

**STANDARD EUROBAROMETER 57.2  
FLASH EUROBAROMETER 128**

**PUBLIC OPINION IN EUROPE:  
VIEWS ON BUSINESS-TO-CONSUMER CROSS-  
BORDER TRADE**

**REPORT B**

Opinion Studies conducted by:

**THE EUROPEAN OPINION  
RESEARCH GROUP EEIG  
and  
EOS GALLUP EUROPE**

For the

**Health and Consumer Protection  
Directorate-General  
and  
Enterprise  
Directorate-General**

Managed and organised by:

**Press and Communication Directorate-General  
Public Opinion Analysis Unit**

Date: 14.11.2002

This report is based on two opinion surveys, the Standard Eurobarometer 57.2 and Flash Eurobarometer 128, carried out at the request of DG Health and Consumer Protection and DG Enterprise. Both surveys were managed and organised by the Public Opinion Analysis Unit of the Press and Communication Directorate-General.

The Standard Eurobarometer survey (EB 57.2) was conducted in all countries of the European Union between 30 April and 10 June 2002, under the general coordination of INRA in Belgium -- International Coordination Office, located in Brussels, on behalf of the European Opinion Research Group EEIG.

The Flash Eurobarometer survey (FB 128) was conducted in all countries of the European Union between 26 August and the 23 September 2002, under the general coordination of EOS GALLUP Europe, located in Wavre (Belgium).

The questionnaires, their technical details and the names of the bodies involved in the research are given in an appendix.

The European Commission accepts no liability of any kind arising from this report.

The report was originally written in English.

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The following are the abbreviations for Member states used in the graphs:

<b>B</b>	Belgium
<b>DK</b>	Denmark
<b>D WEST</b>	Old Länder
<b>D TOTAL</b>	Germany
<b>D OST</b>	New Länder
<b>GR</b>	Greece
<b>E</b>	Spain
<b>F</b>	France
<b>IRL</b>	Ireland
<b>I</b>	Italy
<b>L</b>	Luxembourg
<b>NL</b>	Netherlands
<b>A/AU</b>	Austria
<b>P</b>	Portugal
<b>FIN</b>	Finland
<b>S</b>	Sweden
<b>UK</b>	United Kingdom

Concerning the separate classification of the old and new Länder of Germany, there were valid reasons for this in Autumn 1990 when East Germany was first included among the countries covered by the Eurobarometer. The distinction has been retained despite reunification since it often reveals marked differences in opinion between these two areas.

The abbreviation used for the whole of the European Union is "EU15" and the abbreviation "DK/NA" means "Don't know/No answer".

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## INTRODUCTION

The opinion polls analysed in this report were carried out in the fifteen Member states of the European Union between April 30<sup>th</sup> and June 10<sup>th</sup> 2002 and between August 26<sup>th</sup> and the September 23<sup>rd</sup> 2002, as part of the Standard Eurobarometer<sup>1</sup> 57.2 and the Flash Eurobarometer<sup>2</sup> 128. The polls were carried out at the request of the European Commission's Health and Consumer Protection Directorate-General and Enterprise Directorate-General, by the European Opinion Research Group, (a consortium of market research and public opinion agencies, composed of INRA and GfK *Worldwide*) and EOS GALLUP Europe, respectively. The surveys were managed and organised by the Press and Communication Directorate-General's Public Opinion Analysis Unit.

This report analyses European consumers' and businesses' experience and perceptions of various aspects of "Business-to-Consumer" (B2C) cross-border trade.

The present document gives an analysis of the results from both surveys, arranged in three parts:

I: B2C cross-border trade in the European Union

II: Current obstacles to B2C cross-border trade

III: Measures to facilitate B2C cross-border trade

For Eurobarometer 57.2, in each Member state the questions referred to in the report were presented to a representative sample of the national population aged fifteen or over. In all, 16,129 people were questioned, an average of around one thousand per Member state, except in Germany (two thousand, one in the new Länder and one in the old), the United Kingdom (1,300: one thousand in Great Britain and 300 in Northern Ireland) and Luxembourg (600). We should make it clear that the figures for the European Union as a whole presented in this report are weighted averages of the national figures: the weighting used for each Member state was the quota of that country's (15+) population as a proportion of the total EU population (15+).<sup>3</sup>

The questions referring to EB 57.2 are numbered EB16 to EB24, because the questionnaire on cross-border purchases was included in a Eurobarometer survey covering other subjects also.

In view of the variety of education systems within the European Union, it has been decided to establish unofficial education "bands". The first, or "less educated", covers those who left full-time education at or before 15; the second, or "medium", covers those who left full-time education between 16 and 19; and the third, or "highly educated" covers those who left full-time education after the age of 19.

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<sup>1</sup> The Eurobarometer surveys, or more properly the "standard Eurobarometer surveys" have been conducted since 1973 (EB N° 0), on behalf of the European Commission's former DG X, Education and Culture. Greece has been included since Autumn 1980, Portugal and Spain since Autumn 1985, eastern Germany since Autumn 1990 and Austria, Finland and Sweden since Spring 1995.

<sup>2</sup> Flash Eurobarometers surveys exist since 1991. They cover two types of target:

- The Public at large (ad hoc telephone surveys)
- Specific targets groups such as managers, teachers, farmers, employees... (telephone or face-to-face surveys)

These Flash Eurobarometers can cover one, several or all current Member States of the EU.

<sup>3</sup> See the technical specifications in the appendix.

The technical specifications given in the appendix, detail matters of methodology such as fieldwork dates, sample selection, population covered, weightings, confidence limits, etc. To define certain terms used in these technical specifications: "marginal weighting" is that based on one variable, such as age or sex, while intercellular weighting is based on the combination of two variables, for instance, age and sex. "NUTS Regions" are a classification of regions in the European Union following a three-level hierarchical structure. The Eurobarometer is weighted on the basis of NUTS 2 regions.

For Flash Eurobarometer 128, the targets have been defined as: all companies – farmers excluded - employing 10 persons or more, that are installed in the European Union and sell or advertise to final consumers. The sampling of companies were chosen according to four criteria: the Country (15 levels), the geographical location of the company, the size of the company (3 levels: 10-49, 50-249, and 250 employees or more), and the activity sector (4 levels: Construction, Industry, Services and Trade). Within each of the 180 cells defined by these criteria, the sampling has been made at random.

The total sample has been distributed between these sampling "cells" in a way which does not follow the actual distribution of businesses within the European Internal Market. The small countries as well as the larger businesses have been intentionally «over-sampled» in order to get significant results for each important level of analysis, i.e. :

- the 15 member states
- the 3 employment sizes of the businesses
- the 4 activity sectors.

Of course, during the data processing, each cell in the cross distribution of the sample has been re-weighted down or up to its real weight within the European Internal Market. Thus the total results presented are not affected by over- and under-samplings anymore, and they are representative for the total universe of the «10 jobs and up Enterprises of the European Internal Market». The person interviewed in each company was its boss (in charge of the General Management), or one of its highest managers for its marketing or commercial operations. All interviews were conducted by telephone. Breakdown of the 2899 companies surveyed by sector, size and company status is given in the following table:

Main characteristics	Category	Number of companies (Total EU, weighted)	Percent
Sector of economic activity	Construction, civil engineering	411	14%
	Industry	860	30%
	Trade	767	27%
	Services	861	30%
	<i>Total</i>	<i>2899</i>	<i>100%</i>
Size of company	Small sized (10-49 employees)	2473	85%
	Medium sized (50-249 employees)	344	12%
	Majors (250 employees or more)	82	3%
	<i>Total</i>	<i>2899</i>	<i>100%</i>
Subsidiaries or retail outlets in ...	... no other EU country	2176	75%
	... one to five other EU countries	478	17%
	... six or more other EU countries	244	8%
	<i>Total</i>	<i>2899</i>	<i>100%</i>
Company status	Independent company	2578	89%
	Mother company of multinational group	76	3%
	Member of multinational group	245	9%
	<i>Total</i>	<i>2899</i>	<i>100%</i>

NB: the percentages given in the graphs that illustrate the report and in the tables forming the appendices may total more than 100% where questions allow for more than one response.

Due to rounding, other questions which allow for only one response may not add to 100%, i.e., 99% or 101%.

The replies to questions are all, or nearly all, presented as an account of the figures at European level, introducing the question and its main results for the European Union as a whole (including graphs); a breakdown of the figures by country, giving more detailed results by comparison with those for the EU; and lastly, where appropriate, an analysis of certain variables pointing to interesting features of the replies.

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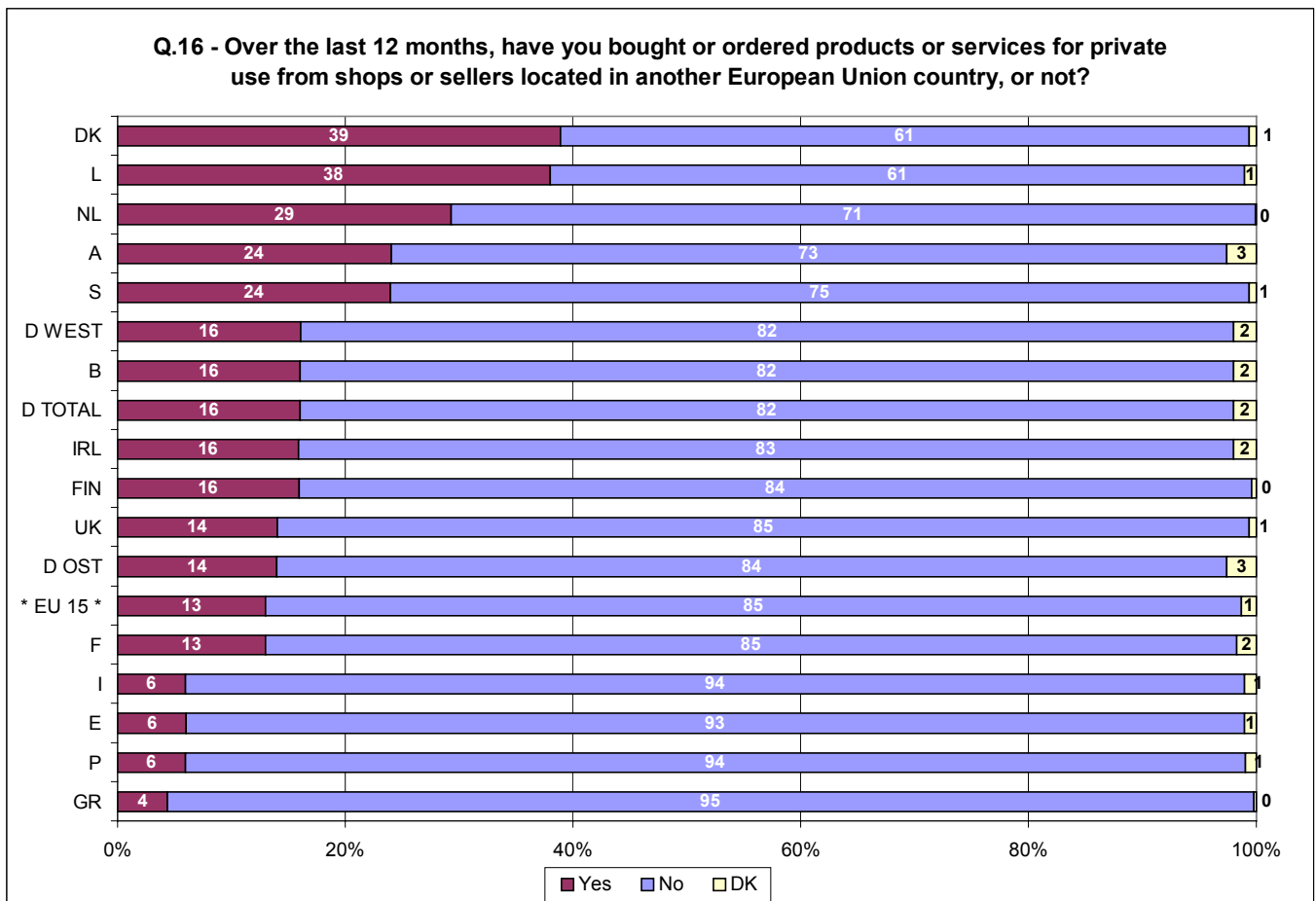
## I. B2C CROSS-BORDER TRADE IN THE EUROPEAN UNION

### 1. Consumers' purchases

#### 1.1. Purchases in another EU country

##### a. Europe-wide figures

As we see from the graph below, cross-border purchases are not widespread across the European Union. One in eight Europeans (13%) had bought or ordered products or services for private use from shops or sellers located in another European Union country during the last 12 months. Approximately 85% of Europeans say the contrary, and roughly 1% have no opinion.



##### b. Analysis by country

The comparison by country shows that the percentage of Europeans purchasing cross border varies considerably between Member states. We can arrange them in four groups:

- Cross-border purchases are quite common in a group of EU countries where approximately one in three consumers has bought or ordered goods or services abroad



over the last 12 months: Denmark (39%), Luxembourg (38%) and the Netherlands (29%).

- In Austria and Sweden roughly one in four consumers is a cross-border shopper (24% in both countries).
- Close to the European average of 13% are Belgium, Germany, Ireland, Finland (16% in all four countries ), UK (14%) and France (13%).
- In a number of Member states cross-border purchases are very rare, with only one in twenty consumers involved over the last 12 months: Spain, Portugal and Italy all showed 6% with Greece last at 4%.

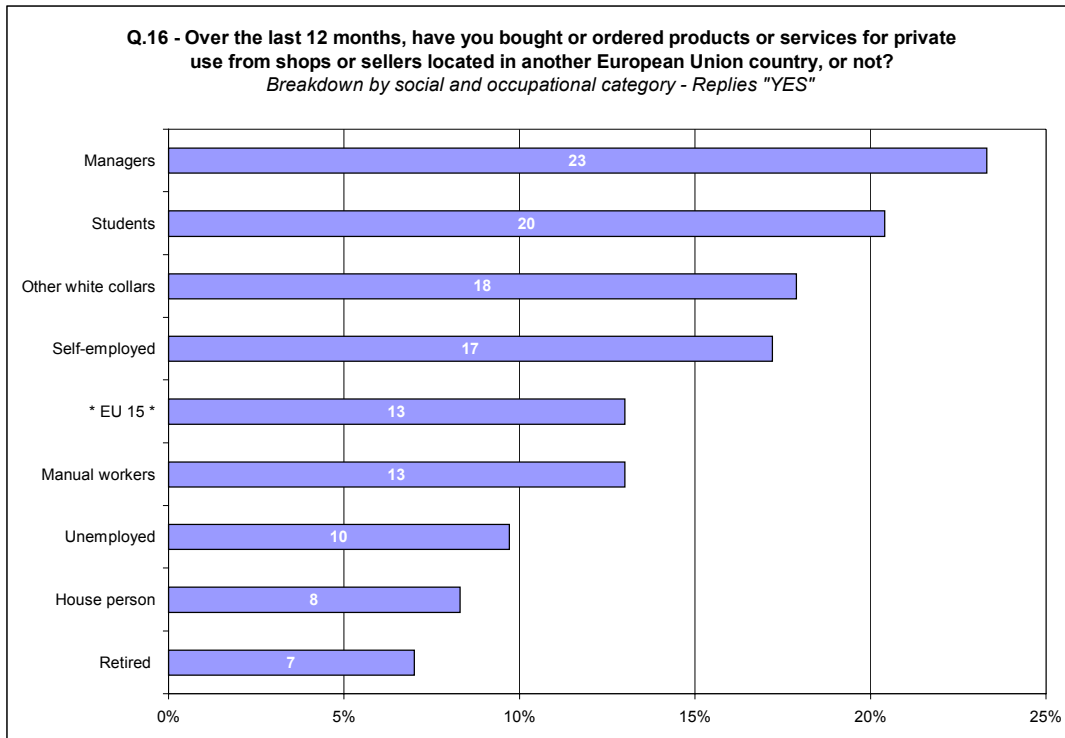
The low rate of cross-border purchases in the last group points to the existence of a North-South divide in terms of B2C cross-border trade. Consumers in northern European countries are much more used to shopping across the border than in the four southern European countries.

### **c. Analysis by social or demographic category**

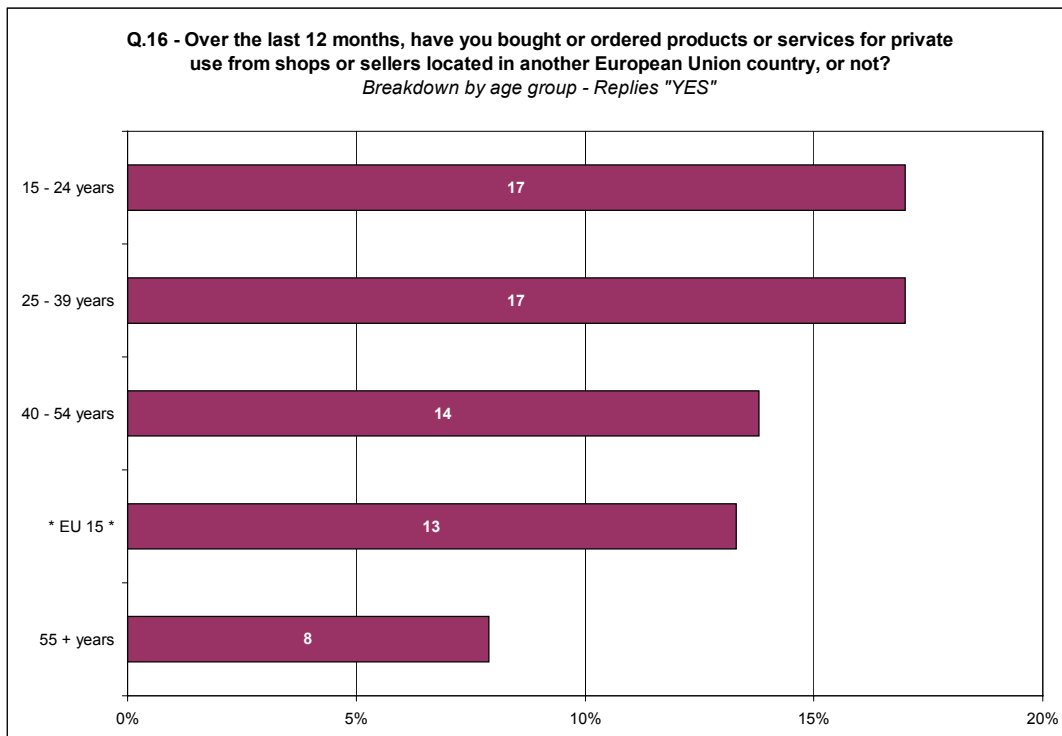
Study of the figures for cross-border purchases enables us to distinguish two basic groups among the various social and occupational categories (see graph below):

- One with a proportion of between 17% and 23% made up of managers (23%), students (20%), “other white-collar workers” (18%) and the self-employed (17%)
- The other – with proportions around or below the European average (“EU15”: 13%), composed of manual workers (13%), unemployed (10%), house persons (8%) and retired people (7%)

*See graph on next page*

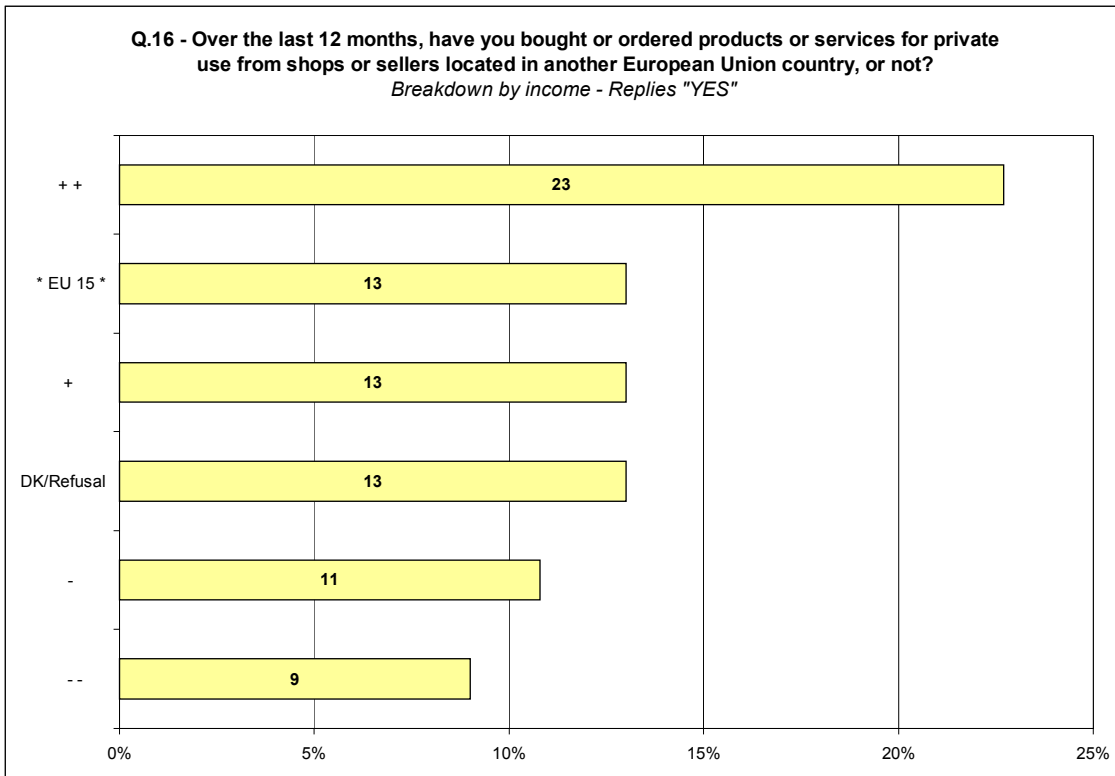


As might be expected, the “age” factor is of considerable importance on this issue. Younger people seem to have bought or ordered more products or services for private use from shops or sellers located in another European Union country over the last 12 months. Seventeen percent of the 15-24 year-olds and the same proportion of the 25-39 year-olds bought or ordered products as compared with 14% of 40-54 year-olds and 8% of those aged 55 or over.



