, data for each country are included in the Appendix.

Country Trade Balance and Economic Classifications

Net Exporter	Net Importer
Argentina	Bulgaria
Australia	Canada
Brazil	France
Germany	India
Italy	Israel
Malaysia	Japan
Mexico	Morocco
Poland	United Kingdom
Thailand	United States

Advanced Economy	Emerging Economy
Australia	Argentina
Canada	Brazil
France	Bulgaria
Germany	India
Italy	Malaysia
Israel	Mexico
Japan	Morocco
United Kingdom	Poland
United States	Thailand



Mahesh Gupta

jaipur_jewels
India

“Ever since 2007, eBay has played a key role in enabling the growth of my cross-border business. It has stood by our side since the early days when we shipped 2 packages per day, to now when we are handling 200+ packages per day. Their consistent efforts towards our combined partnership have helped us become experts in all payment and shipping processes while doing our cross-border business.”



Paul Jonas

REVIVE
Cologne, Germany

In 2015, Paul and a friend from primary school were given two old sofas and had the idea to give used things a new life. This is how the foundation of a truly sustainable furniture trade was created in a rented garage in Cologne. They soon developed a professional approach and a high-level knowledge base, and the used and revived products are now available in a Revive Store and at four sales partners in Germany, which are shipped all over the world.

“When I got started, I didn’t give much consideration to reaching customers outside of Germany. That changed when I saw how easily eBay connected me to the global marketplace. Now, I sell all over the world and it has really helped my business grow.”

eBay Is Opening Global Trade to All Size Businesses Everywhere



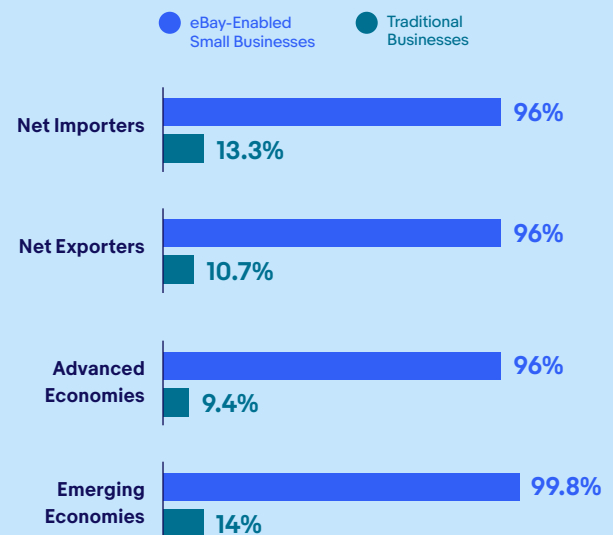
Share of Enterprises That Export

The share of small businesses exporting on eBay is the first and possibly most striking data point that illustrates the impact and reach of global ecommerce platforms in comparison to the traditional model of trade.¹⁶ Across the 18 markets studied, at least 93 percent of the small businesses on eBay in each country are exporters. In 10 of the 18 markets, the rate is an astounding 100 percent. Whether a country is a Net Importer or Net Exporter in their overall economy has a negligible impact on eBay small business export rates. The small businesses on eBay aggregated from the Net Importer countries were the same as the export rate of those from the Net Exporter countries and both dwarf the aggregate rates of traditional businesses.¹⁷ There is a slightly greater difference between the seller communities from the Emerging Economies, who are clearly very focused on export success, than those in the Advanced Economies. Eight of the nine Emerging Markets have eBay small business communities with a 100 percent export rate.

Also noteworthy is how the extreme export success of the eBay small businesses across the board compares with firms in the traditional economy.

Where the market-by-market export rates of small businesses on eBay range from 93 percent to 100 percent, the offline export rates range from just 1 percent to 31 percent.¹⁸

