

Brussels, 8 February 2007

SME retailers take to e-commerce but it's strictly national

E-commerce seems to be the key to further opening the retail internal market, as 57% of retailers say they now sell via the internet. But more than two thirds of them sell exclusively domestically. And of the 29% who do sell cross-border most do to only or two other Member States. More would like to sell cross-border (48% of EU retailers are prepared to do so). These are among the main findings of a Eurobarometer survey on business attitudes towards cross-border sales, released today by the European Commission to coincide with a major consultation exercise on consumer rules. However, there are still significant barriers to an EU-wide business-to-consumer market, with perceived insecurity of transactions, differences in national fiscal regulations and consumer rules being the main concerns. Forty three percent of retailers believed that their cross-border sales would increase if laws regulating consumer transactions were the same throughout the EU. Meglena Kuneva, European Consumer Commissioner said: "Retail transactions account for 58% of EU GDP, yet the business-to-consumer market is still very much divided along national lines. The results of this Eurobarometer reinforce my view that SMEs are interested in entering the retail internal market but the lack of a clear and coherent set of rules is one of the main factors holding them back. This would not only drive prosperity for companies but also give consumers the confidence they need to make the most of the internal market. These figures demonstrate the urgency of the reform process started by the consultation the Commission has launched today. "

The survey was carried out among over 6.600 managers, of companies with at least 10 employees and having a direct retail activity, of whom 97% were SMEs. 29% of them are currently carrying out cross-border transactions and 48% said they would be prepared to sell to consumers in other EU countries. However, 66% sell exclusively in their domestic market and only 19% do market or advertise cross-border.

Potential

Growing numbers of retailers now use distance selling methods, such as the internet (57%) or mail order (27%) to reach more customers. While new technologies and increasing broadband access have the potential to ease cross-border retail trade, consumers' still lack confidence and companies' are reluctant to offer their products across borders. This prevents them from fully benefiting from a wider market, increased choice, better prices and quality.

Barriers

The biggest perceived obstacle to cross-border trade is the insecurity of transactions (61% of respondents considered this an important obstacle). This is closely followed by concerns over different fiscal regulations (58%), potential problems with resolving complaints (57%), differences in national laws regulating consumer transactions (55%), difficulties in ensuring after-sales service (55%) and extra delivery costs (51%). Language differences stand out as being less important (43%).

Consumer trust

The findings of this survey tie in with a 2006 Eurobarometer on consumer attitudes to cross-border shopping. The 2006 survey showed that while 27% of citizens had bought a product or service online in the previous year, only 6% made an online cross-border purchase.

Further information:

[MEMO/07/48](#) on Green Paper on the review of the Acquis.

Eurobarometer 186 on business attitudes towards cross-border sales:
http://ec.europa.eu/consumers/topics/facts_en.htm

Eurobarometer 252 (October 2006) on consumer attitudes to cross-border purchases: http://ec.europa.eu/consumers/topics/facts_en.htm