Gender and level of education were other important factors. Of those who left full-time education at age 15 or earlier, only 9% of the males and 5% of the females shop cross-border. For the most highly educated, these numbers jump to 25% for males and 18% for females.

Additionally, match between income levels and proportions of respondents shopping cross-border should be noted.



There is, however, no difference in cross-border shopping patterns of Europeans from rural and urban areas. The proportion of respondents who bought or ordered products or services for private use from shops or sellers located in another European Union country over the last 12 months is the same in large towns, small and middle sized towns and rural areas or villages (in all cases 13%, the EU15 average).

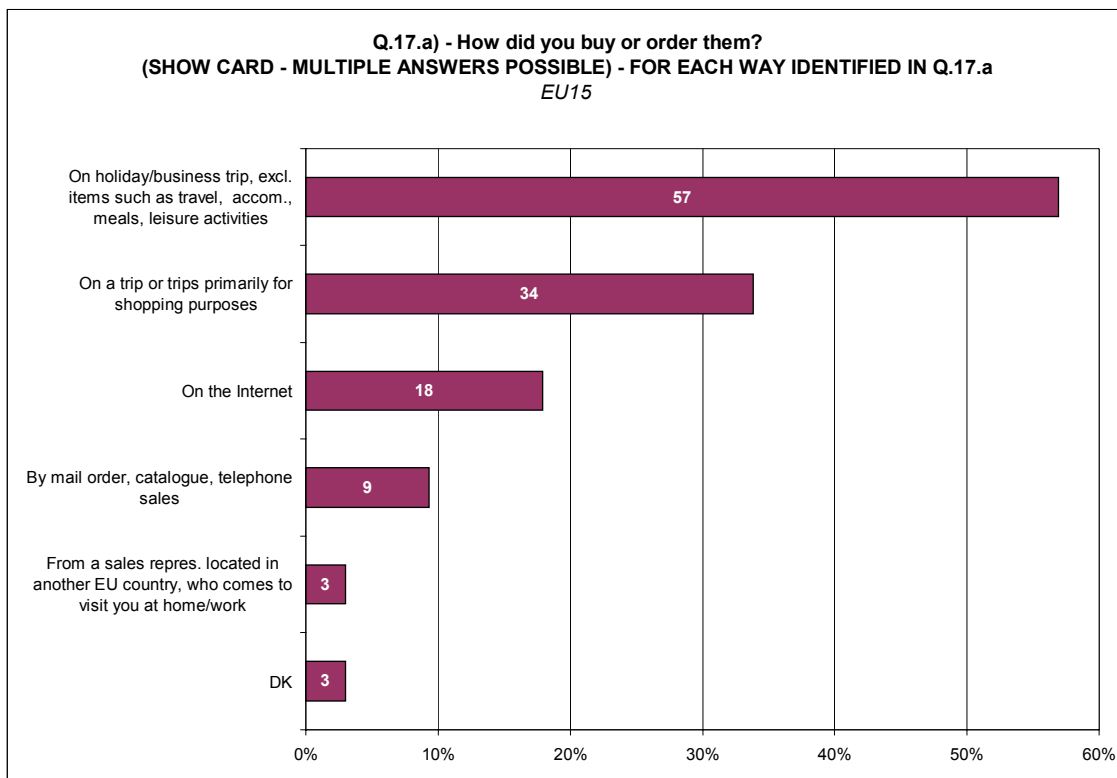
## 1.2. Types of purchase

### a. Europe-wide figures

The 13 % of European consumers who had bought or ordered products or services for private use from shops or sellers located in another European Union country during the last 12 months did so as follows (multiple answers were possible):

- On holiday/business trip, excluding items such as travel, accommodation, meals: 57%
- On a trip or trips primarily for shopping purposes: 34 %
- On the Internet: 18%
- By mail order, catalogue, telephone sales: 9%
- From a sales representatives located in another EU country, who visits home/work: 3%

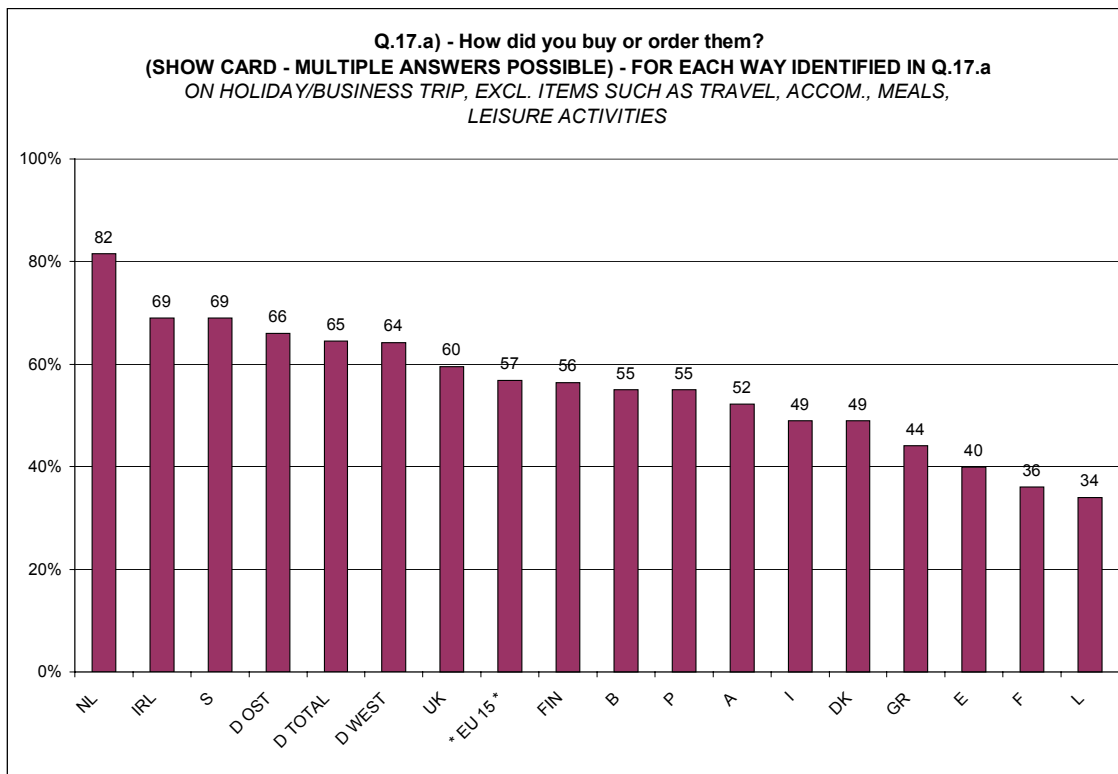
Approximately 3% of cross-border shoppers have no opinion on the type of purchase.



**b. Analysis by country**

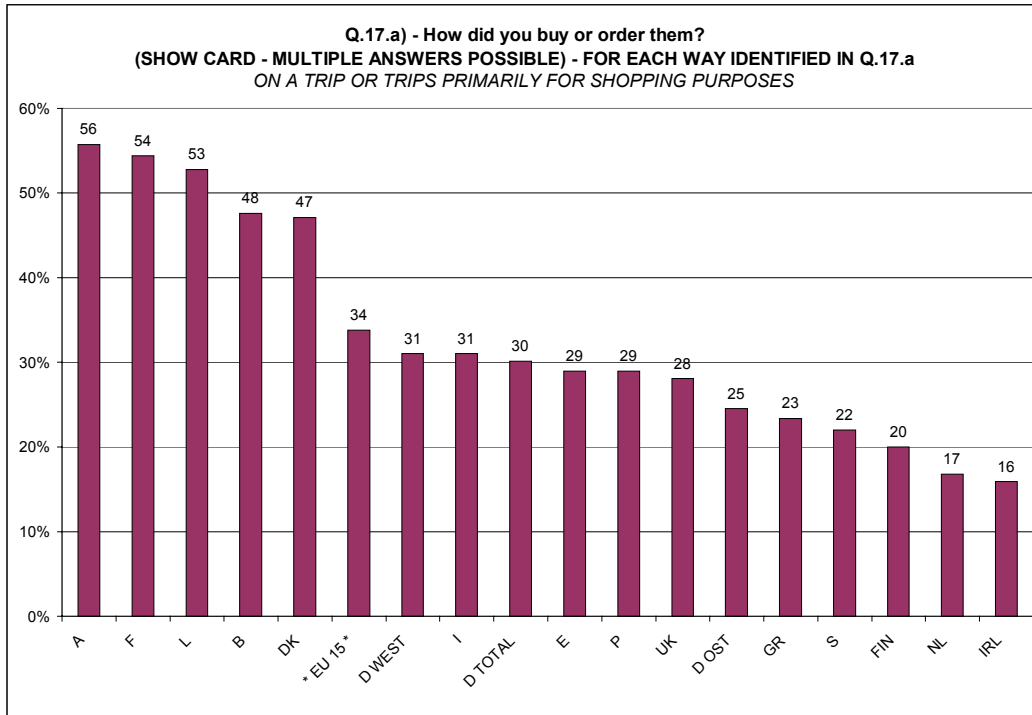
Shopping abroad may be done on holiday/business trips or on trips primarily for shopping purposes. In most Member states the first alternative is more common. On a country-to-country basis, the percentage of cross-border shoppers that purchase products or services on holiday/business trips varies between 34% in Luxembourg and 82% in the Netherlands. Nine countries' figures are above 50%: besides the Netherlands which we have already mentioned (82%), these are Sweden (69%), Ireland (69%), Germany (65%), UK (60%), Finland (56%), Belgium (55%), Portugal (55%), Austria (52%), Italy (49%), Denmark (49%), Greece (44%), Estonia (40%), France (36%), and Luxembourg (34%).

NB: Items such as travel, accommodation, meals and leisure activities were not included.

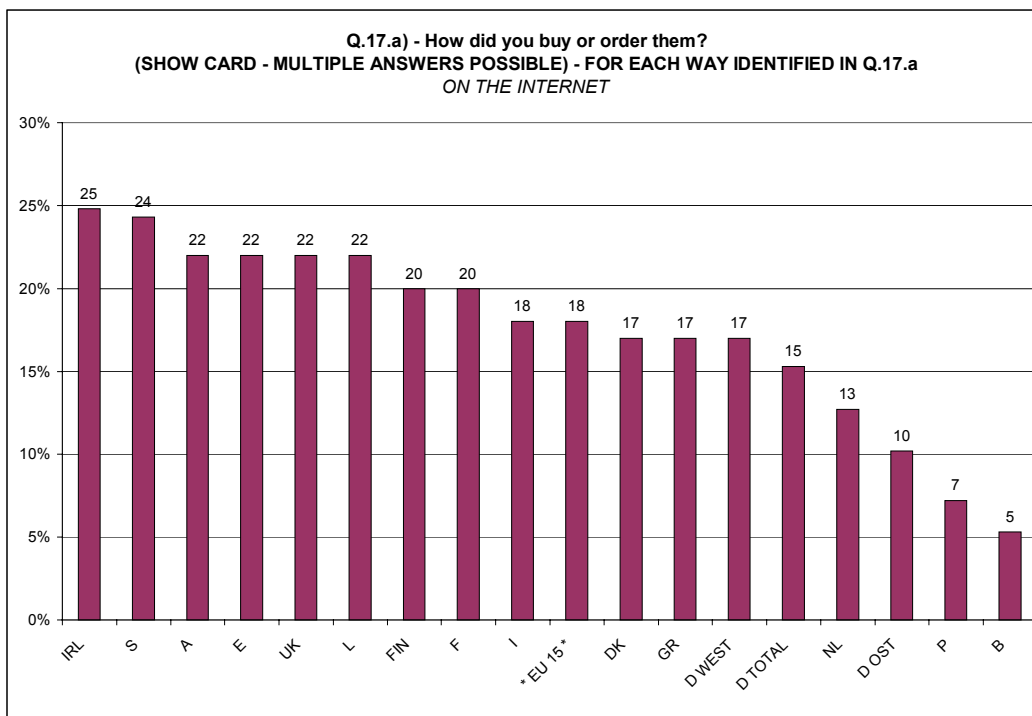


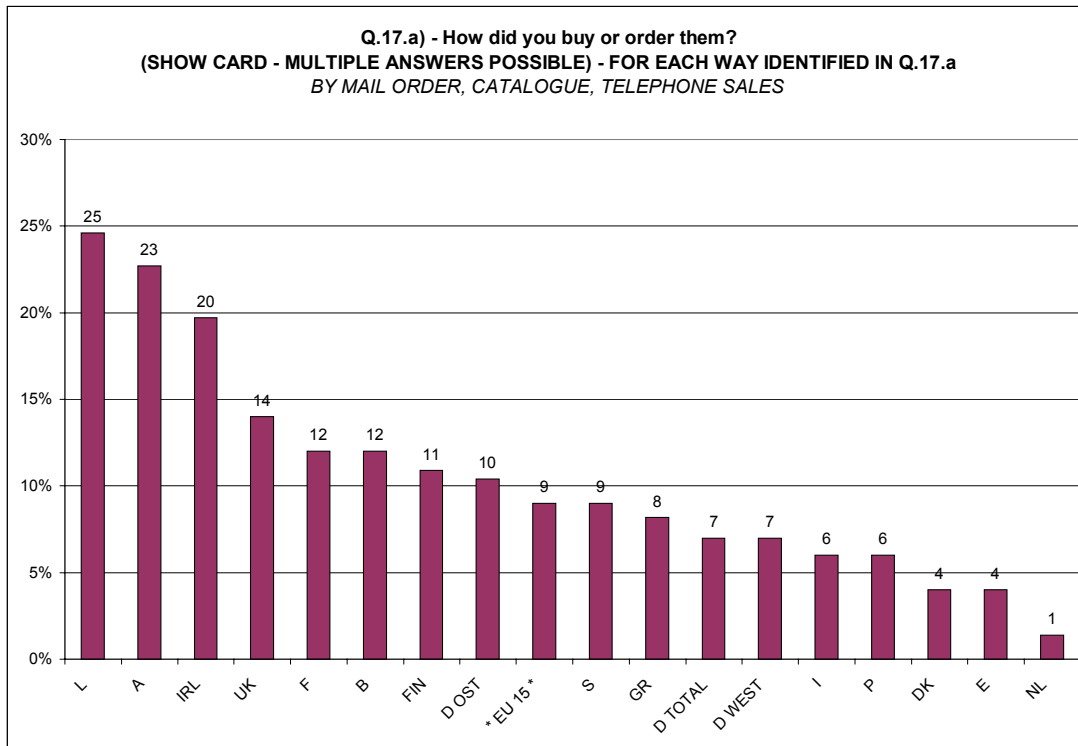
The percentage of respondents that buy on cross-border trips primarily for shopping purposes is lowest in Ireland (16%). It is highest in Austria (56%), France (54%) and Luxembourg (53%), where cross-border shopping is mainly done on such trips. In contrast to the general picture, cross-border shopping on holiday/business trips ranks second in these countries.

*See graph next page*



The most common way for consumers to do distance purchases cross-border is by Internet. The percentage of cross-border shoppers using the Internet in eight Member states is above the EU15 average of 18%: Ireland (25%), Sweden (24%), Austria (22%), UK (22%), Spain (22%), Luxembourg (22%), Finland (20%), France (20%). Markedly below the EU15 average are the Netherlands (13%), eastern Länder of Germany (10%, compared to 17% in the western Länder of the same country), Portugal (7%) and Belgium (5%).

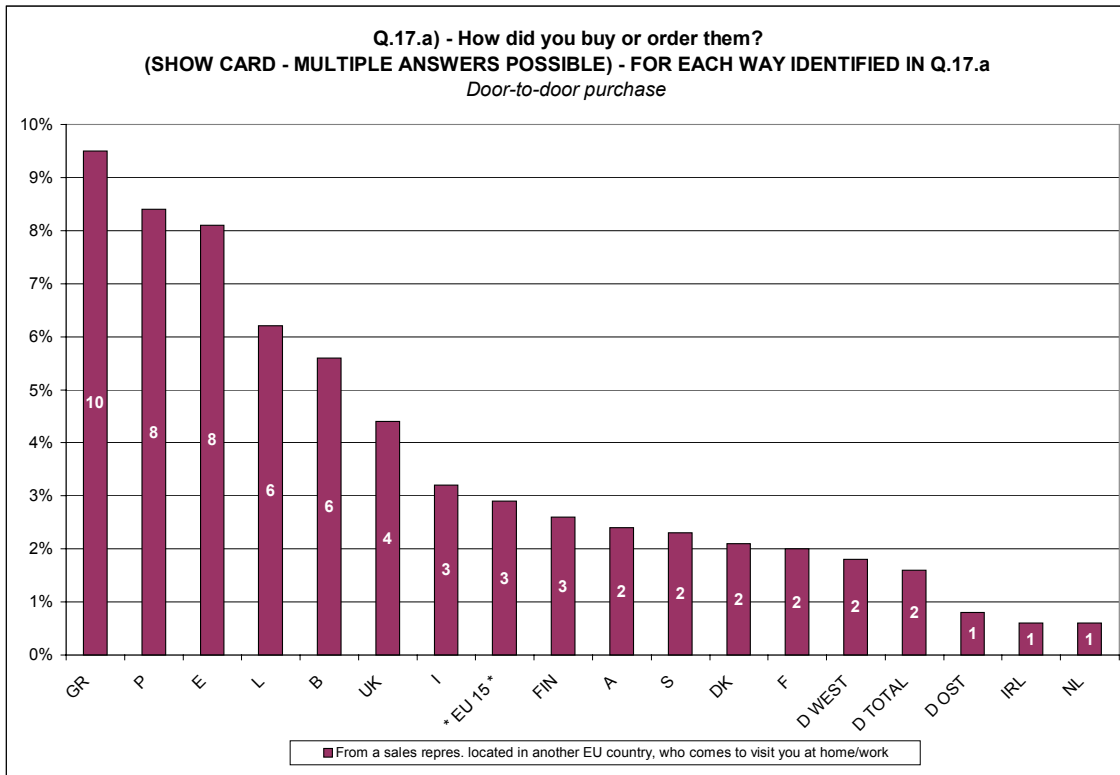




The second way to do cross-border distance purchases is by mail order, catalogue or telephone sales. These sales methods seems to be more common in seven Member states, where the percentage of “yes” replies is well above the EU15 average of 9%: Luxembourg (25%), Austria (23%), Ireland (20%), UK (14%), France (12%), Belgium (12%) and Finland (11%). In contrast, the percentage of cross-border shoppers buying or ordering products or services by mail order, catalogue or telephone sales is less than 5% in Denmark, Spain (both 4%) and the Netherlands (1%).

As pointed out above, approximately 3 % of cross-border shoppers purchased a product or service through a visiting sales representative located in an other EU country. On a country-to-country basis, the percentage varies significantly. In seven EU countries the proportion of those who purchased a good or service through such a visiting sales representative is even lower than 3%. Only in Greece (10%), Portugal and Spain (both 8%) a significantly higher percentage of this type of cross-border shopper is found. When analysing these numbers it must be taken into account that the general level of cross-border purchases in Greece, Portugal and Spain is comparatively low. Therefore, the absolute numbers of consumers purchasing a product or service through a visiting sales representative located in an other EU country is very low in these countries as well.