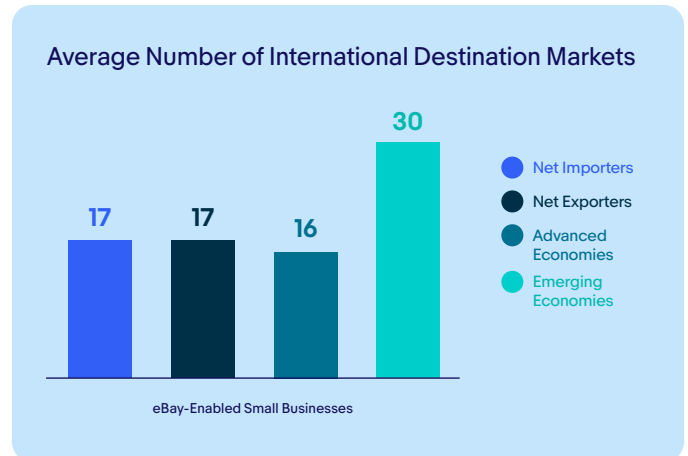
Share of Enterprises That Export



Average Number of International Destination Markets

The average number of international markets reached on an annual basis by small businesses on eBay provides a key measurement of the scale of export activity.¹⁹ It has long been understood that businesses exporting to a new international market face additional costs of entry, and therefore expanding their business to many international markets leads to higher entry costs that can be prohibitive to smaller enterprises.²⁰ Therefore the prevailing expectation is that small exporting firms will sell into fewer international markets than large exporting firms. However, when examining the figures for small businesses on eBay we see a powerful testament to how eBay bridges distance for small enterprises and provides access to multiple markets in a way that has been unattainable for many smaller firms through the traditional model of trade.

The average number of international markets reached by the eBay small business exporters across the 18 countries examined in this report range from 13 to 35.²¹ While the equivalent statistic from traditional traders is only reported for nine of the 18 countries, in those cases they range from three to six total markets and are at least three times lower than that of eBay small business exporters.²² Similar to the share of eBay small businesses exporting, whether a country is a Net Importer or a Net Exporter overall has no correlation to the average number of international markets reached. However, the small businesses on eBay from the Emerging Economies, in aggregate, export to more international markets on average than those in the Advanced Economies.



Additionally, if one looks to the collective exporting of eBay small business communities in any of the countries studied in this report, the total number of markets (includes countries and territories) reached globally is staggering. These numbers are even more striking when compared to the reported reach of some of the world's largest consumer brands that are export powerhouses.²³ Thirteen of the 18 eBay small business country communities made sales into 200 or more different international markets in 2020, operating as true virtual export giants.²⁴



Ajay Mirchandani

Bleacher Bum Collectibles
Richmond Hill Ontario, Canada

Ajay Mirchandani, owner of Bleacher Bum Collective, started his business as a brick-and-mortar store selling video games, posters, and promotional items. In the early 2000's he began experimenting with selling his extra product on eBay and was extremely attracted to the idea of ecommerce. Ajay found that sales became more prominent after business hours rather than office hours at a traditional storefront. In 2007, Ajay decided to move full time to ecommerce sales due to saturation in the video game market and desire to sell sports apparel. Ajay describes himself as a tech advocate and connoisseur of new products and in recent years Bleacher Bum Collective was named eBay Canada's Entrepreneur of the Year.

"My sales used to be limited to whomever could visit my physical store, but now over 100 million shoppers worldwide can purchase my goods. I take great pride in having an international small business and that would not be possible without eBay."



Share of eBay-Enabled Small Businesses That Reach Ten or More International Markets

As another measurement of the scale of the exporting activity of small business on eBay, we calculated the share that exported to ten or more different international markets in 2020.²⁵ Our findings continue to show that small businesses on eBay defy the traditional understanding that entry costs are a barrier to exporting to additional international markets. Country-by-country, the share of eBay small businesses meeting the ten-export market threshold ranges from a high of 93 percent to a low of 42 percent. While most of the countries included in this report's data set do not publicly report the share of traditional exporters reaching ten or more markets, in the United States for example, only 8 percent of all exporters sell to ten or more markets²⁶, while 51 percent of small businesses on eBay reach that threshold.

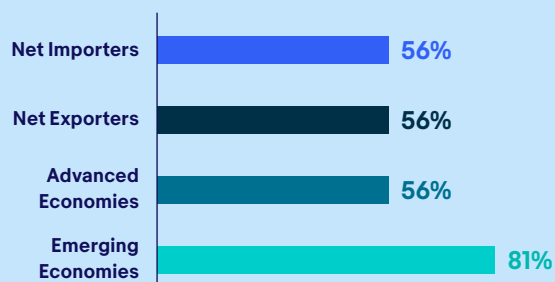
Again, reinforcing the theme that export success on eBay is not linked to overall export or import orientation of the broader national economy, there is no difference between the share of eBay small businesses reaching the ten-export market threshold in the aggregated Net Importer countries and Net Exporter countries. The greater export orientation of eBay small businesses from the Emerging Economies is again reflected, with the share reaching the ten-market threshold topping that of the Advanced Economies.