See graph next page

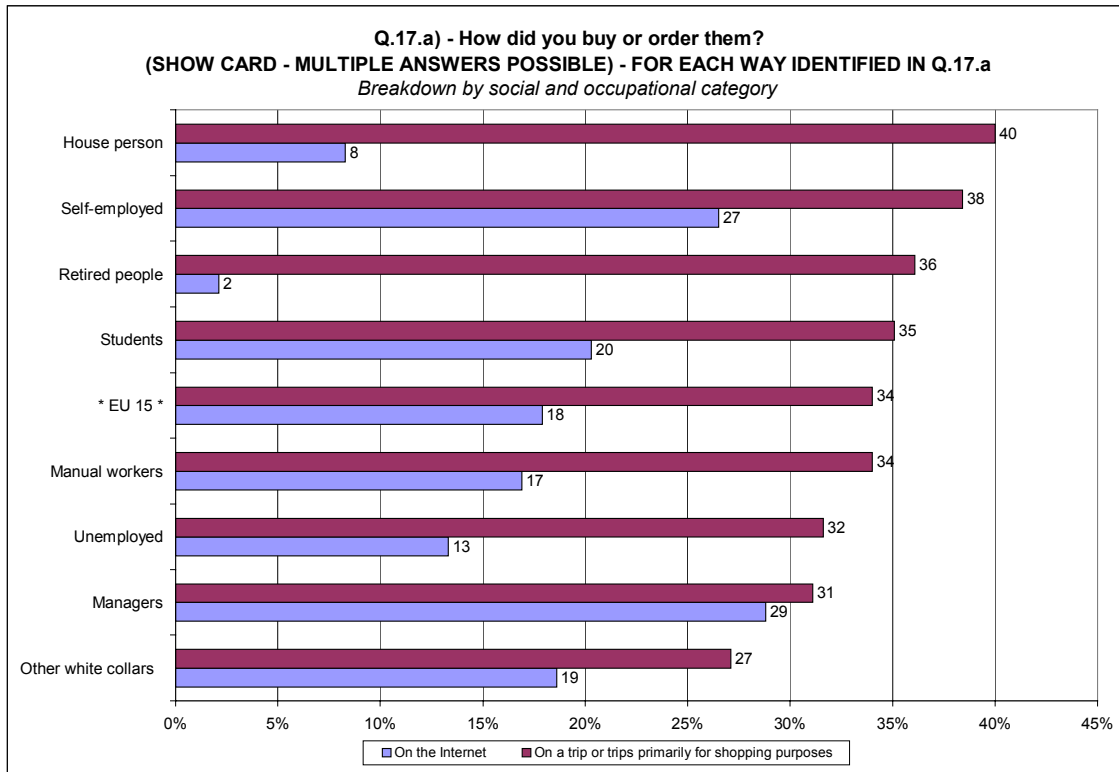




**c. Analysis by social or demographic category**

The types of purchases differ quite significantly among the various social and occupational categories, as the examples of cross-border shopping trips and cross-border internet purchases illustrate (see graph below):

- Trips primarily for shopping purposes are most popular among house persons (40%), self-employed (38%) and retired people (36%). The groups which least tend to make these types of cross-border purchases are managers (31%) and other white collar workers (27%).
- Differences between the groups are much more pronounced in the case of internet shopping. This type of cross-border purchases are mostly done by managers (29%) and self-employed (27%). They are least popular with house persons (8%) and retired people (2%). This illustrates the “digital divide” and that different types of cross-border purchases presently may be linked to different social and occupational groups.



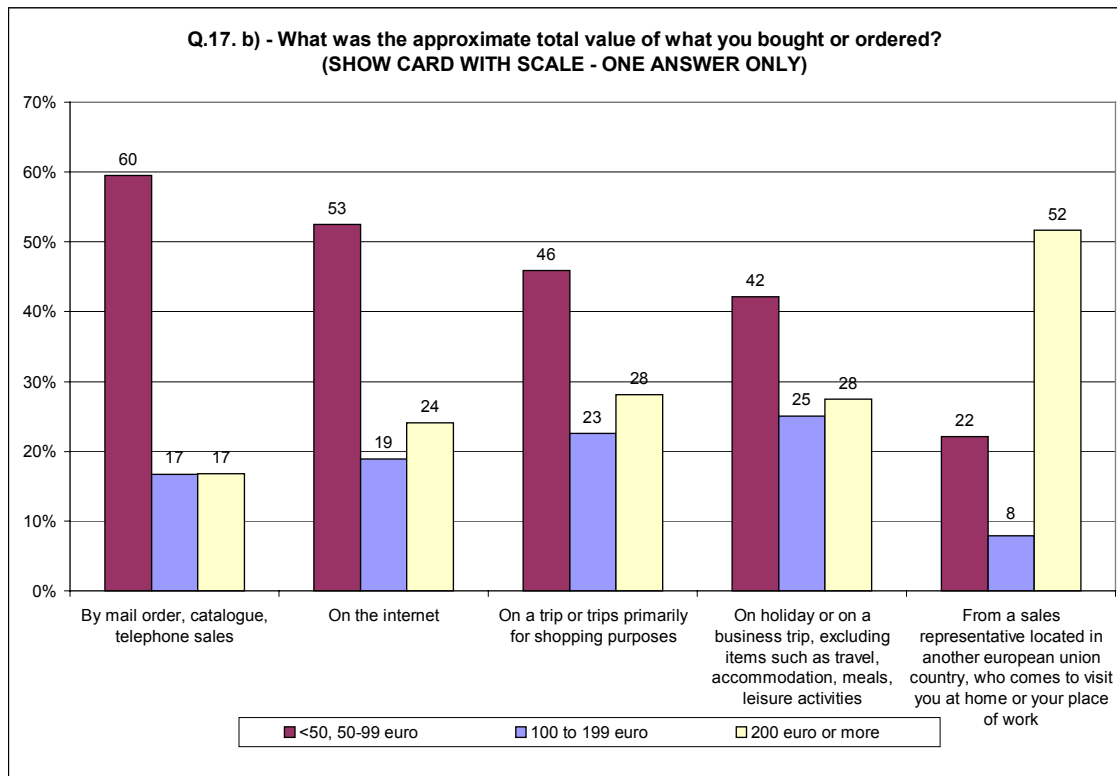
### 1.3. Value of purchase

#### a. Europe-wide figures

The total value of the products or services bought or ordered by consumers purchasing across the border varies according to the types of purchases:

- during holiday or business trips roughly one in four shoppers spent 200 Euro or more (28%). A similar rate is found for trips primarily for shopping purposes (28%) and for cross-border Internet shoppers (24%).
- approximately one in six shoppers spent 200 Euro or more when buying or ordering cross-border by mail order, catalogue or telephone sales (17%).
- the highest percentage of consumers spending relatively high amounts for cross-border purchases is found for the least common type of purchase. Approximately one in two shoppers spent 200 Euro or more for products or services bought or ordered through a visiting sales representative located in an other EU country (52%).

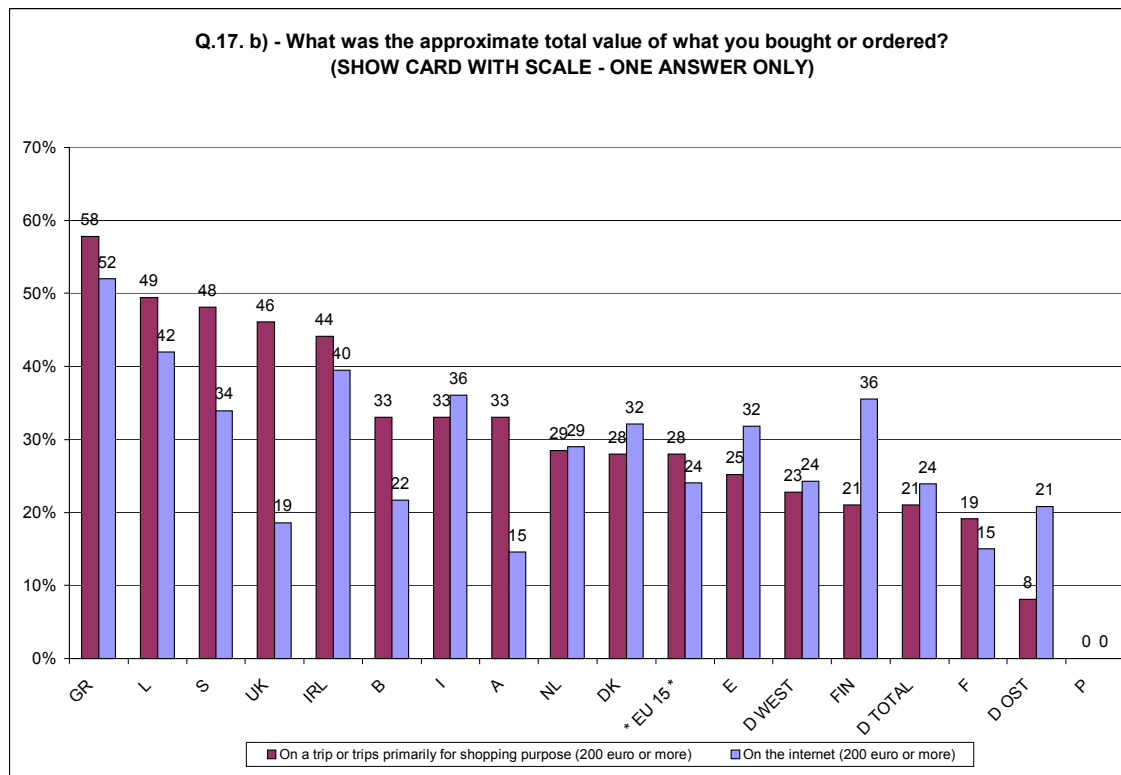
The total value according to the types of purchase is given in the graph below:



-

**b. Analysis by country**

The average values for the European Union conceal significant differences between Member States. This is graphically illustrated below with the examples of cross-border shopping trips and Internet purchases.



With respect to cross-border trips primarily for shopping purposes we can arrange Member States in the following groups:

- One in two consumers spend 200 Euro or more in total in: Greece (58%), Luxembourg (49%), Sweden (48%), UK (46%) and Ireland (44%).
- One in three to one in five consumers spend 200 Euro or more in total in: Belgium, Italy, Austria (all 33%), the Netherlands (29%), Denmark (28%), Spain (25%), Germany western Länder (23%), Finland (21%), France (19%).
- Less than one in ten consumers spend 200 Euro or more in total in: Germany eastern Länder (8%) and Portugal (0%).

With respect to cross-border distance purchases by Internet we can arrange Member states in the following groups:

- Roughly one in two consumers spend 200 Euro or more in total in: Greece (52%), Luxembourg (42%) and Ireland (40%)

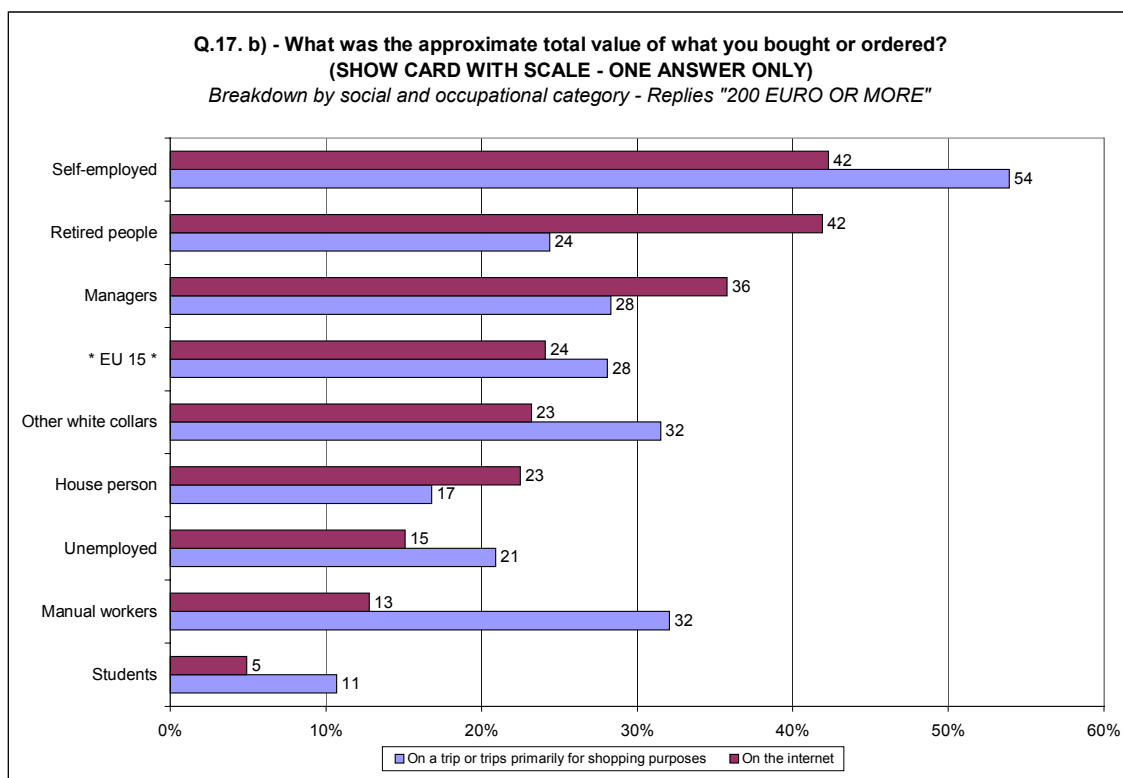
- One in three to one in seven consumers spend 200 Euro or more in all other Member states except Portugal, where again people do not seem to purchase higher value goods on the Internet (0%).

When interpreting these numbers one has to take into account the relatively low number of cross-border shoppers in several EU countries, which may lead to misrepresentations. This holds especially true for Portugal and Greece, which are in at the bottom of the list in terms of the number of consumers involved in B2C cross-border purchases, but have extreme positions with respect to the value of services or products purchased.

**c. Analysis by social or demographic category**

The proportion of Europeans that have spent 200 Euro or more for cross-border purchases over the last 12 months differs for the various social and occupational categories, as the examples of cross-border shopping trips and cross-border internet purchases illustrate (see graph below):

- The highest proportion of higher value purchases is found in the group of self-employed followed by the groups of retired people and managers.
- The lowest proportion of higher value purchases is found in the group of students.



## 1.4. Cross-border advertising

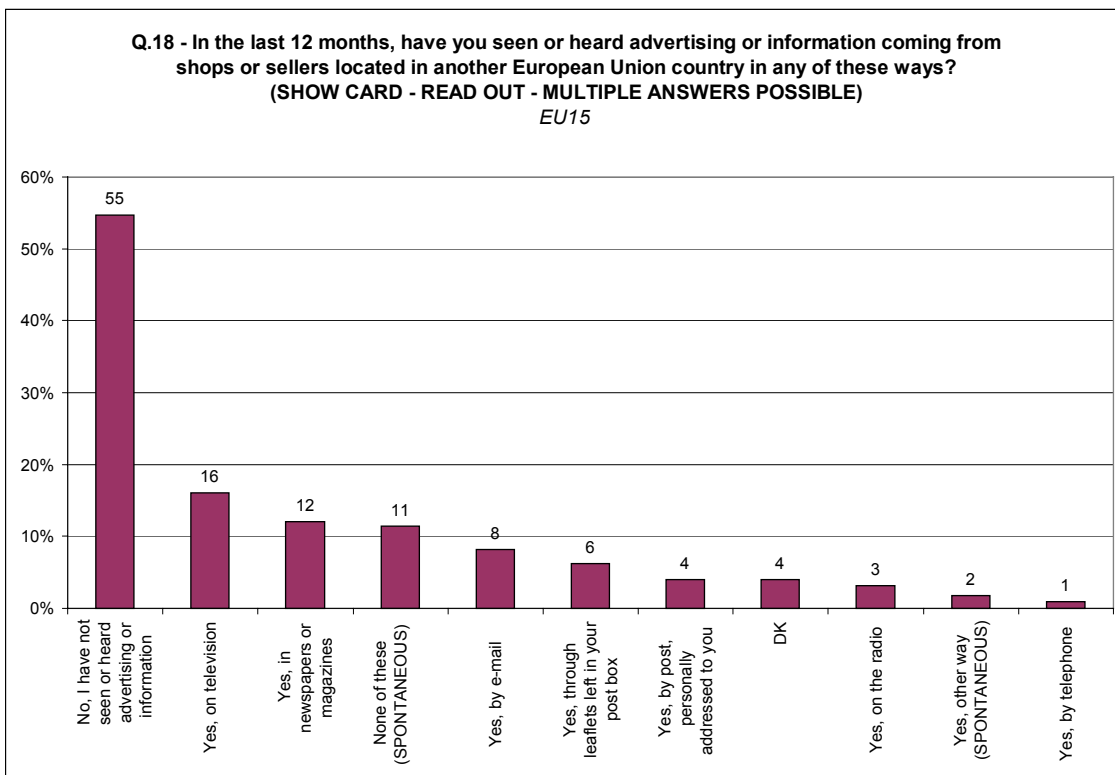
### a. Europe-wide figures

The majority of EU consumers, 55 percent, have not seen or heard advertising or information from shops or sellers located in another European Union country in the last 12 months.

Consumers who saw or heard advertising or information did so:

- on television: 16%,
- in newspapers or magazines: 12%,
- by e-mail: 8%,
- through leaflets left in the post box: 6%
- by post, personally addressed: 4%
- on the radio: 3%
- other way: 2%
- by telephone: 1%

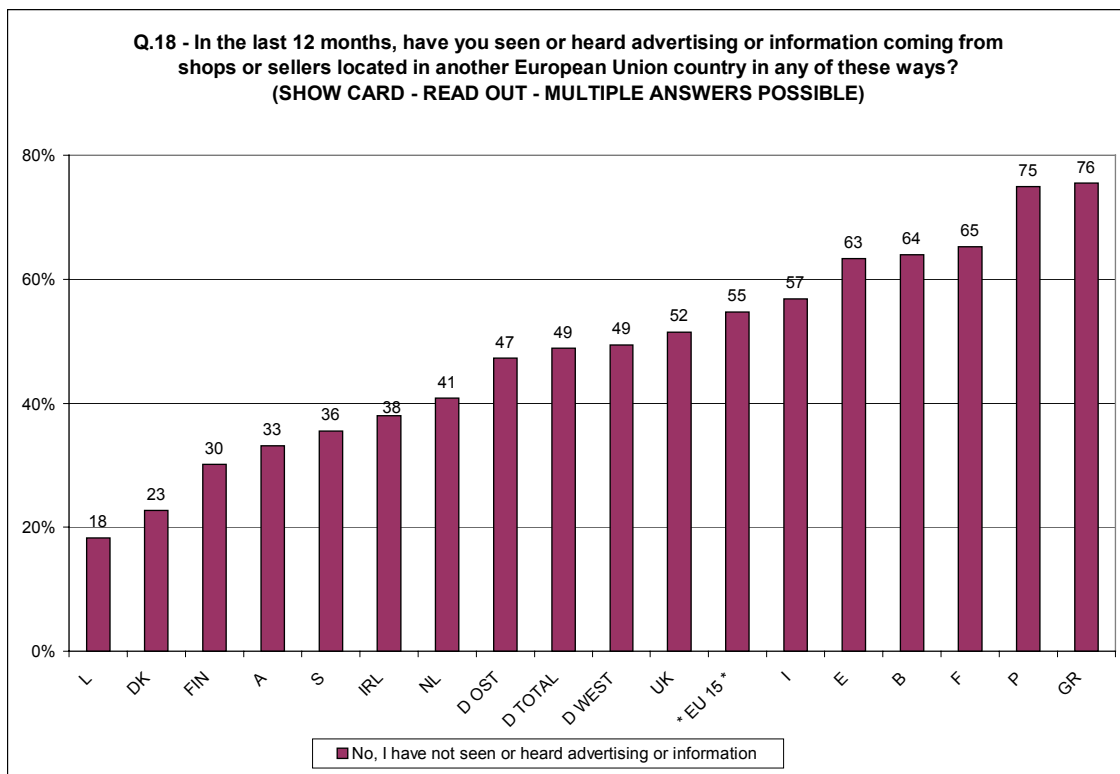
Please note that multiple answers were possible.



### b. Analysis by country

The number of consumers that have not seen or heard advertising or information from shops or sellers located in another EU country give an indication for the overall activity, or rather the lack of activity for different countries. The following groups of Member states may be differentiated:

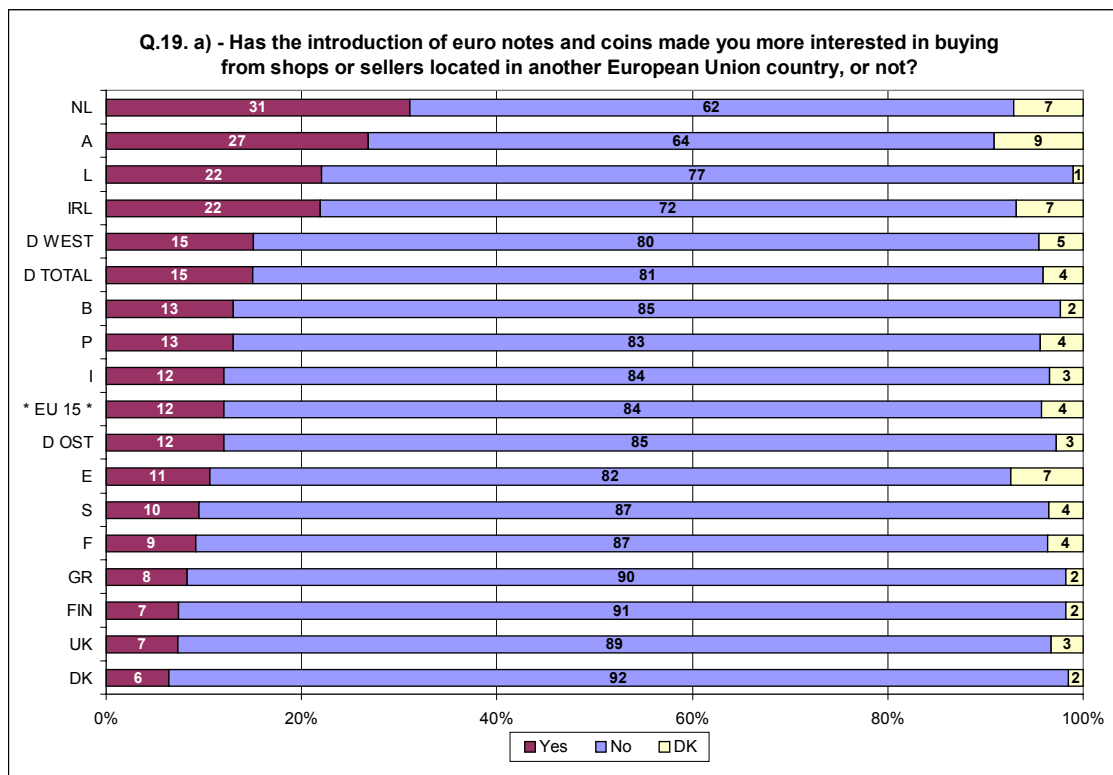
- Not surprisingly the penetration rate for foreign advertisement is highest for the two countries with the highest percentages of cross-border shoppers. Only 18% of consumers in Luxembourg and 23% of consumers in Denmark have not seen or heard advertising or information from shops or sellers located in another EU country.
- In a second group of countries one third to one half of the population has not been exposed to foreign advertisement. In Finland 30% of consumers have not seen or heard advertising or information from shops or sellers located in another EU country followed by Austria 33%, Sweden 36%, Ireland 38%, the Netherlands 41%, Germany 49%, the UK 52% and Italy 57%.
- Finally, roughly two thirds of the population or more have not seen such advertisements in Spain (63%), Belgium (64%), France (65%), Portugal (75%) and Greece (76%).



## 1.5. Influence of Euro and Internet on interest in cross-border purchases

### a. Europe-wide figures

One European out of eight (12%) are more interested in buying from shops or sellers located in another EU country since the introduction of Euro notes and coins, 84% were of the contrary opinion, while 4% have none at all.

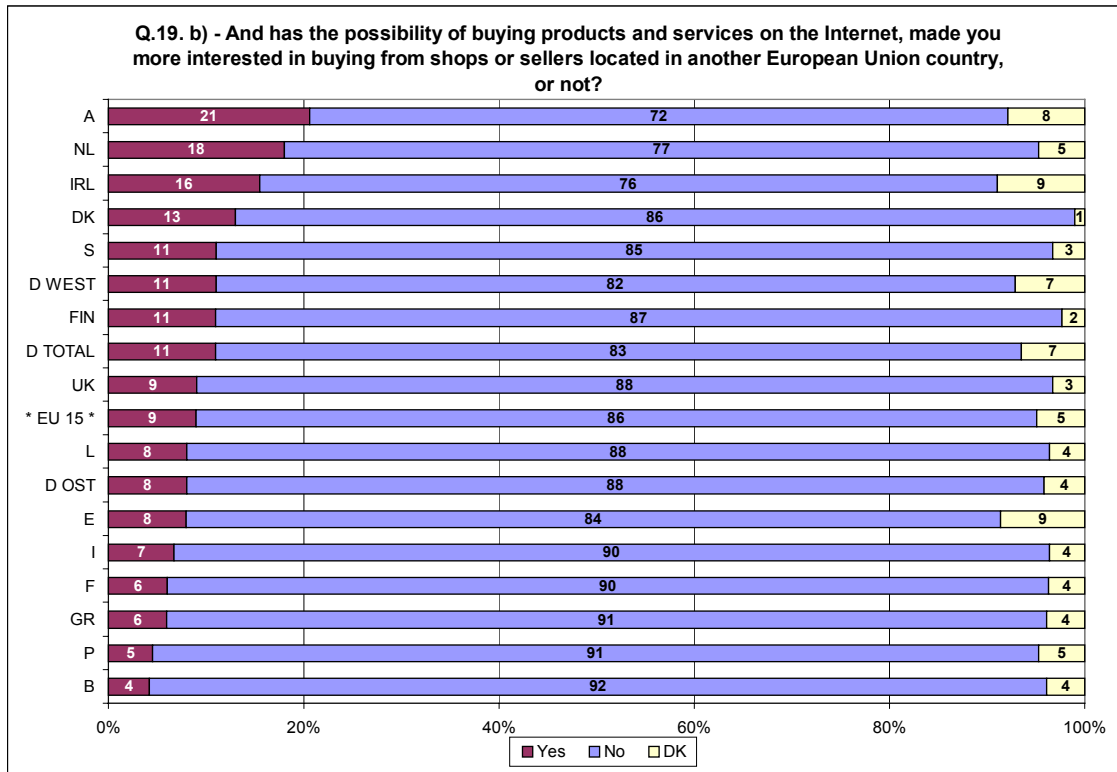


An even lower number, slightly less than one out of ten consumers (9%), are more interested in buying from shops or sellers located in another EU country because of the possibility of buying products and services on the Internet, 86% were of the contrary opinion, while 5% have no opinion (see graph next page).

### b. Analysis by country

Consumers from the Netherlands (31%), Austria (27%), Luxembourg (22%) and Ireland (22%), are significantly more interested than the average European consumer in buying from shops or sellers located in another EU country since the introduction of Euro notes and coins. All these countries have a current level of B2C cross-border purchases above the EU15 average, too. Significantly less interested than the rest of Europeans are consumers in Sweden (10%), France (9%), Greece (8%), Finland (7%), UK (7%) and Denmark (6%). It is not surprising that all non-Euro countries belong to the last group of EU countries.

More interested in buying products and services abroad on the Internet than the EU15 average of 9% are consumers in Austria (21%), the Netherlands (18%), Ireland (16%), Denmark (13%), Sweden (11%), Finland (11%) and Germany (11%, in the eastern Länder only 8%). At the bottom of the list in terms of interest in buying products and services abroad on the Internet are France and Greece (both 6%), Portugal (5%) and Belgium (4%).

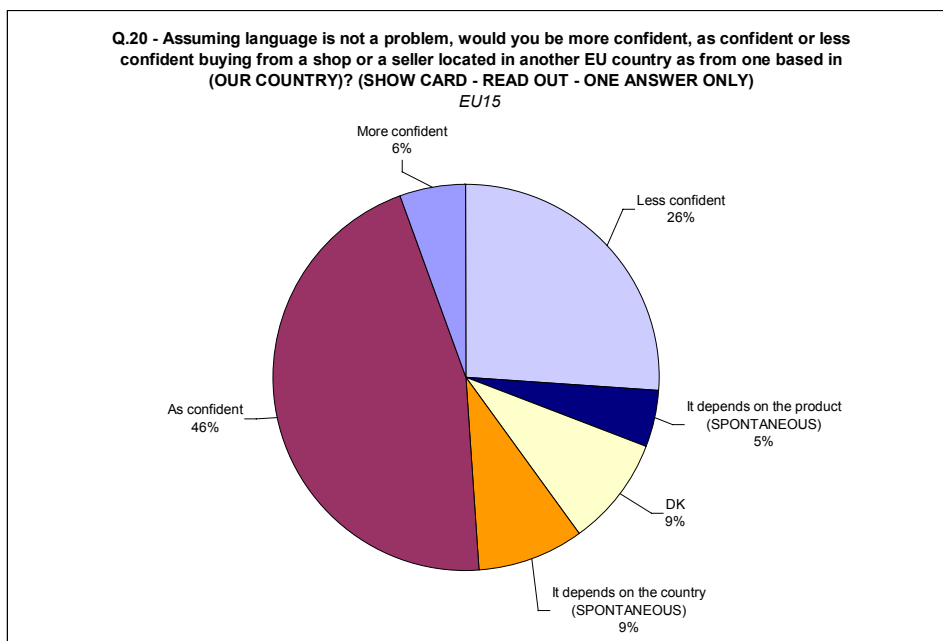




## 1.6. Confidence in purchasing in another EU country (in general)

### a. Europe-wide figures

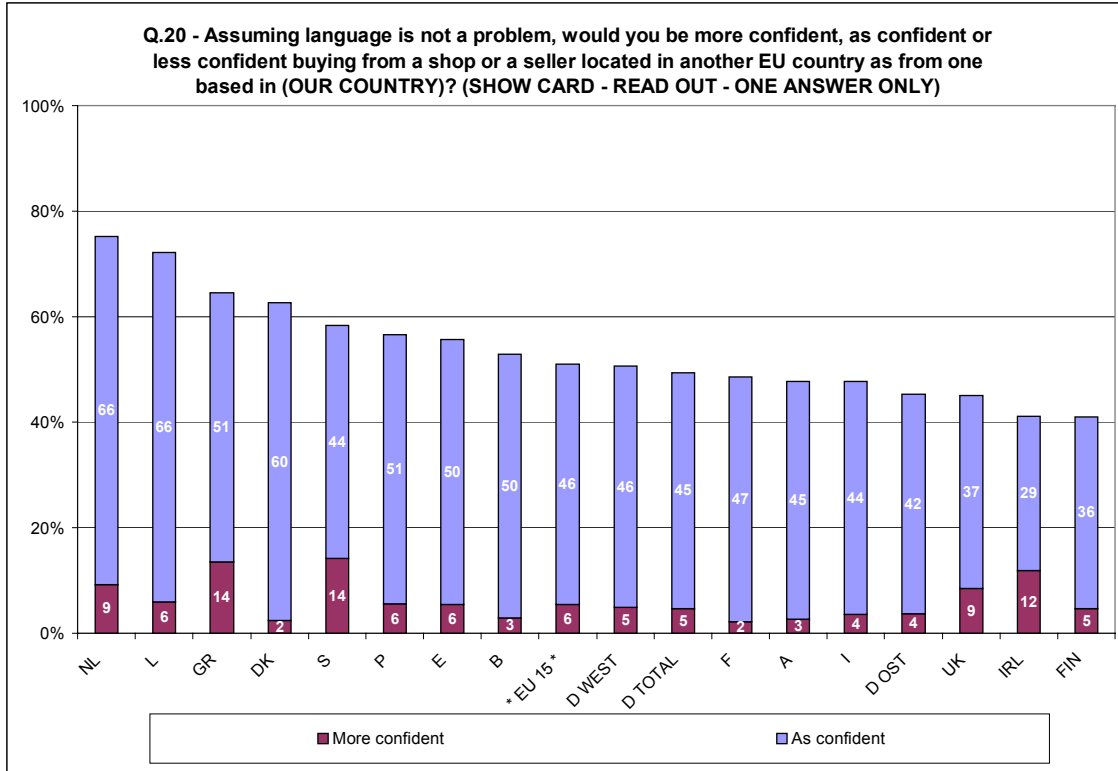
A majority of consumers are as confident (46%) or even more confident (6%) buying from a shop or seller in another EU country as from one based in their country of residence (assuming that language is not a problem). An additional 14% say it depends on the country (9%) or on the product (5%). Only 26% of consumers are generally less confident buying from a shop or seller in another EU country as from one based in the country of residence. Nine percent have no opinion.



### b. Analysis by country

This question concerning the confidence in purchasing in another EU country showed that the level of confidence is especially high in two Member states. In the Netherlands a total of 75% said they were more confident (9%) or as confident (66%) buying from a shop or seller in another EU country as from one based in the country of residence; in Luxembourg this proportion was 72% (with 6% more and 66% as confident). The lowest level of confidence in cross-border purchases was found in Ireland and Finland. In both countries 41% of the population said they were more confident or as confident buying from a shop or seller in another EU country as from one based in the country of residence.

*See graph next page*



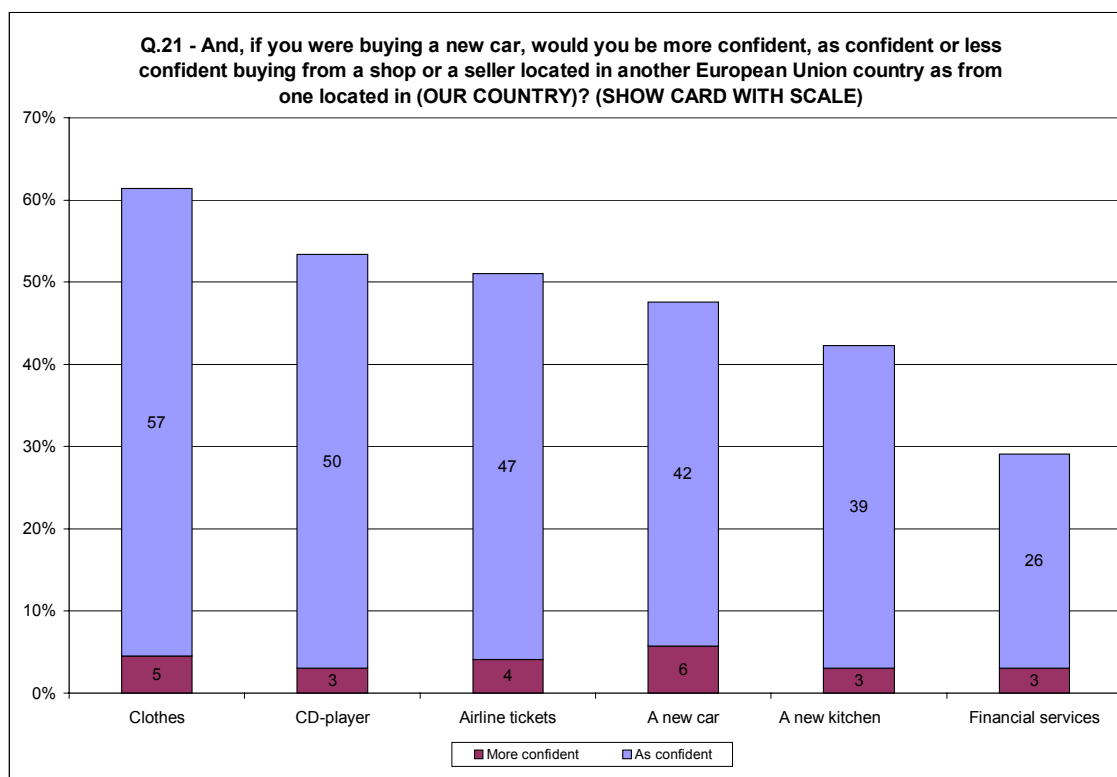
## 1.7. Confidence in purchasing in another EU country (by type of product/service)

### a. Europe-wide figures

Consumer confidence in buying from a shop or seller located in another EU country differs depending on the type of product or service. The level of confidence according to the type of product or service is as follows:

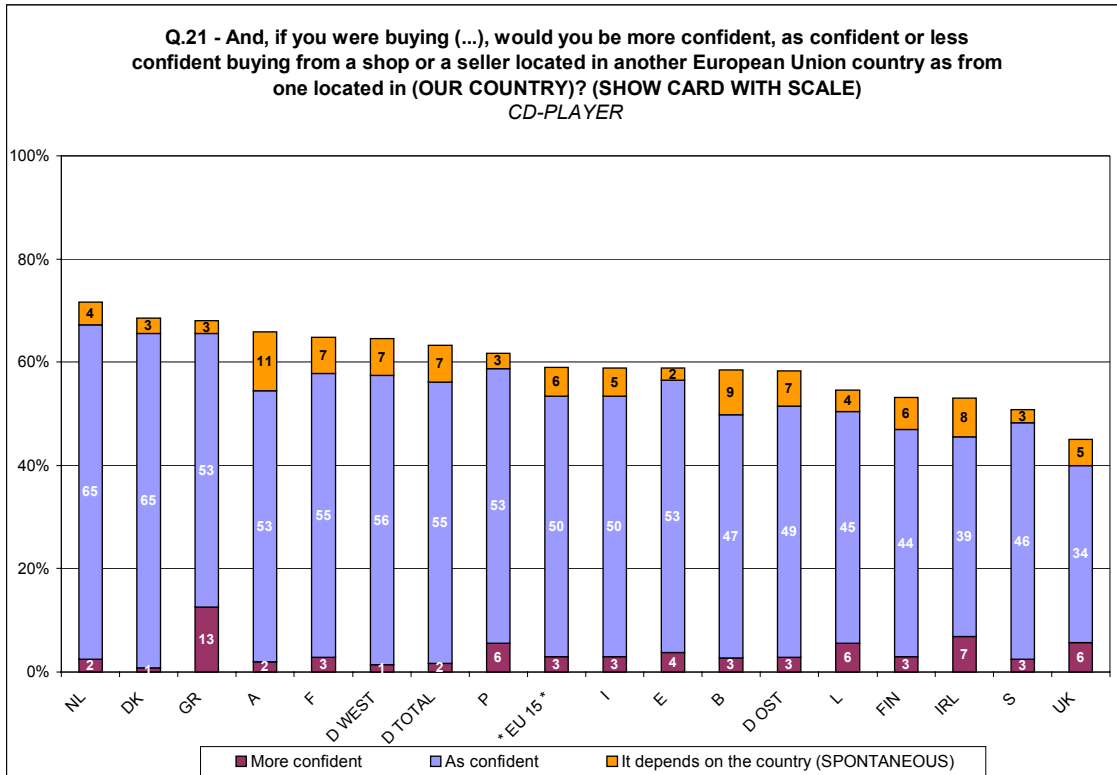
- **Clothes:** 61% of respondents are more (5%) or as confident (57%) buying from a shop or a seller located in another EU country as from one located in the country of residence. 25% are less confident, 6% said it depends on the country, 7% have no opinion.
- **CD-Player:** 54% of respondents are more (3%) or as confident (50%). Thirty percent are less confident, 6% said it depends on the country, 11% have no opinion.
- **Airline tickets:** 51% of respondents are more (4%) or as confident (47%). Thirty-one percent are less confident, 7% said it depends on the country, 12% have no opinion.
- **A new car:** 48% of respondents are more (6%) or as confident (42%). Thirty-four percent are less confident, 9% said it depends on the country, 9% have no opinion.
- **A new kitchen:** 42% of respondents are more (3%) or as confident (39%). Forty-one percent are less confident, 6% said it depends on the country, 11% have no opinion.
- **Financial services:** Only 29% of respondents are more (3%) or as confident (26%). Forty-eight percent are less confident, 9% said it depends on the country, 15% have no opinion.