Share of eBay-Enabled Small Businesses Exporting to Four or More Continents

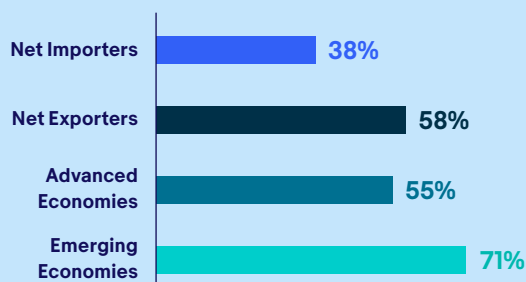
Though a non-traditional measurement of the geographic scale and scope of exporting activity, we have calculated the continental reach of small businesses on eBay to provide a unique perspective on their ability to reach shoppers worldwide. For the purposes of this analysis, sales were designated to buyers on one of six continents: North America, South America, Europe, Asia, Africa, and Australia. When an eBay small business exported to a buyer in a country on a continent, they were credited with an export to that continent. Additionally, when an export sale is made to a country on the same continent as the seller, that sale is counted as an export to that continent. (e.g., A sale from a US-based eBay seller to a buyer in Canada is an export to a North American market). We classify a small business on eBay with sales to four or more continents in a year to be a "Global Seller".

Country-by-country, the share of eBay small businesses reaching Global Seller status for 2020 ranged from a high of 91 percent to a low of 29 percent across the 18 markets.²⁷ For the first time, the overall country trade status as a Net Importer or Net Exporter is reflected in a measure of export scale by eBay small businesses, with the aggregated seller communities from the Net Importer countries topping the sellers from Net Exporter countries. In addition, the share of the small business on eBay from the Emerging Economies that were Global Sellers was the highest of the four cohorts.

Share of eBay-Enabled Small Businesses That Reach Ten or More International Markets



Share of eBay-Enabled Small Businesses Exporting to Four or More Continents





Martin Cernic

Move Marine ApS
Copenhagen, Denmark

Move Marine ApS is a company specializing in second hand marine electronics. The owner, Martin Cernic, decided to start selling on eBay based on the recommendation of a friend who sold similar products on the platform. With over 15 years of experience in marine electronics, Martin repairs and soon will start refurbishing marine electronics and satellite equipment, adding to his inventory the sells into markets such as the US, Germany, Spain, Italy and many more.

“We are so thankful for eBay being such a great partner and empowering us to sell our products overseas and reach so many new customers!”

eBay Promotes Export Diversity and Global Reach

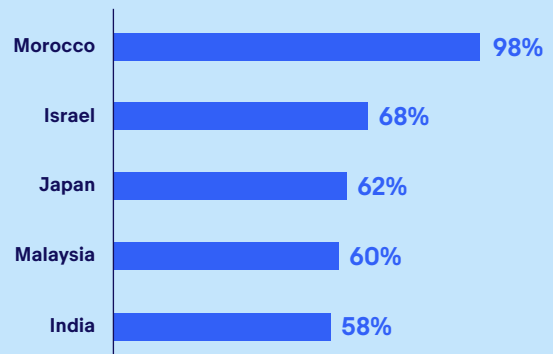
Despite their generally small size, digitally enabled businesses have proven themselves adept at operating on multiple ecommerce platforms rather than limiting themselves to one.²⁸ Different platforms can be used as part of a business strategy to expand export reach. Expanding export diversity promises greater growth and resilience, such as in the event of regional economic downturns. The eBay export data clearly shows how this can operate in practice. Comparing the Top 10 export markets overall for the eBay small businesses in each of the 18 countries studied in this report, with the Top 10 markets for the entire business community in each country²⁹ reveals that an average of 5.7 export markets are in the Top 10 for eBay small business exports that are not in the Top 10 for their respective overall national exports. This includes 11 countries where the eBay small businesses’ Top 10 export markets include five-or-more markets from outside the overall national Top 10, expanding the diversity and resiliency of national exports.