The level of confidence (more or as confident) for shopping abroad by type of product/service is illustrated in the following graph:



### b. Analysis by country

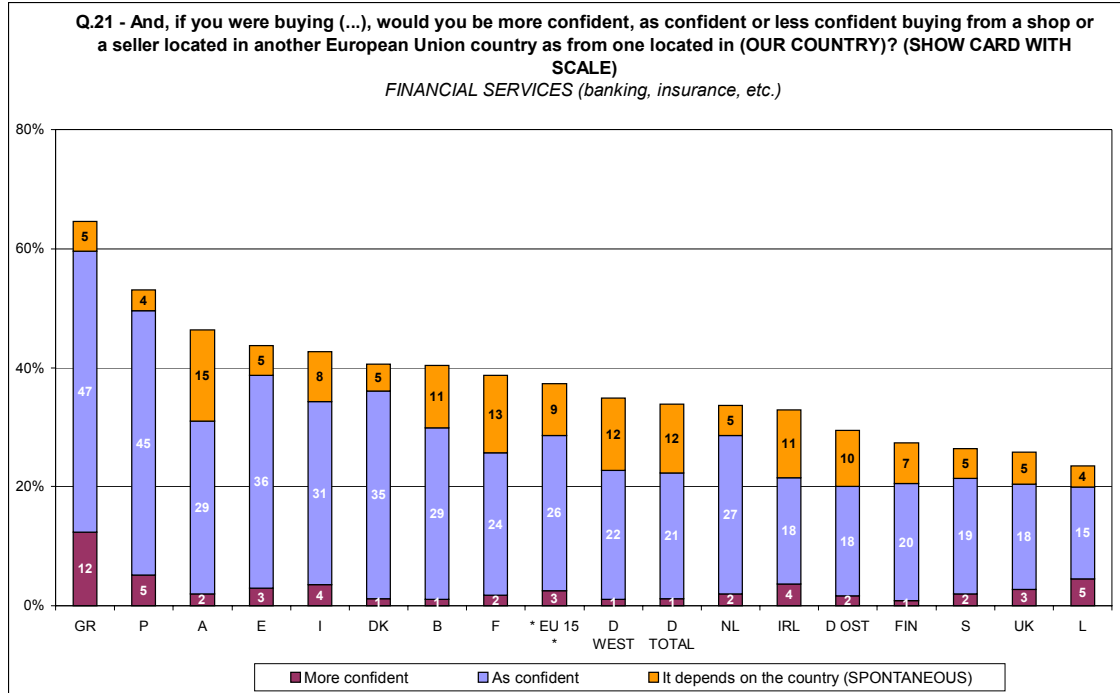
The level of confidence in EU Member states for purchasing, for example, a CD-Player is shown graphically below.



The graph illustrates that the level of confidence in purchasing a CD-Player abroad is highest in the Netherlands (67 % of consumers are more or as confident) and lowest in the UK (42%). In Greece 13% consumers are more confident in purchasing abroad, the highest percentage of all EU countries.

The same high level of confidence for purchasing abroad can be found in Greece even for financial services (12% of consumers more confident, 47% as confident) - a subject where consumer confidence is lowest in average (EU15: 3% more and 26% as confident). Confidence is lowest in the UK and Luxembourg (in both cases 20% of consumers more or as confident).

See graph next page



## 2. Businesses' sales

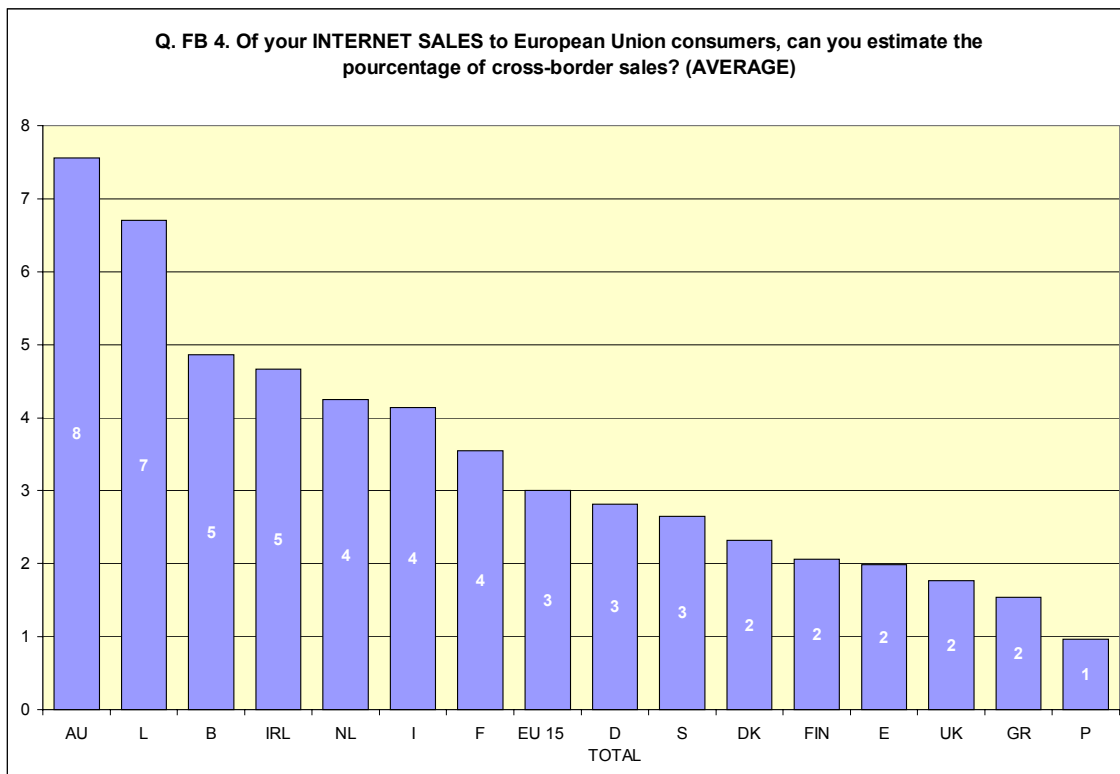
### 2.1. Internet sales to EU consumers cross-border

#### a. Europe-wide figures

As we see from the graph below, cross-border sales by Internet are far from being widespread across the European Union. According to the general managers and marketing directors surveyed, only 3 % of the Internet sales to consumers over the past twelve months were to consumers residing in European Union countries other than the one in which the company operates.

#### b. Analysis by country

With regard to countries, Austria and Luxembourg stand out as being the front runner in cross-border sales to final consumers by Internet. In Austria, 8% of Internet sales of companies targeting final consumers are cross-border, in Luxembourg 7% - nearly twice as frequent as in most other EU countries. Next are Belgium and Ireland with 5% and the Netherlands, Italy and France with 4%. Most other countries are below the EU 15 average of 3%. Cross-border sales to final consumers by Internet were least frequent in Portugal (1% of Internet sales).



#### c. Analysis by type of company

Results obtained in the various business sectors are very close to each other, with only a slight (insignificant) advance in the services sector, but with 4% is still near the level of answers for European Union companies as a whole (3%).

In terms of company size we can see that the Internet sales to final consumers resident in other European Union countries are nearly identical for all companies polled, regardless of their size (number of employees).

According to the survey, independent companies sell less cross-border to final consumers by Internet (slightly below the EU 15 average) than companies which are mother companies of a multinational group (6% of Internet sales are cross-border) or members of a multinational group (5%).

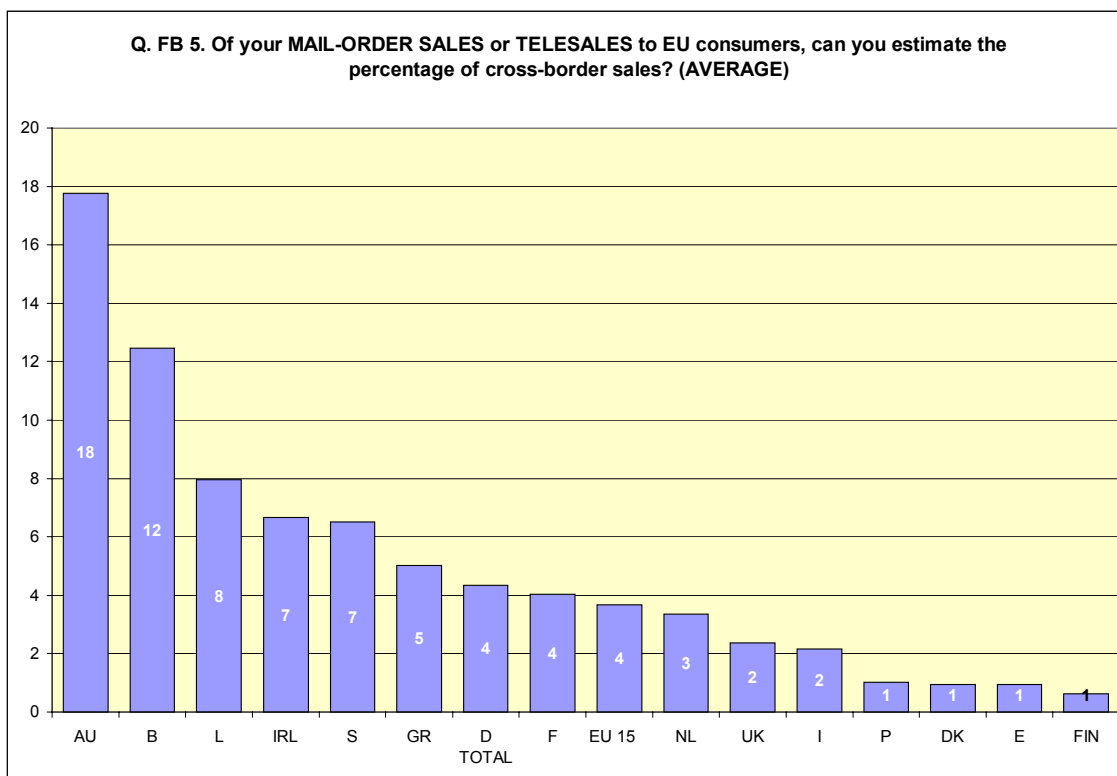
## 2.2. Mail-order sales or Telesales to EU consumers cross-border

### a. Europe-wide figures

The proportion of mail-order sales or telesales to final consumers across the border is slightly higher than Internet sales. According to the general managers and marketing directors surveyed, 4 % of the mail-order sales or telesales to consumers over the past twelve months were to final consumers residing in European Union countries other than the one in which the company operates.

### b. Analysis by country

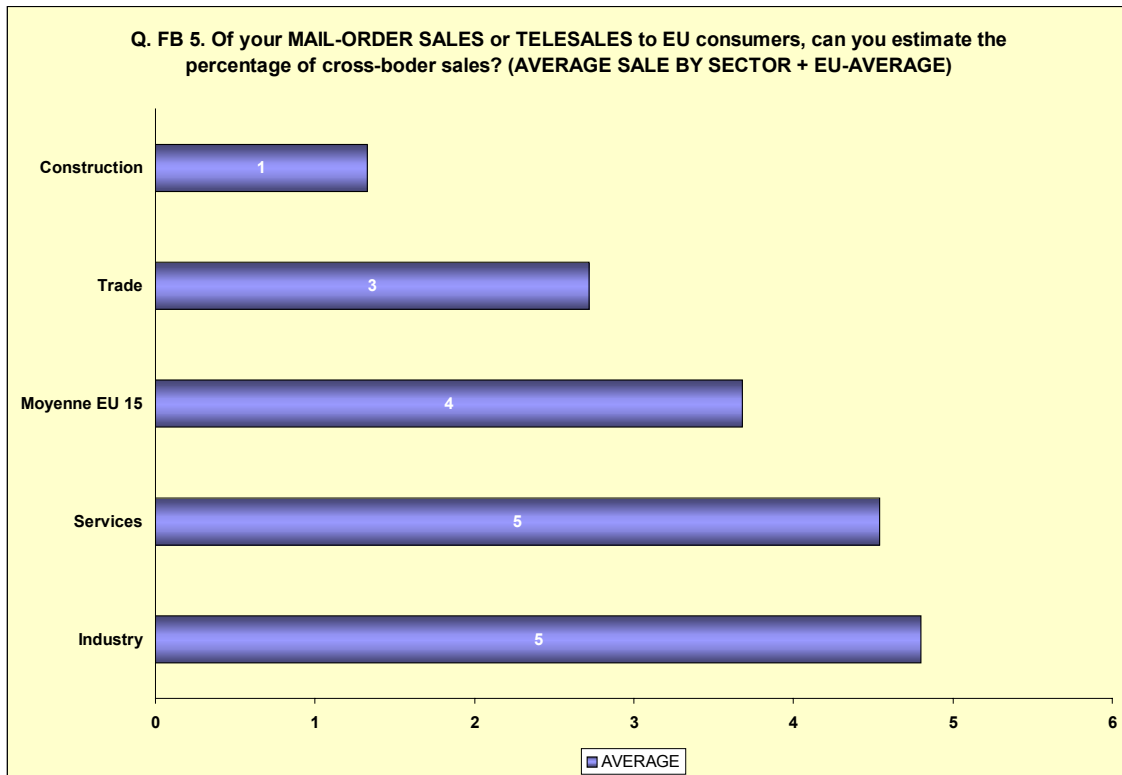
Differences between countries are even more extreme than in the answers to the previous question. Again, Austria is on top of the list with 18% of mail-order sales or telesales to final consumers going across the border. Belgium ranks second with 12 %. Other countries in which the proportion of cross-border sales is significant are Luxembourg (8%), Ireland and Sweden (both 7%), Greece (5%), and France and Germany (both 4%). The polled companies in the remaining countries give estimates below the EU 15 average of 4%, the Netherlands (3%), UK and Italy (both 2%); only 1% of all mail-order sales or telesales to final consumers are across the border in Portugal, Denmark, Spain, and Finland.



### c. Analysis by type of company



Companies belonging to the construction and trade sectors have a significantly lower proportion of mail-order sales or telesales to final consumers across the border than companies belonging to the industry and services sectors.



In terms of company size we can see that the proportion of mail-order sales or telesales to final consumers across the border are very close to each other, with only a slight (insignificant) advantage for major companies with 250 employees or more (5%), yet still near the level of answers for small companies with 10 to 49 employees and medium sized companies with 50 to 249 employees (both 4%).

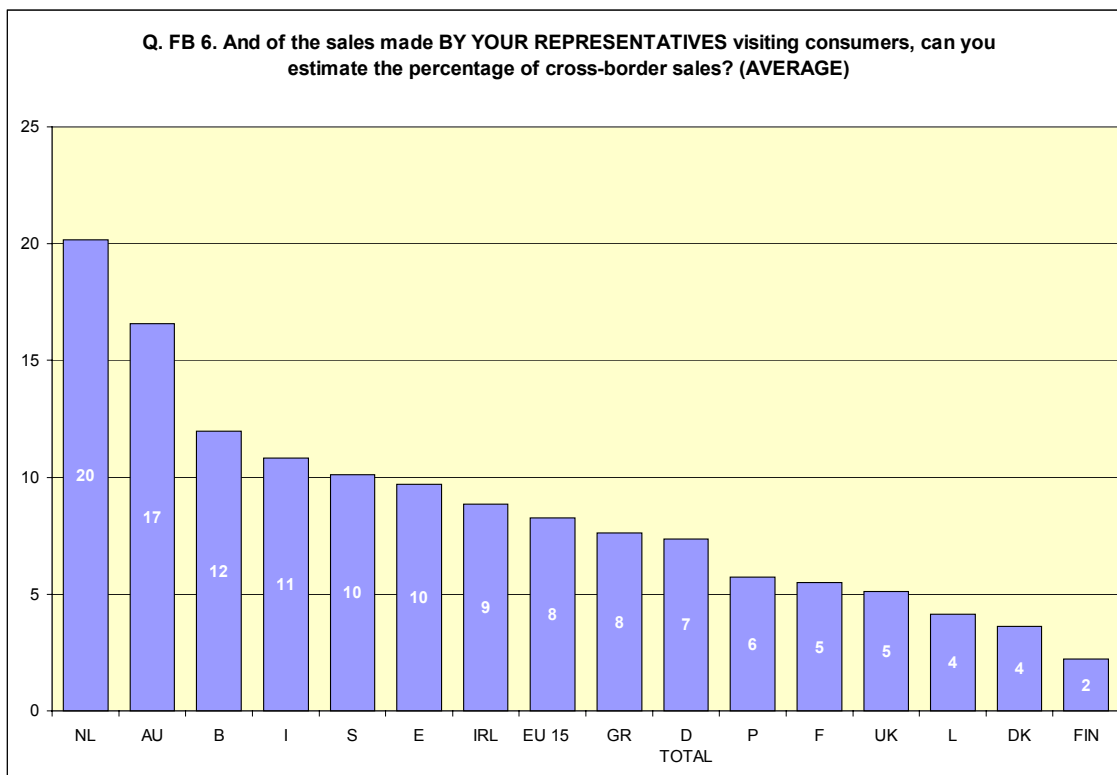
According to the survey the proportion of mail-order sales or telesales to final consumers across the border is for companies which are members of a multinational group is twice as high at 6% in comparison to companies which are mother companies of a multinational group or independent companies (both 3%).

## 2.3. Sales made by representatives visiting consumers cross-border

### a. Europe-wide figures

The proportion of sales made by representatives visiting consumers cross-border is relatively high. According to the general managers and marketing directors surveyed, 8 % of the sales made by representatives visiting consumers over the past twelve months were to final consumers residing in European Union countries other than the one in which the company operates. This seems to contrast the low level of cross-border purchases through this marketing channel reported by European consumers (see section 1.2). However, we have to take into account that in the consumer survey the (absolute) proportion of consumers having done such a purchase over the last 12 months was determined. In contrast, in the business survey only the (relative) proportion of cross-border sales of the total sales made by representatives visiting consumers was asked for. As we do not have any information on the absolute level of such sales, both surveys are not complementary in this respect.

### b. Analysis by country



The following groups of Member states may be differentiated:

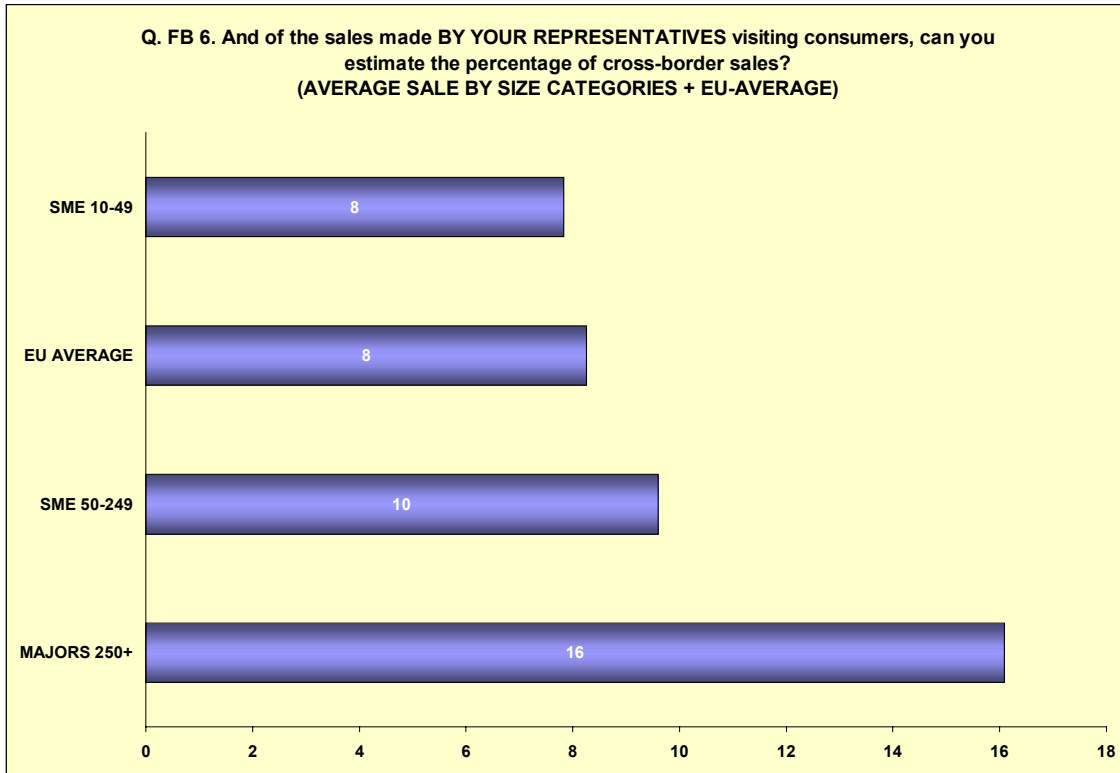
- The proportion of sales made by representatives visiting final consumers cross-border is highest for companies operating in the Netherlands (20%) and Austria (17%).
- In a second group of countries the proportion of sales made by representatives visiting final consumers cross-border is around or slightly higher than the EU 15 average. This is true for companies operating in: Belgium (12%), Italy (11%), Sweden and Spain (both 10%), Ireland (9%), and Greece (8%)

- Finally, the proportion of sales made by representatives visiting consumers cross-border is lower than the EU 15 average for companies in: Germany (7%), Portugal (6%), France and UK (both 5%), Luxembourg and Denmark (both 4%), and Finland (2%).

**c. Analysis by type of company**

Again, the proportion of sales made by representatives visiting consumers cross-border is significantly lower for companies belonging to the construction and trade sectors than the average (construction sector 4%, trade sector 5%). In contrast, companies belonging to the service sector reported that of the total sales made by representatives visiting consumers, approximately 9% are to consumers residing in another EU country. This proportion rises to 12% in the industry sector.

In terms of company size we can see similar differences (see graph).



According to the survey, when employing this sales method, the proportion of cross-border sales to final consumers is lowest for independent companies (7%), followed by mother companies of a multinational group (13%). The proportion of sales made by representatives visiting consumers cross-border is highest for companies that are members of a multinational group (17%).

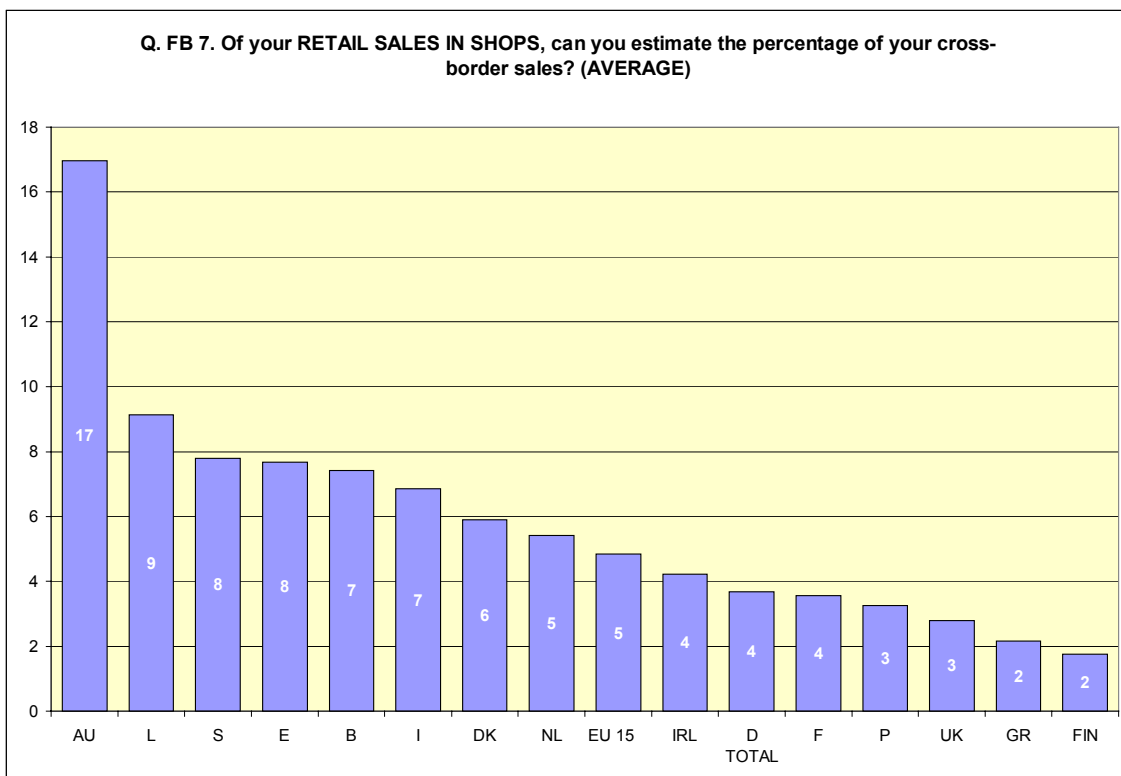
## 2.4. Retail sales in shops to consumers cross-border

### a. Europe-wide figures

The proportion of cross-border retail sales in shops is slightly higher than for Internet sales and mail order or telesales, but lower than the proportion of sales made by representatives visiting consumers cross-border. According to the general managers and marketing directors surveyed, 5 % of the retail sales in shops over the past twelve months were to final consumers residing in European Union countries other than the one in which the company operates.

### b. Analysis by country

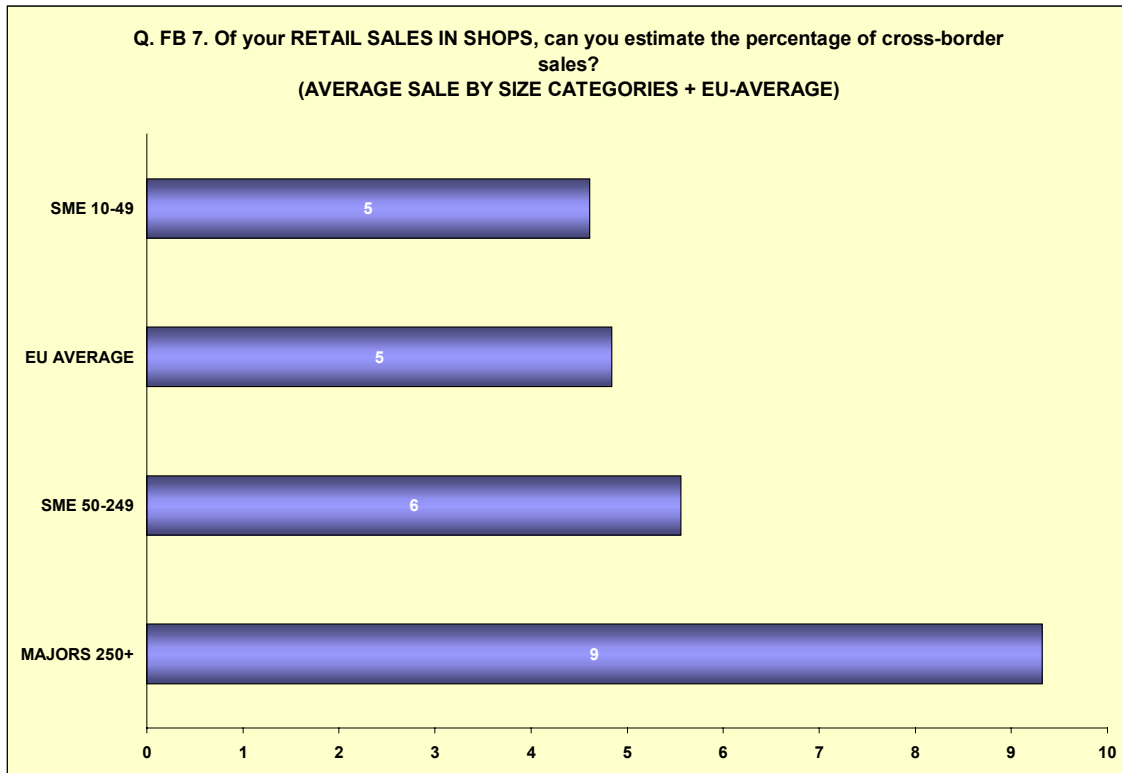
With regard to countries, Austria stands again out as being the front runner. In Austria 17% of the retail sales in shops of the polled companies are cross-border. Next are Luxembourg with 9%, Sweden and Spain with 8%, Belgium and Italy with 7%, Denmark with 6% and the Netherlands with 5%. All other countries are below the EU 15 average. Cross-border retail sales in shops are least frequent in Greece and Finland (2%).



### c. Analysis by type of company

Of the retail sales in shops the proportion of cross-border sales is understandably lowest for companies belonging to the construction sector (1%). Slightly higher is the proportion in the services sector (4%). The highest proportion of retail sales in shops to consumers from abroad is reported from the industry and trade sectors (both 6% of the polled companies).

The differences by company size are graphically presented below.



According to the survey the proportion of retail sales in shops to final consumers from abroad is lower for independent companies (5%) than for companies that are members of a multinational group (7%) or mother companies of a multinational group (11%).

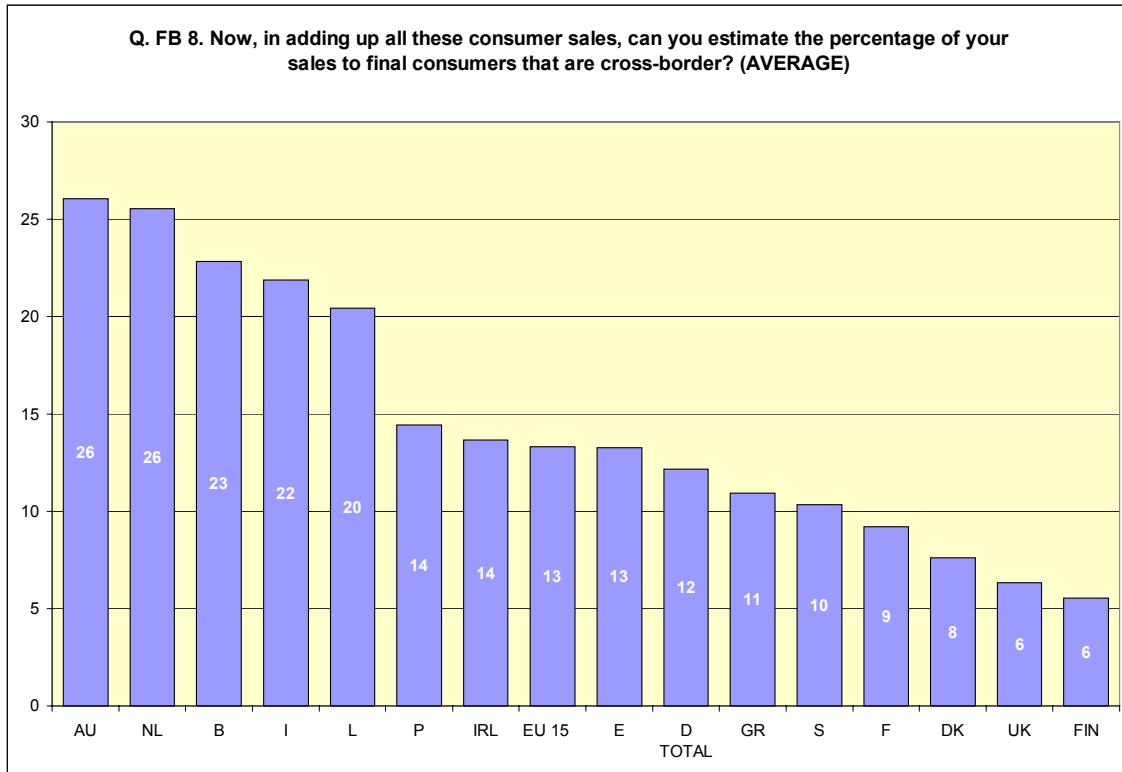
## 2.5. Total sales to final consumers cross-border

### a. Europe-wide figures

The proportion of total sales to final consumers that are cross-border is presented in the graph below. According to the general managers and marketing directors surveyed, 13 % of all consumer sales over the past twelve months were to final consumers that reside in European Union countries other than the one in which the company operates.

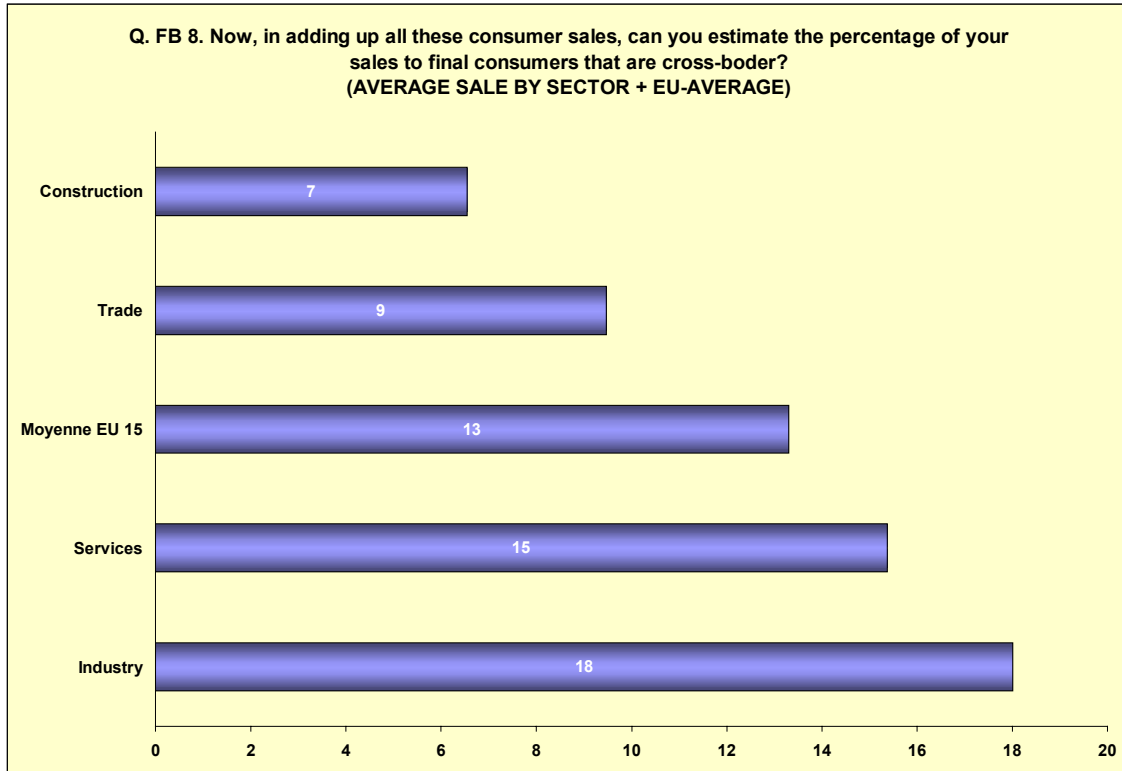
### b. Analysis by country

The proportion of sales to consumers that are cross-border is significantly higher than the EU 15 Average in a group of five countries: Austria and the Netherlands (both 26%), Belgium (23%), Italy (22%) and Luxembourg (20%). The proportion is significantly lower than the average in France (9%), Denmark (8%), UK and Finland (both 6%).



**c. Analysis by type of company**

Of the sales to final consumers, the proportion of cross-border sales is lowest for companies belonging to the construction sector (7%). Slightly higher is the proportion in the trade sector (9%). The highest proportion of sales to consumers from abroad is the industry sector (18%) and services sector (15%).



In terms of company size we can see that the proportion of total sales to final consumers is highest for major companies (18%). The proportion is 16% for medium sized and 13% for small companies.

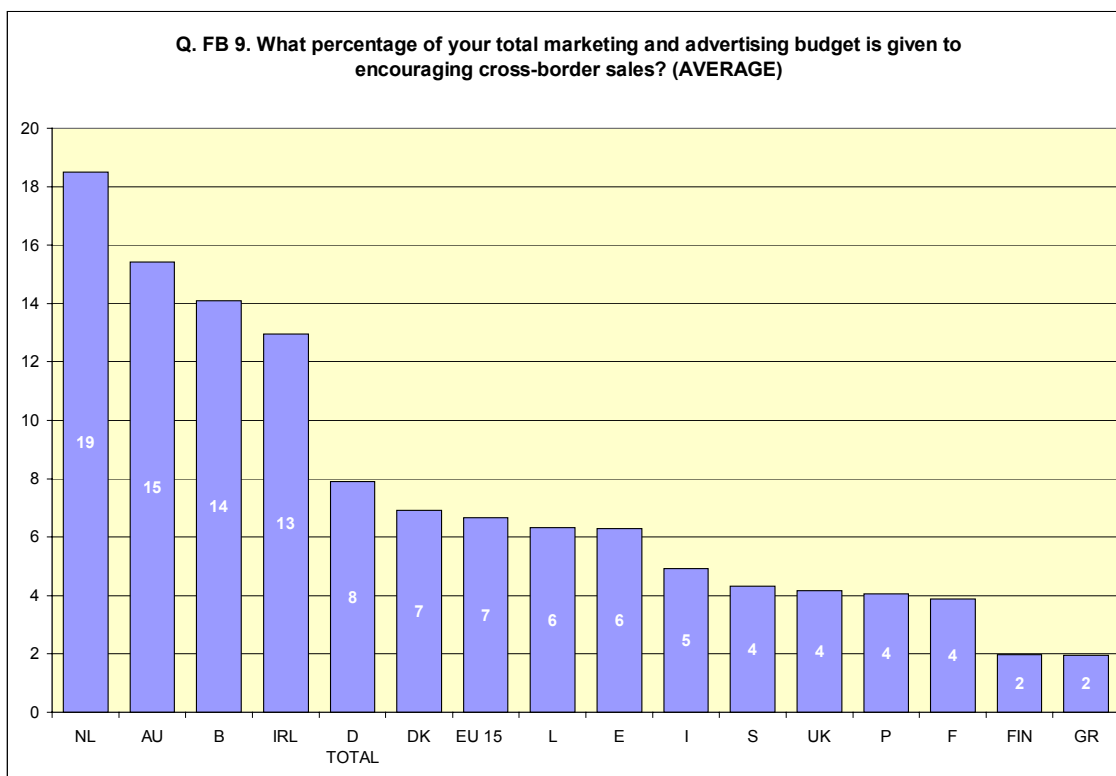
According to the survey the proportion of total sales to consumers from abroad is significantly lower for independent companies (12%) than for companies that are members of a multinational group (22%) or mother companies of a multinational group (20%).

## 2.6. Cross-border advertising

### a. Europe-wide figures

European companies targeting final consumers spend approximately 7% of their total marketing and advertising budget to encourage cross-border sales.

### b. Analysis by country



The proportion of total marketing and advertising budget spend by European companies to encourage cross-border sales varies significantly between Member States. The following groups may be differentiated:

- Companies spend on average two to three times as much as the European average to encourage cross-border sales (measured as proportion of the companies' total marketing and advertising budget) in four Member States: the Netherlands (19%), Austria (15%), Belgium (14%), and Ireland (13%). This is consistent with the fact that companies in all four countries also report cross-border sales above the European average. It is interesting, that consumers from these countries tend to also be more open to shopping abroad than the average European. A number of countries therefore seem to have a "culture of openness" towards cross-border trade – typically countries where neighbours share a common language and cultural barriers are less important.
- Companies located in a second group of countries spend approximately the European average (7%) to encourage cross-border sales: in Germany (8%), Denmark (7%), Spain and Luxembourg (both 6%).

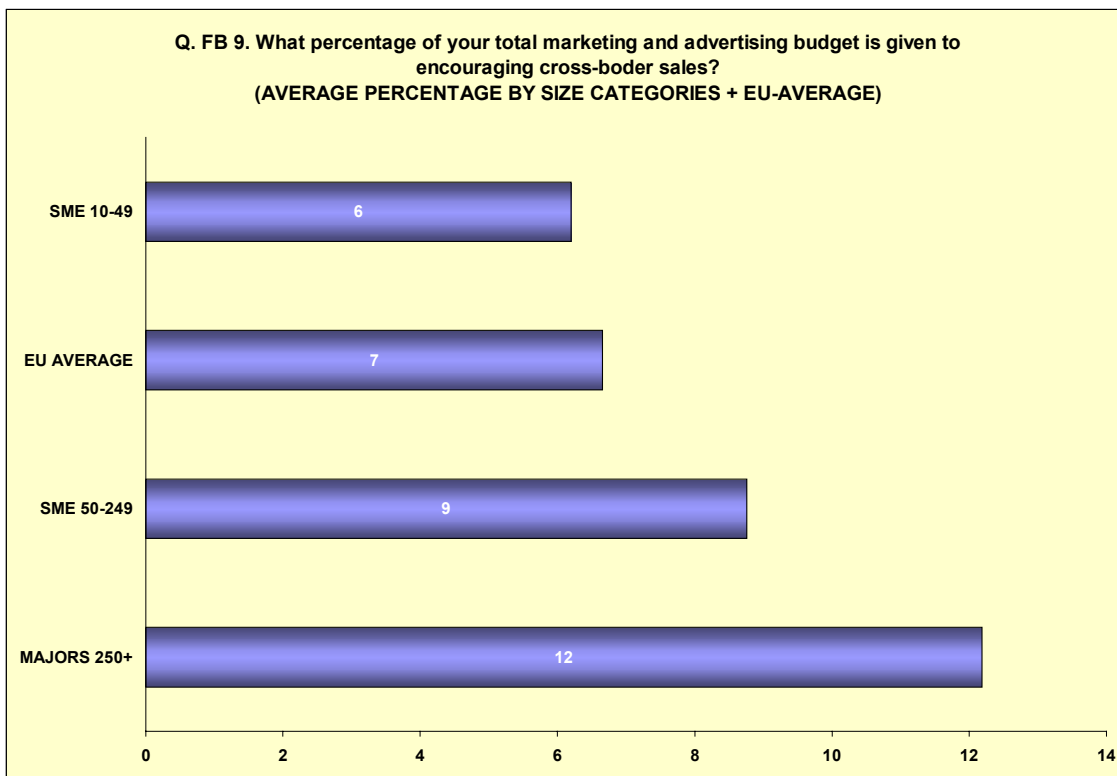


- Finally, companies in a third group of countries spend significantly less than the European average to encourage cross-border sales: in Italy (5%), Sweden, UK, Portugal, and France (all 4%), Greece and Finland (both 2%).

**c. Analysis by type of company**

Companies belonging to the construction and trade sectors spend a significantly lower proportion of their total marketing and advertising budget to encourage cross-border sales than the average (construction sector 4%, trade sector 3%). In contrast, companies belonging to the service sector spend 9% and companies in the industry sector 8% to encourage cross-border sales.

In terms of company size we can see similar differences (see graph below).