Newcomer Growth and Economic Vitality

The ability of new enterprises to enter the market is a key element of economic growth. The OECD has said that the, “birth of new enterprises is a key indicator of business dynamism” and promotes the competitiveness of the overall enterprise population by stimulating efficiency and innovation.³⁰ Further, new firms have been described as, “agents of change in the economy” and that, “even small innovations and small differences in growth amount to a lot when multiplied by the number of firms involved.”³¹ An ecommerce marketplace that provides a level playing field triggers such an effect by broadly facilitating market entry and participation.

We classify a small business on eBay as a “Newcomer” when the seller reached the eBay small business sales threshold in 2020 and had sold on eBay for four years or fewer. In other words, the seller must have no sales on eBay in 2016 or later and break the mark of \$10,000 USD on the marketplace in 2020. More than half of the small businesses on eBay in nine of the markets covered in this report were newcomers in 2020, and the newcomer rate exceeded 25 percent in all 18 countries.

Top 5 Markets Based on eBay Newcomer Rate



CONCLUSION



This report on the export success of small businesses on eBay in 18 markets globally, running the trade gamut from Net Importers to Net Exporters, and the development spectrum from Advanced to Emerging Economies, provides further evidence that eBay's level-playing field marketplace has weakened the traditional link between firm size and the ability to be a successful exporter. Breaking into new markets has historically been a resource intensive logistical and operational challenge. As a result, larger businesses have traditionally exported more than smaller businesses. Each new export market presented its own unique hurdles, so bigger businesses that could call on more resources have also exported to more country markets than small businesses.

On eBay, these traditional export dynamics have been largely left behind or even turned on their head. Nearly every eBay small business in each market studied in this report exports. Small businesses on eBay often export at the rate and global scale of large multinational companies. Additionally, eBay small businesses in countries that are otherwise Net Importers, or are based in Emerging Markets, are not just trade equals; As a group they slightly outperform the averages of those from Net Exporters and Advanced Markets. And, by facilitating exports to markets that are often not top destinations for each country's traditional exports, eBay is promoting export diversity and resilience. Given that exporting businesses have traditionally been more prosperous and sustainable than comparable businesses that don't trade, this online trade success points to greater longevity for small businesses on the eBay marketplace.



Koichi Watanabe

NBZ Japan
Japan

“eBay is a platform where people can purchase fine Japanese products safely and securely from overseas, so my buyers seem very happy, and I feel rewarded for it. I initially entered the domestic ecommerce market as a sole proprietorship, but since I started selling cross border on eBay, have been able to continuously increase sales as a business for more than 10 years.”

POLICY RECOMMENDATIONS

The following general policy recommendations would enhance the ability of small businesses to access the global market regardless of their location across the globe:

Raise Customs De Minimis Thresholds

Robust customs de minimis thresholds benefit small and medium sized businesses by eliminating red tape at the border. Additionally, higher de minimis thresholds benefit small businesses within their domestic market, who import components and accept returned items from customers in other markets.

Expand Access to the Internet

Promote the continued expansion of access to the open, global Internet, as well as global commerce platforms and intermediaries that connect entrepreneurs and technology-enabled small businesses with consumers globally.

Reduce Customs Import Barriers

Customs import requirements are often designed for large multinational corporations, and not for small and medium sized businesses. Governments should seek to strike a balance to ensure that small and medium sized businesses are not restricted from export opportunities by onerous import requirements.

Treat Postal Systems as Small Business Trade Facilitators

Postal systems and policies should be the subject of discussion in trade forums as they are increasingly valuable as an economic and trade facilitator for small business traders. Simplification, modernization, harmonization and integration of national postal services will promote greater and more broad-based small business commerce opportunities.

Support AI Innovation Boosting Cross Border Trade

Artificial Intelligence has huge potential to boost cross-border trade through developments such as machine translation. A study conducted by Brynjolfsson, Hui and Liu (2018)³² that investigates the effect of eBay's AI-based machine translation tool on international trade has shown that the system helped achieve a 17.5% increase in exports. As a result, our machine translation system removes language barriers that can significantly hinder inclusive trade. Policy-makers can support such developments through AI-friendly consumer protection regulation.