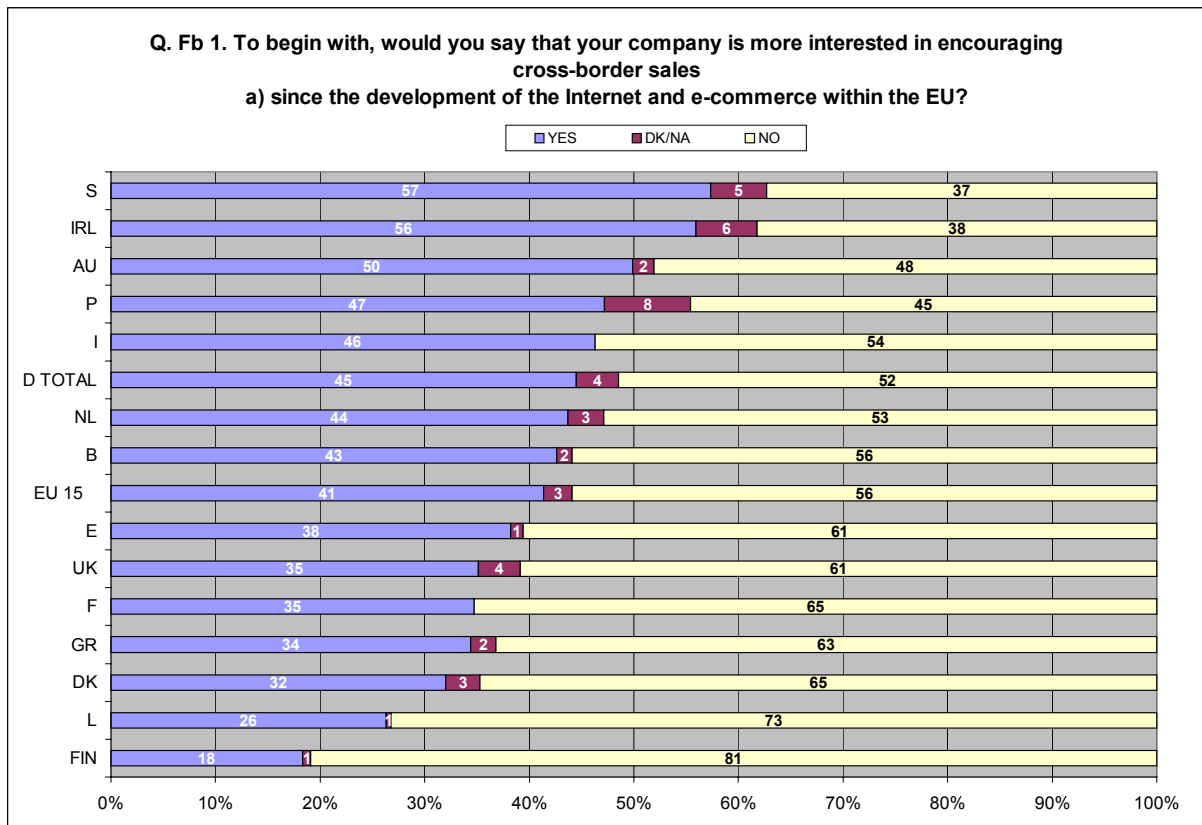


The company status has significant influence on the proportion of the marketing and advertising budget given to encouraging cross-border sales. Independent companies spend only 6% of the marketing and advertising budget for this aim, less than half the proportion of mother companies and members of multinational groups (both 13%).

## 2.7. Influence of Euro and Internet on interest in cross-border sales

### a. Europe-wide figures

Four in ten European companies (41%), are more interested in encouraging cross-border sales since the development of the Internet and e-commerce within the EU, 56% were of the contrary opinion, while 3% have no opinion (see graph below).

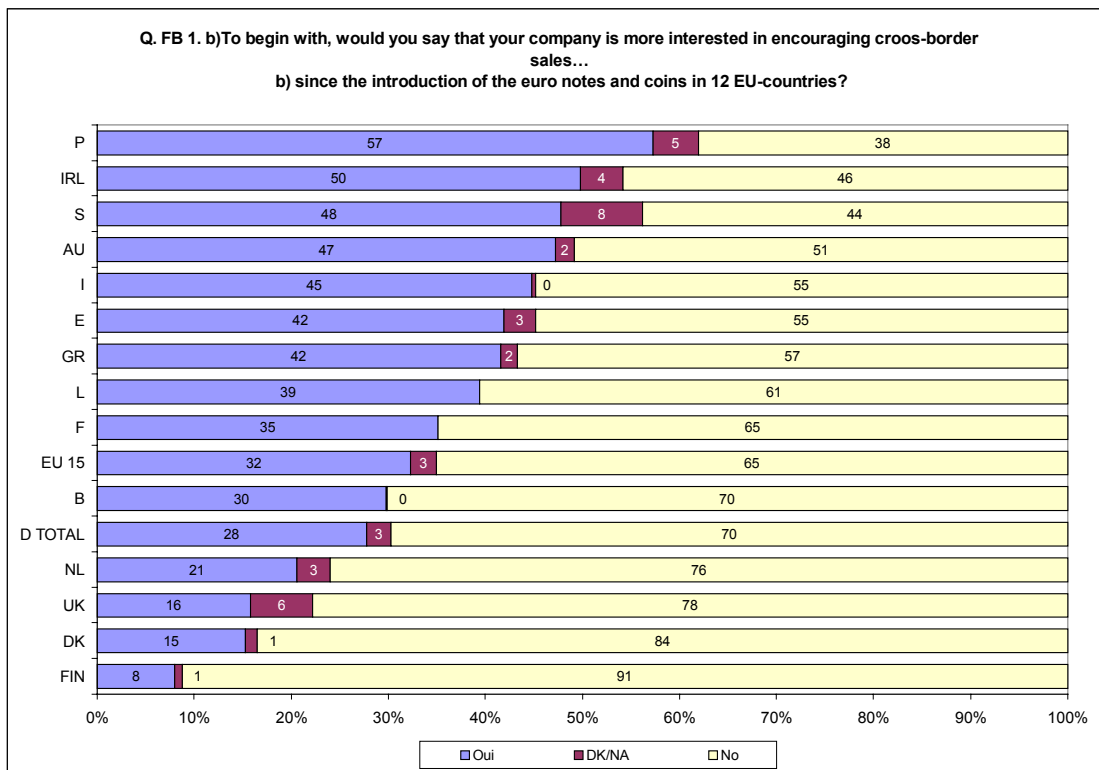


Slightly less, three in ten European companies (32%), are more interested in encouraging cross-border sales since the introduction of Euro notes and coins, 65% were of the contrary opinion, while 3% have no opinion (see graph next page).

### b. Analysis by country

More interested in encouraging cross-border sales since the development of the Internet and e-commerce than the EU15 average of 41% are companies in Sweden (57%), Ireland (56%), Austria (50%), Portugal (47%), Italy (46%) and Germany (45%). Clearly less interested are companies in the UK and France (both 35%), Greece (34%), Denmark (32%), Luxembourg (26%) and Finland (18%).

More interested in encouraging cross-border sales since the introduction of Euro notes and coins than the EU15 average of 32% are companies in Portugal (57%), Ireland (50%), Sweden (48%), Austria (47%), Italy (45%), and Spain and Greece (both 42%). Significantly less interested than the average are companies in the Netherlands (21%), the UK (16%), Denmark (15%) and Finland (8%).



### c. Analysis by type of company

With respect to an increase in interest regarding encouraging cross-border sales since the development of the Internet and e-commerce, differences of sector and company status seem not to be of major importance. The largest deviation from the EU15 average of 41% is found for the construction sector. Just 27% of companies agreed, that they are more interested.

The same is true with respect to the increase in interest regarding encouraging cross-border sales since the introduction of Euro notes and coins. In the construction sector again only 25% of companies agreed that they are more interested, the lowest proportion of all sectors and categories.

For both questions, companies of all size categories had roughly the same level of interest in encouraging cross-border trade, with major companies slightly less interested than SMEs.

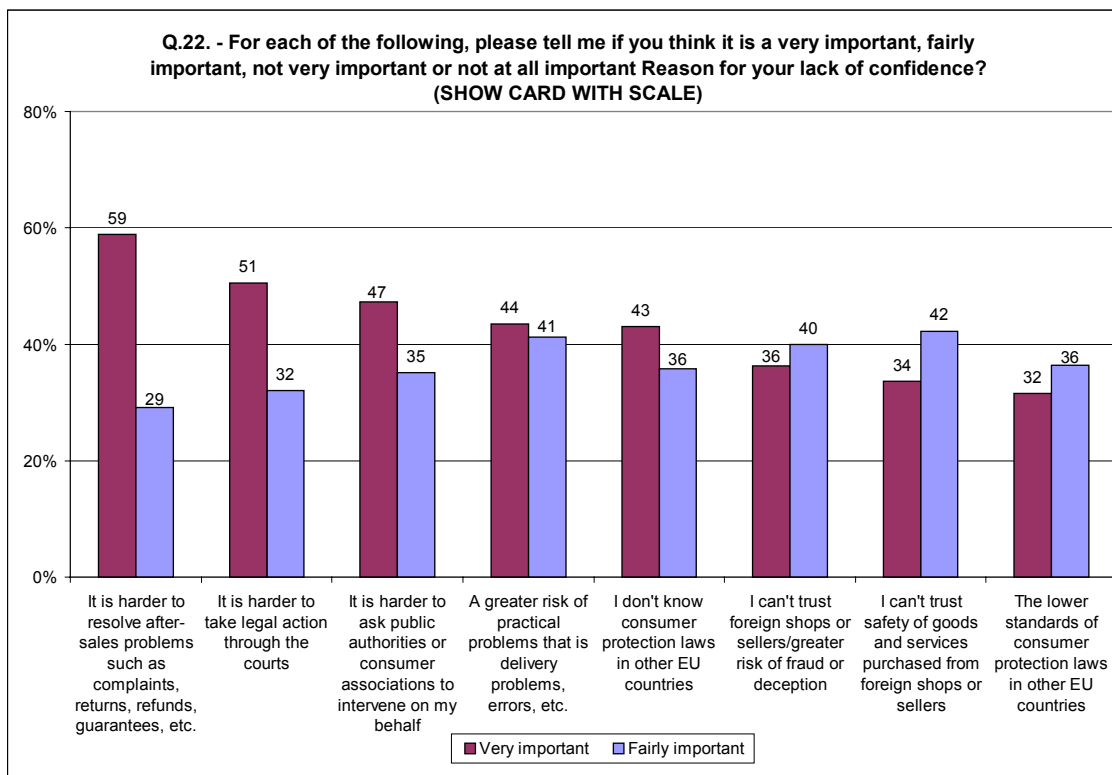
## II. CURRENT OBSTACLES TO B2C CROSS-BORDER TRADE

### 1. Consumers' view

#### 1.1. Reasons for lack of confidence in cross-border purchases

##### a. Europe-wide figures

The reasons for consumers' lack of confidence in cross-border purchases was another issue raised in Eurobarometer 57.2. The respondents which had declared in question 20 (see section 1.1.6) that they are "less confident" buying from a shop or seller in another EU country as from one based in the country of residence were asked: "For each of the following, please tell me if you think it is a very important, fairly important, not very important or not at all important reason for your lack of confidence?". The answers reveal that the top reasons for consumers' lack of confidence are difficulties to resolve after sales problems and to take legal action through the courts:



The perceived importance of reasons for consumers' lack of confidence in detail is:

- It is harder to resolve after-sales problems such as complaints, returns, refunds, guarantees, etc. For 59% of respondents this is a very important reason for their lack of confidence, for 29% a fairly important one. Four percent think this is not a very important reason, 1% say it is not important at all and 7% have no opinion.
- It is harder to take legal action through the courts. For 51% of respondents this is a very important reason for their lack of confidence, for 32% a fairly important one. Six percent

- think this is not a very important reason, 1% say it is not important at all and 10% have no opinion.
- It is harder to ask public authorities or consumer associations to intervene on my behalf. For 47% of respondents this is a very important reason for their lack of confidence, for 35% a fairly important one. Seven percent think this is not a very important reason, 2% say it is not important at all and 9% have no opinion.
  - A greater risk of practical problems that is delivery problems, errors, etc. For 44% of respondents this is a very important reason for their lack of confidence, for 41% a fairly important one. Seven percent think this is not a very important reason, 2% say it is not important at all and 6% have no opinion.
  - I don't know consumer protection laws in other EU countries. For 43% of respondents this is a very important reason for their lack of confidence, for 36% a fairly important one. Eight percent think this is not a very important reason, 3% say it is not important at all and 10% have no opinion.
  - I can't trust foreign shops or sellers/greater risk of fraud or deception. For 36% of respondents this is a very important reason for their lack of confidence, for 40% a fairly important one. Thirteen percent think this is not a very important reason, 3% say it is not important at all and 8% have no opinion.
  - I can't trust safety of goods and services purchased from foreign shops or sellers. For 34% of respondents this is a very important reason for their lack of confidence, for 42% a fairly important one. Thirteen percent think this is not a very important reason, 3% say it is not important at all and 8% have no opinion.
  - The lower standards of consumer protection laws in other EU countries. For 32% of respondents this is a very important reason for their lack of confidence, for 36% a fairly important one. Ten percent think this is not a very important reason, 3% say it is not important at all and 18% have no opinion.

## **b. Analysis by country**

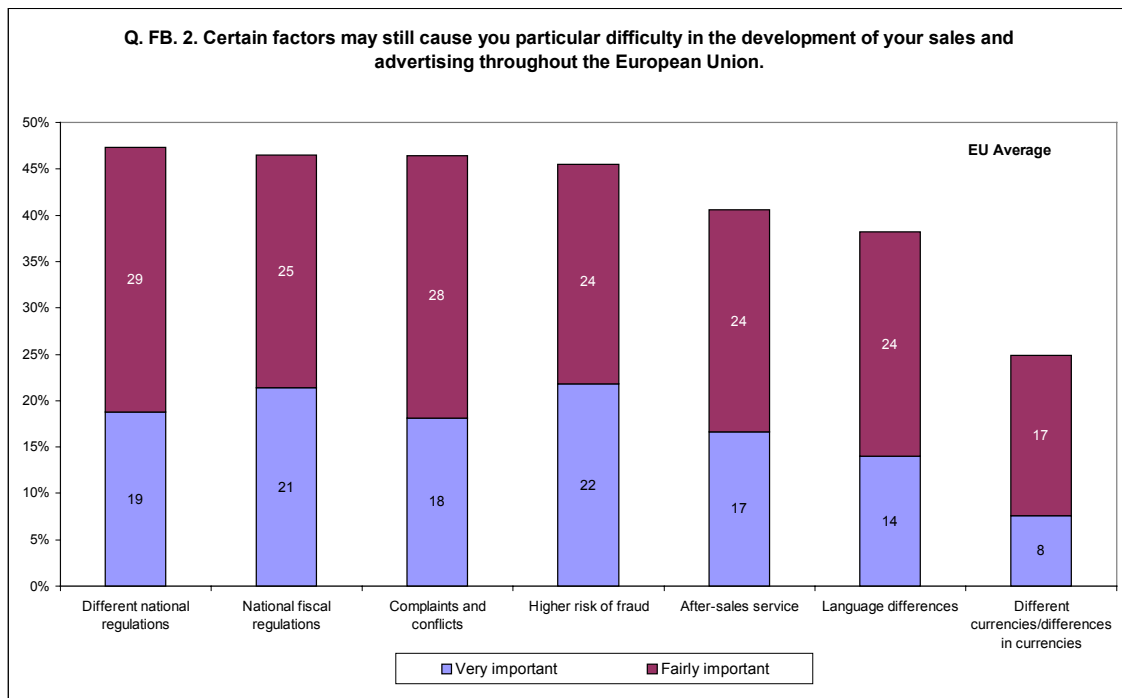
The reasons for consumers' lack of trust do not seem to bring out very marked national differences.

## 2. Businesses' view

### 2.1. Factors causing particular difficulty in the development of sales and advertising throughout the EU

#### a. Europe-wide figures

Factors causing particular difficulty in the development of sales and advertising throughout the EU for companies were an issue raised in Flash Eurobarometer 128. The general managers and marketing directors of the polled companies were asked: "Certain factors may still cause you particular difficulty in the development of your sales and advertising throughout the European Union. For example: would you say that this difficulty is - very important - fairly important - fairly unimportant - or not important at all for developing your cross-border sales and advertising?". Four factors causing particular difficulty in the development of sales and advertising throughout the European Union were on top of the list (of seven factors): The need for compliance with *different national regulations on commercial practices* was seen as very or fairly important by 47% of the respondents. Slightly (and insignificantly) less important were *different national fiscal regulations*, the greater difficulty in resolving *cross-border complaints and conflicts* and the higher risk of *fraud and outstanding payments* in cross-border sales (all seen as very or fairly important by 46% of the respondents). In contrast, language differences were only seen as very or fairly important by 38% of the respondents.

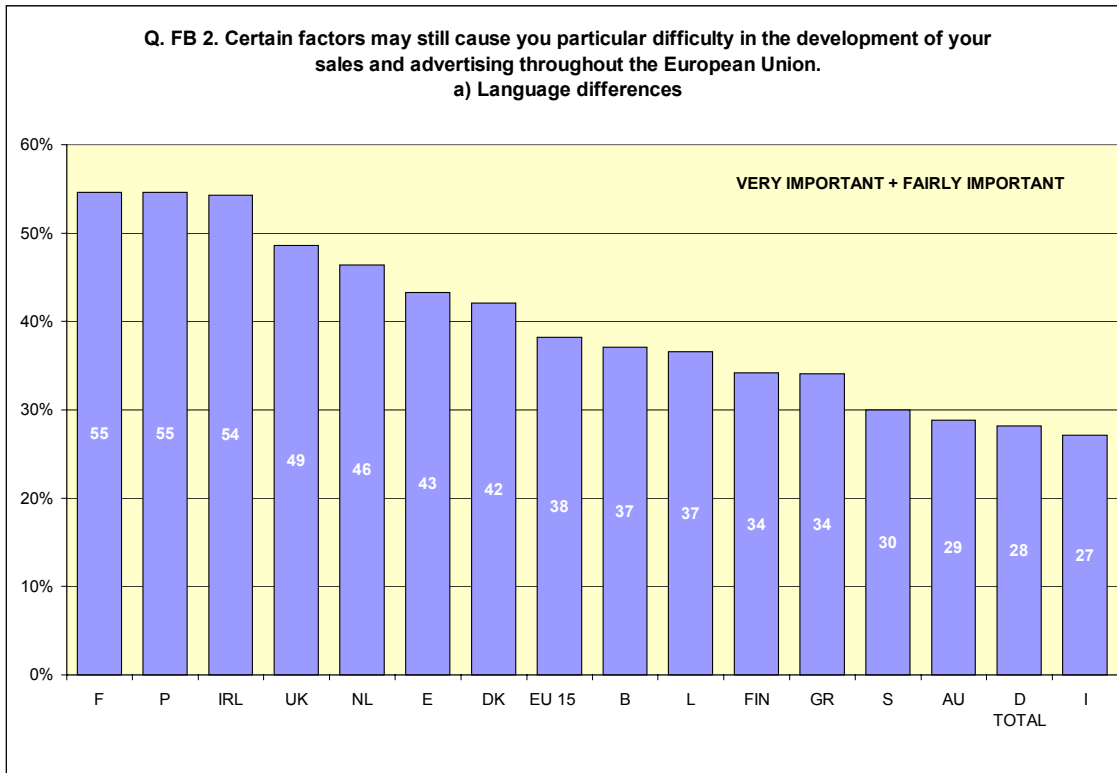


The perceived importance of factors causing particular difficulty in the development of sales and advertising throughout the European Union in detail is:

- Need for compliance with different national regulations on commercial practices, advertising and other consumer protection regulations. For 19% of respondents this difficulty is very important for developing cross-border sales and advertising, for 29% a fairly important one (in total 47%). Twenty-six percent think this difficulty is fairly unimportant, 23% say it is not important at all and 5% have no opinion.
- Need for compliance with different national fiscal regulations, VAT and others. For 21% of respondents this difficulty is very important for developing cross-border sales and advertising, for 25% a fairly important one (in total 46%). Twenty-six percent think this difficulty is fairly unimportant, 23% say it is not important at all and 5% have no opinion.
- Greater difficulty in resolving cross-border complaints and conflicts. For 18% of respondents this difficulty is very important for developing cross-border sales and advertising, for 28% a fairly important one (in total 46%). Twenty-four percent think this difficulty is fairly unimportant, 24% say it is not important at all and 6% have no opinion.
- Higher risk of fraud and outstanding payments in cross-border sales. For 22% of respondents this difficulty is very important for developing cross-border sales and advertising (the difficulty seen most frequent as being very important). For 24% of respondents this difficulty is fairly important (in total therefore 46%). Twenty-five percent think this difficulty is fairly unimportant, 23% say it is not important at all and 7% have no opinion.
- Greater difficulty in ensuring an efficient cross-border after-sales service. For 17% of respondents this difficulty is very important for developing cross-border sales and advertising, for 24% a fairly important one (in total 41%). Twenty-seven percent think this difficulty is fairly unimportant, 26% say it is not important at all and 7% have no opinion.
- Language differences. For 14% of respondents this difficulty is very important for developing cross-border sales and advertising, for 24% a fairly important one (in total 38%). Thirty-two percent think this difficulty is fairly unimportant, 27% say it is not important at all and 3% have no opinion.
- Differences in currencies between the Euro zone and Denmark, Sweden and the United Kingdom. For 8% of respondents this difficulty is very important for developing cross-border sales and advertising, for 17% a fairly important one (in total 25%). Thirty-three percent think this difficulty is fairly unimportant, 38% say it is not important at all and 5% have no opinion.