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- 7 For example, see Roberts, Mark J. and James R. Tybout. *Directions in Development: What Makes Exports Boom?* (Washington, D.C.: The World Bank, 1997a); Bernard, Andrew and Joachim Wagner. Export entry and exit by German firms. *Review of World Economics (Weltwirtschaftliches Archiv)*, 137 (2001), 105-123.; Bernard, Andrew and J. Bradford Jensen. Entry, Expansion, and Intensity in the U.S. Export Boom, 1987-1992. *Review of International Economics*, 12 (2004b), 662-675.
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- 10 International Trade Center (05/28/2016) “Bringing SMEs onto the E-Commerce Highway.” Available at: <https://intracen.org/news-and-events/news/new-report-bringing-smes-onto-the-e-commerce-highway>.
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- 16 The eBay data reflects the share of 2020 eBay-enabled small businesses (those with \$10,000 USD or more in annual sales on eBay) in each location and aggregated country groups, who exported in that year.
- 17 For share of enterprises that export in Argentina (2017), Brazil (2009), Bulgaria (2019), India (2014), Israel (2013), Italy (2019), Malaysia (2015), Mexico (2010), Morocco (2019), Poland (2019), and Thailand (2016): The World Bank Enterprise Surveys “Percent of firms exporting directly or indirectly (at least 10% of sales)” indicator. Available at: <http://www.enterprisesurveys.org/data/exploretopics/trade#--1>. The shares of enterprises that export in Canada (2017), France (2019), Germany (2019), United Kingdom (2018), and United States (2015) are calculated as number of enterprises that export divided by total number of enterprises, using the following sources: for total number of enterprises – OECD SDBS Structural Business Statistics (ISIC Rev. 4): Total number of enterprises, by sector, available at: https://stats.oecd.org/Index.aspx?DataSetCode=SSIS_BSC_ISIC4; for number of enterprises that export – OECD Trade by enterprise characteristics (TEC) data: IV. Trade by the number of partner countries and economic sector, available at: https://stats.oecd.org/Index.aspx?DataSetCode=TEC4_REV4. The share of enterprises that export in Net Importers calculated as a simple average of share of enterprises that export in Bulgaria (2019), Canada (2017), France (2019), India (2014), Israel (2013), Morocco (2019), United Kingdom (2018), and United States (2015). Data for Japan was unavailable. The share

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of enterprises that export in Net Exporters calculated as a simple average of share of enterprises that export in Argentina (2017), Brazil (2009), Germany (2019), Italy (2019), Malaysia (2015), Mexico (2010), Poland (2019), and Thailand (2016). Data for Australia was unavailable. The share of enterprises that export in Advanced Economies calculated as a simple average of share of enterprises that export in Canada (2017), France (2019), Germany (2019), Italy (2019), Israel (2013), United Kingdom (2018), and United States (2015). Data for Australia and Japan were unavailable. The share of enterprises that export in Emerging Economies calculated as a simple average of share of enterprises that export in Argentina (2017), Brazil (2009), Bulgaria (2019), India (2014), Malaysia (2015), Mexico (2010), Morocco (2019), Poland (2019), and Thailand (2016).

- ¹⁸ For Argentina, Brazil, Bulgaria, India, Israel, Italy, Malaysia, Mexico, Morocco, Poland, and Thailand: The World Bank Enterprise Surveys (11/14/2022) "Percent of firms exporting directly or indirectly (at least 10% of sales)" Available at: <http://www.enterprisesurveys.org/data/exploretopics/trade#--1>. For Canada, France, Germany and the United Kingdom: Source for total number of enterprises that export - OECD Trade by enterprise characteristics (TEC) data: IV. Trade by the number of partner countries and economic sectors. Available at: https://stats.oecd.org/Index.aspx?DataSetCode=TEC4_REV4; Source for total number of enterprises - OECD SDBS Structural Business Statistics (ISIC Rev. 4): Total number of enterprises, by sector. Available at: https://stats.oecd.org/Index.aspx?DataSetCode=SSIS_BSC_ISIC4. Share = (total number of enterprises that export) / (total number of enterprises). For the United States: Source for total number of exporters (2019): US Census - Profile of U.S. Importing and Exporting Companies, 2018-2019. Available at: https://www.census.gov/foreign-trade/Press-Release/edb/profile_hist.html. US data: Table 4a (at page 25) - <https://www.census.gov/foreign-trade/Press-Release/edb/edbrel2019.pdf>. State data: Table 6a (at page 39) - <https://www.census.gov/foreign-trade/Press-Release/edb/edbrel2019.pdf>. Source for total number of companies that have at least one employee in addition to the owner (2019): US Census, 2019 County Business Patterns. Available at: https://www.census.gov/programs-surveys/cbp/data/tables.2019.List_1592946817.html. State/US data: <https://data.census.gov/cedsci/table?q=CBP2019.CB1900CBP&g=0100000US,%240400000>. Source for total number of companies that have no employees (2018): The County Business Patterns and Nonemployer Statistics Combined Report, 2018. Available at: <https://www.census.gov/data/tables/2018/econ/cbp/2018-combined-report.html>. State/US data: <https://www2.census.gov/programs-surveys/nonemployer-statistics/datasets/2018/historical-datasets/>. Share = (total number of exporters) / ((number of employing companies) + (number of non-employing companies)).
- ¹⁹ Includes countries and territories.
- ²⁰ For example, see Roberts, Mark J. and James R. Tybout. Directions in Development: What Makes Exports Boom? (Washington, D.C.: The World Bank, 1997a); Bernard, Andrew and Joachim Wagner. Export entry and exit by German firms. Review of World Economics (Weltwirtschaftliches Archiv), 137 (2001), 105-123; Bernard, Andrew and J. Bradford Jensen. Entry, Expansion, and Intensity in the U.S. Export Boom, 1987-1992. Review of International Economics, 12 (2004b), 662-675.
- ²¹ The eBay data reflects the average number of different international markets reached by exporting 2020 eBay-enabled small businesses (those with \$10,000 USD or more in annual sales on eBay) in each location and aggregated country groups, who exported in that year.
- ²² For Bulgaria, Canada, France, Germany, Israel, Mexico, Poland and United Kingdom: Average number of international destination markets reached by exporters = ((number of enterprises that trade with 1 country)*1 + (number of enterprises that trade with 2 countries)*2 + (number of enterprises that trade with 3 to 5 countries)*4 + (number of enterprises that trade with 6 to 9 countries)*7.5 + (number of enterprises that trade with 10 to 14 countries)*12 + (number of enterprises that trade with 15 to 19 countries)*17 + (number of enterprises that trade with 20 or more countries)*25) / ((number of enterprises that trade with 1 country) + (number of enterprises that trade with 2 countries) + (number of enterprises that trade with 3 to 5 countries) + (number of enterprises that trade with 6 to 9 countries) + (number of enterprises that trade with 10 to 14 countries) + (number of enterprises that trade with 15 to 19 countries) + (number of enterprises that trade with 20 or more countries)). Source for (i) Number of enterprises that trade with 1 country; (ii) Number of enterprises that trade with 2 countries; (iii) Number of enterprises that trade with 3 to 5 countries; (iv) Number of enterprises that trade with 6 to 9 countries; (v) Number of enterprises that trade with 10 to 14 countries; (vi) Number of enterprises that trade with 15 to 19 countries; (vii) Number of enterprises that trade with 20 or more countries, using most recent available country data: OECD Trade by enterprise characteristics (TEC) data: IV. Trade by the number of partner countries and economic sector. Available at: https://stats.oecd.org/Index.aspx?DataSetCode=TEC4_REV4 (01/21/22). For the United States: Source for US level (i) Number of firms that trade with 1 country; (ii) Number of firms that trade with 2 to 4 countries; (iii) Number of firms that trade with 5 to 9 countries; (iv) Number of firms that trade with 10 to 24 countries; (v) Number of firms that trade with 25 to 49 countries; (vi) Number of firms that trade with 50+ countries: US 2019 data: US Census - Profile of US Importing and Exporting Companies, 2018-2019, Table 4a (at page 25). Available at: https://www.census.gov/foreign-trade/Press-Release/edb/profile_hist.html. <https://www.census.gov/foreign-trade/Press-Release/edb/edbrel2019.pdf>. Average number (US level) = ((number of firms that trade with 1 country)*1 + (number of firms that trade with 2 to 4 countries)*3 + (number of firms that trade with 5 to 9 countries)*7 + (number of firms that trade with 10 to 24 countries)*17 + (number of firms that trade with 25 to 49 countries)*37 + (number of firms that trade with 50+ countries)*60) / ((number of firms that trade with 1 country) + (number of firms that trade with 2 to 4 countries) + (number of firms that trade with 5 to 9 countries) + (number of firms that trade with 10 to 24 countries) + (number of firms that trade with 25 to 49 countries) + (number of firms that trade with 50+ countries)). Source for State level (i) Number of firms that trade with 1 to 5 countries; (ii) Number of firms that trade with 6 to 9 countries; (iii) Number of firms that trade with 10+ countries: State 2016 Data: Purchased US Census Data. Average number (state level) = ((number of firms that trade with 1 to 5 countries)*3 + (number of firms that trade with 6 to 9 countries)*7.5 + (number of firms that trade with 10+ countries)*15) / ((number of firms that trade with 1 to 5 countries) + (number of firms that trade with 6 to 9 countries) + (number of firms that trade with 10+ countries)).
- ²³ See: Heineken (08/25/2022) "Our Global Presence." Available at: <https://www.theheinekencompany.com/our-global-presence>; Cascade Team (09/21/2021) "How Diageo Became One Of The World's Largest Alcohol Producers." Strategy Factory. Available at: <https://www.cascade.app/strategy-factory/studies/diageo-strategy-study?hsLang=en>; Nike, Inc. (08/25/2022) "We are Global." Available at: https://media.corporate-ir.net/media_files/IROL/10/100529/nike-gs09/global.html; "L'Oreal." Available at: <https://interbrand.com/bestglobalbrands/loreal/>; and P&G (10/25/2022) "Where We Operate." Available at: https://www.pg.com/redirect.php?&folder=downloads&path=media.iwold/Fact_Sheets_Operate.pdf.
- ²⁴ The eBay data reflects the total number of different international markets reached by 2020 eBay-enabled small businesses (those with \$10,000 USD or more in annual sales on eBay) in each location, who exported in that year.
- ²⁵ The eBay data reflects the share of exporting 2020 eBay-enabled small businesses (those with \$10,000 USD or more in annual sales on eBay) in each location and aggregated country groups, who exported to ten or more different international markets in that year.

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- ²⁶ Source for total number of firms exporting to 10+ markets (2019): U.S. Census - Profile of US Importing and Exporting Companies, 2018-2019. Available at: https://www.census.gov/foreign-trade/Press-Release/edb/profile_hist.html.
US data: Table 4a (at page 25). Available at: <https://www.census.gov/foreign-trade/Press-Release/edb/edbrel2019.pdf>.
Source for total number of companies that have at least one employee in addition to the owner (2019): US Census, 2019 County Business Patterns. Available at: https://www.census.gov/programs-surveys/cbp/data/tables.2019.List_1592946817.html.
US data: <https://data.census.gov/cedsci/table?q=CBP2019.CB1900CBP&g=0100000US,%240400000>.
Source for total number of companies that have no employees (2018): The County Business Patterns and Nonemployer Statistics Combined Report, 2018. Available at: <https://www.census.gov/data/tables/2018/econ/cbp/2018-combined-report.html>.
US data available at: <https://www2.census.gov/programs-surveys/nonemployer-statistics/datasets/2018/historical-datasets/>.
Share = (total number of firms exporting to 10+ markets) / ((number of employing companies) + (number of non-employing companies)).
- ²⁷ The eBay data reflects the share of exporting 2020 eBay-enabled small businesses (those with \$10,000 USD or more in annual sales on the eBay) in each location and aggregated country groups, who exported to four or more continents in that year.
- ²⁸ Lim, Jamilah (12/15/2021) "Asia Pacific's Golden Age in Cross Border e-Commerce Has Begun: Here Are the Opportunities." Available at: <https://techwireasia.com/2021/12/asia-pacifics-reaching-the-pinnacle-in-cross-border-trade/>.
- ²⁹ GlobalEdge (2022) "Global Insights." Available at: <https://gloaledge.msu.edu/>.
- ³⁰ OECD (08/05/2015) "Entrepreneurship at a Glance 2015." OECD Publishing, Paris. Available at: http://dx.doi.org/10.1787/entrepreneur_aag-2015-en.
- ³¹ OECD (June 2010) "SMEs, Entrepreneurship and Innovation." OECD Publishing, Paris. Available at: <https://www.oecd.org/cfe/smesentrepreneurshipandinnovation.htm>.
- ³² Brynjolfsson, E., Hui, X., and M. Liu (2018) "Does Machine Translation Affect International Trade? Evidence From a Large Digital Platform." National Bureau for Economic Research. Working Paper 24917. Available at: https://www.nber.org/system/files/working_papers/w24917/w24917.pdf

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