## **b. Analysis by country**

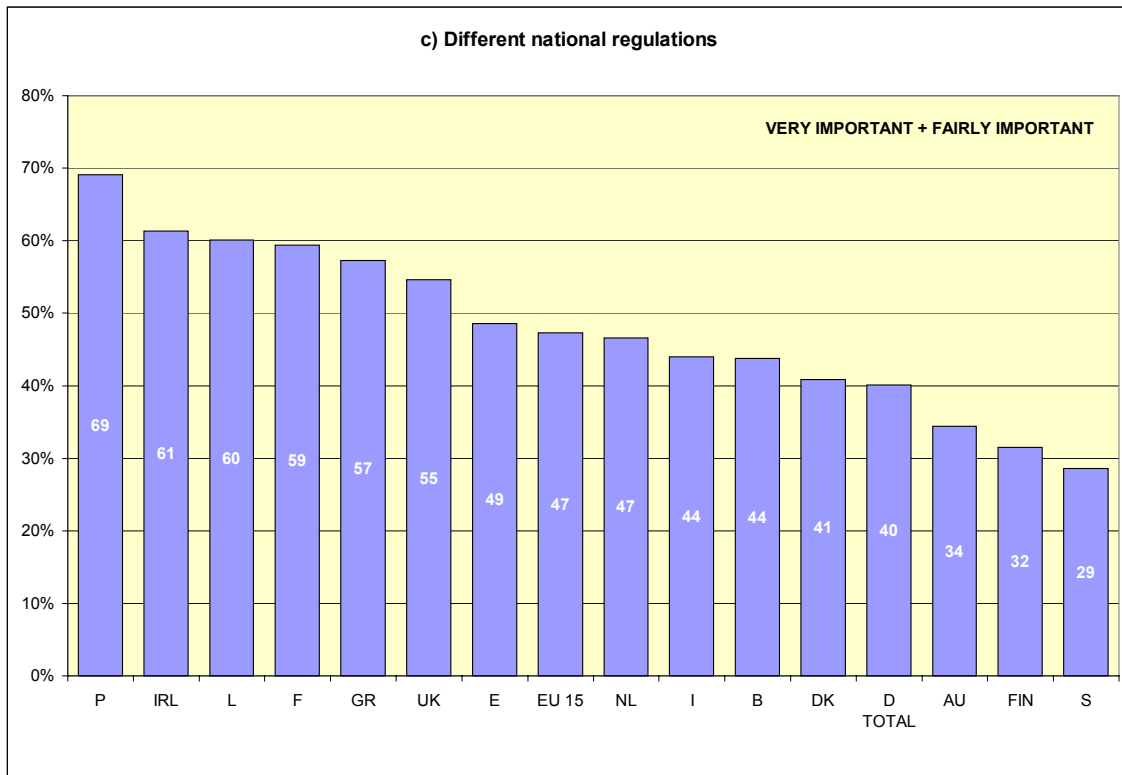
Country figures for the importance of a particular difficulty may deviate up to 20 percentage points from the EU average with respect to the proportion of respondents answering “very” or “fairly important”. For example, language difficulties were seen by only 27% of Italian companies as very or fairly important obstacle, compared to 55% of French and Portuguese companies (EU 15 average 38%).



Similarly, the need for compliance with different national regulations on commercial practices, advertising and other consumer protection regulations was seen by only 29% of Swedish companies as very or fairly important obstacle, compared to 69% of Portuguese companies (EU 15 average 47%).

*See graph next page*





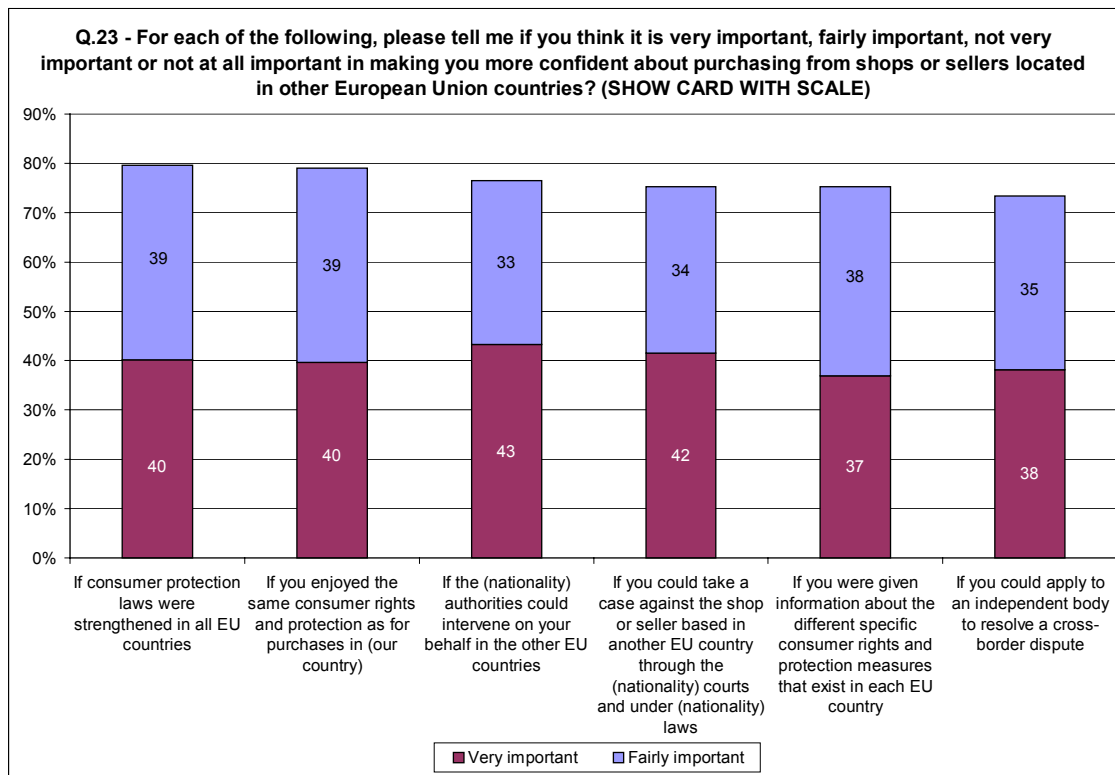
### III. MEASURES TO FACILITATE B2C CROSS-BORDER TRADE

#### 1. Consumers' view

##### 1.1. Measures to increase confidence in cross-border purchases

###### a. Europe-wide figures

Measures to increase confidence in cross-border purchases was another issue raised in Eurobarometer 57.2. The respondents which had declared in question 20 (see section I.1.6) that they are “less confident” buying from a shop or seller in another EU country as from one based in the country of residence were asked: “For each of the following, please tell me if you think it is very important, fairly important, not very important or not at all important in making you more confident about purchasing from shops or sellers located in other European Union countries?”. The answers reveal that three in four Europeans see all measures to increase confidence in cross-border purchases named in the survey as very or fairly important. Although very close in importance to the other reasons, the top places among measures to increase confidence in cross-border purchases are occupied by strengthening consumer protections laws in all EU countries (by 80% seen as very or fairly important) and harmonisation of consumer rights and protection (by 79% seen as very or fairly important). The measure seen most frequent as being very important was “If the (nationality) authorities could intervene on your behalf in the other EU countries” (43%):



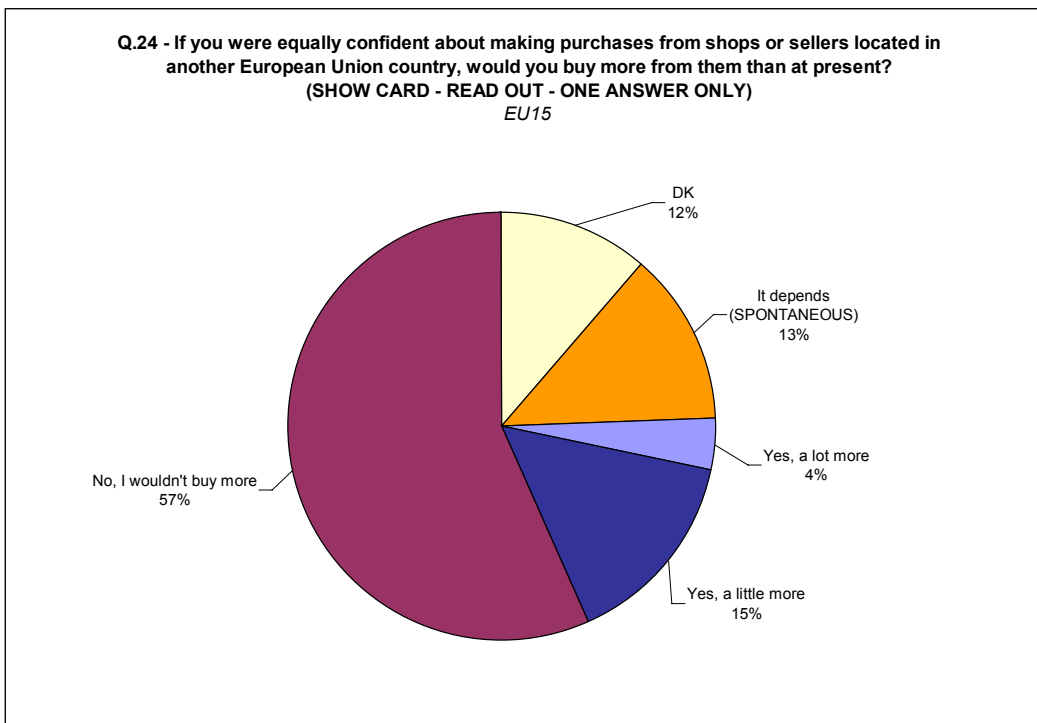
###### b. Analysis by country

The measures to increase confidence in cross-border purchases do not seem to bring out very marked national differences.

## 1.2. Cross-border purchases if consumers were equally confident as in their own country

### a. Europe-wide figures

All respondents of the survey were asked whether they would buy more abroad if they were equally confident about making purchases from shops or sellers located in another EU country. A clear majority of Europeans (57%) declared that they would not buy more across the border even if they were equally confident. Nineteen percent of Europeans declared they would buy at least a little more. Four percent said they would buy a lot more, 15% a little more. Roughly the same proportion of consumers said, it depends (13%). Lastly, 12% of those interviewed had no opinion on the subject.

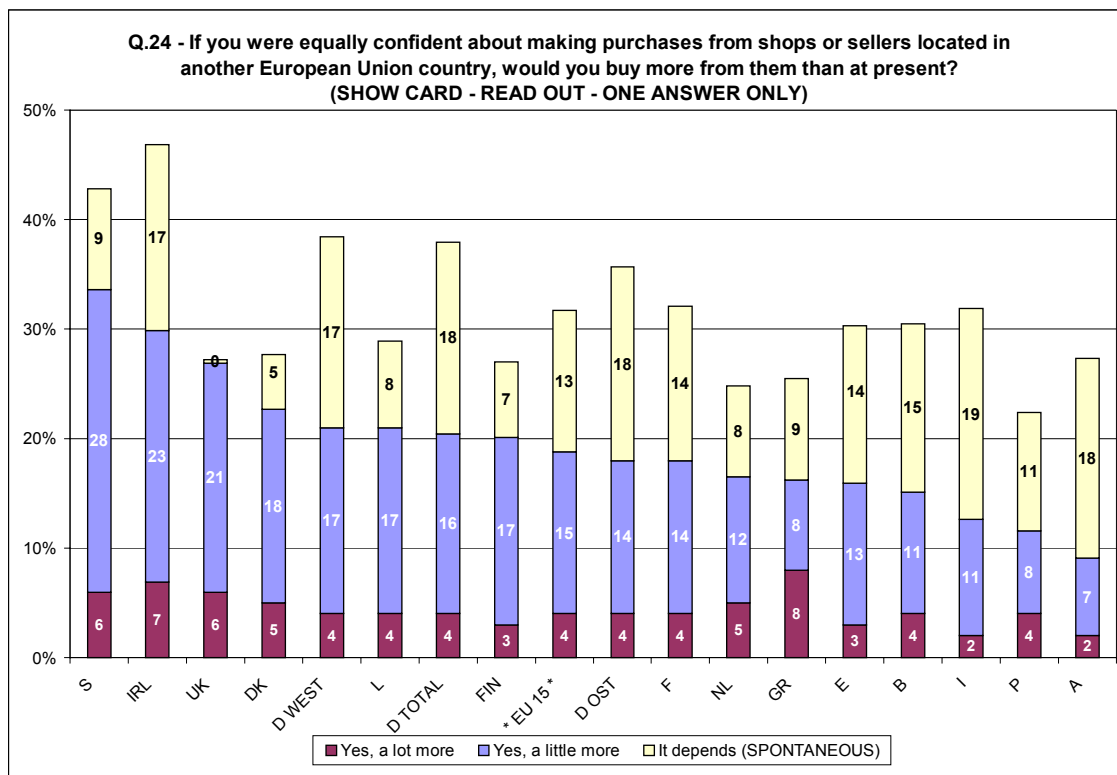


### b. Analysis by country

The proportion of Europeans who declared they would buy a lot or a little more if they were equally confident as in their own country varies significantly on the national level. Countries fall into three distinct groups:

- a group where one consumer out of three would buy a lot more or little more if they were equally confident: Sweden (34%) and Ireland (30%)
- another group where less than 30%, but more than the EU 15 average of 19% of the population would buy a lot more or little more if they were equally confident: UK (27%), Denmark (23%), Luxembourg (21%), Germany and Finland (both 20%).
- a final group of eight countries below the EU 15 average: France (18%), the Netherlands (17%), Greece (16%), Spain (16%), Belgium (15%), Italy (13%), Portugal (12%), Austria (with the smallest number, 9%, who would buy a lot more or little more)

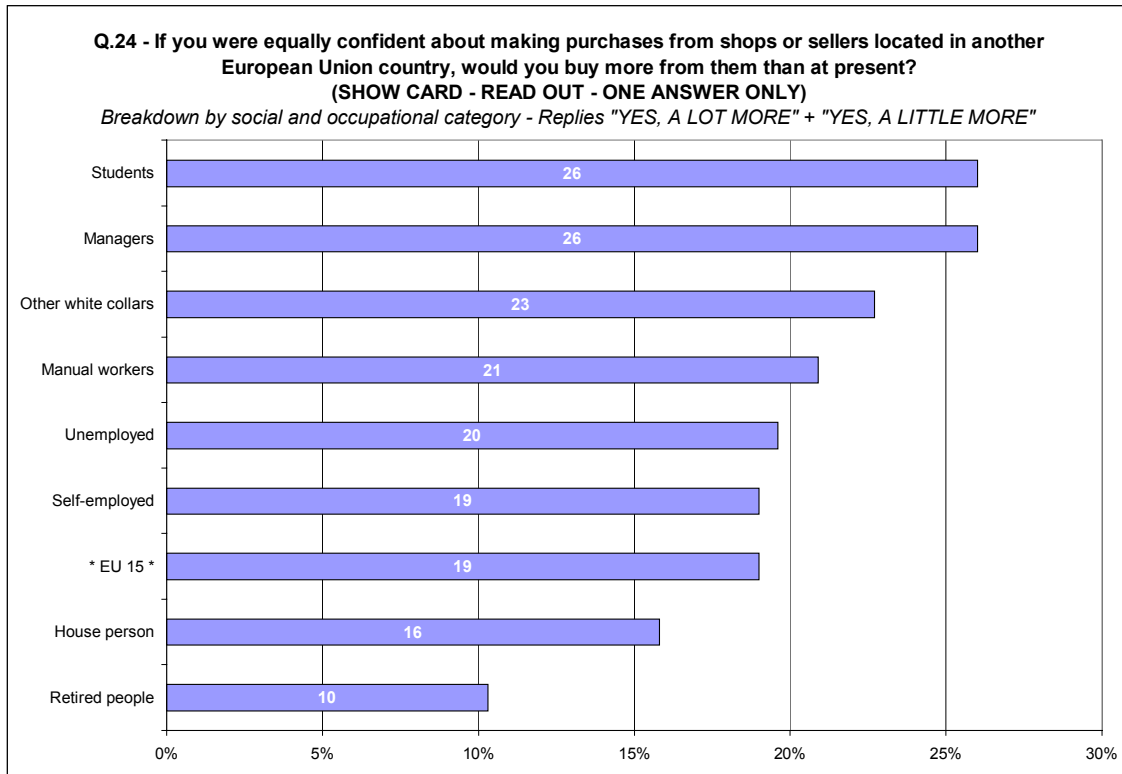
The proportion of consumers who declared “it depends” varies very significantly between countries, ranging from Italy at 19% to the UK at 0%.



### c. Analysis by social or demographic category

Not surprisingly, the proportion of respondents who declared they would buy a lot or a little more if they were equally confident as in their own country, reflects their social and occupational group:

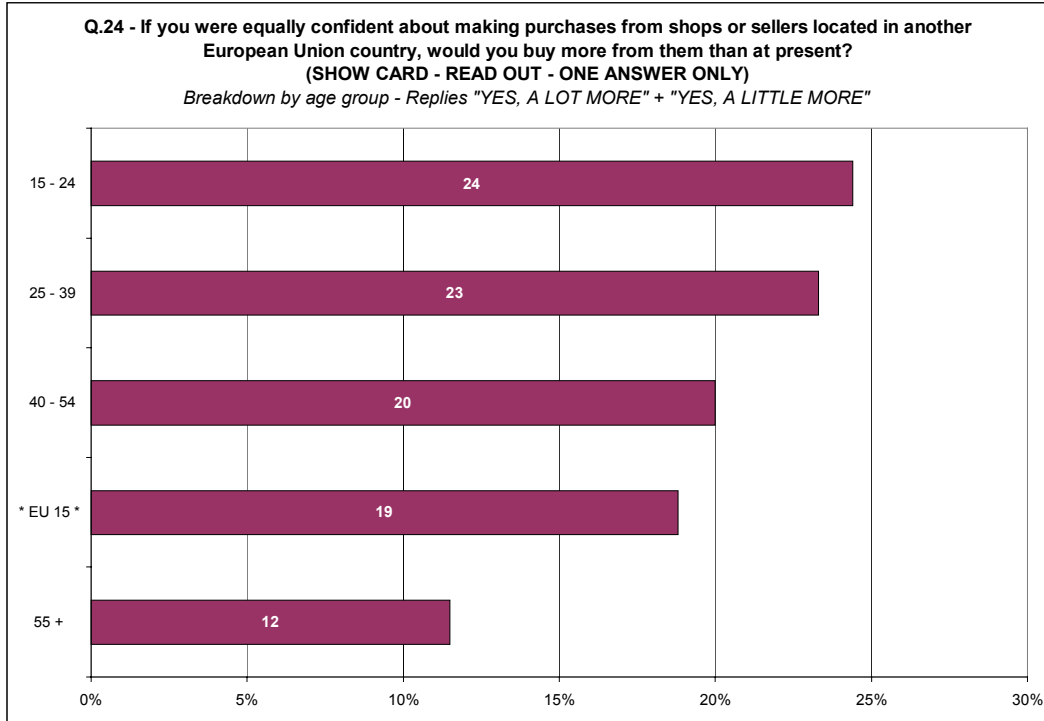
- On top of the list are the same three groups that already show the highest proportion of respondents who have bought or ordered a product or service over the last 12 months (see section I.1.1): 26% of managers and students declared they would buy a lot or a little more if they were equally confident as in their own country. The same is true for 23% of “other white-collar workers”.
- The other – with proportions around or slightly above the European average (“EU15”: 19%) – composed of manual workers (21%), unemployed (20%) and self-employed (19%).
- The last group – with proportions below the European average - are house persons (16%) and retired people (10%).



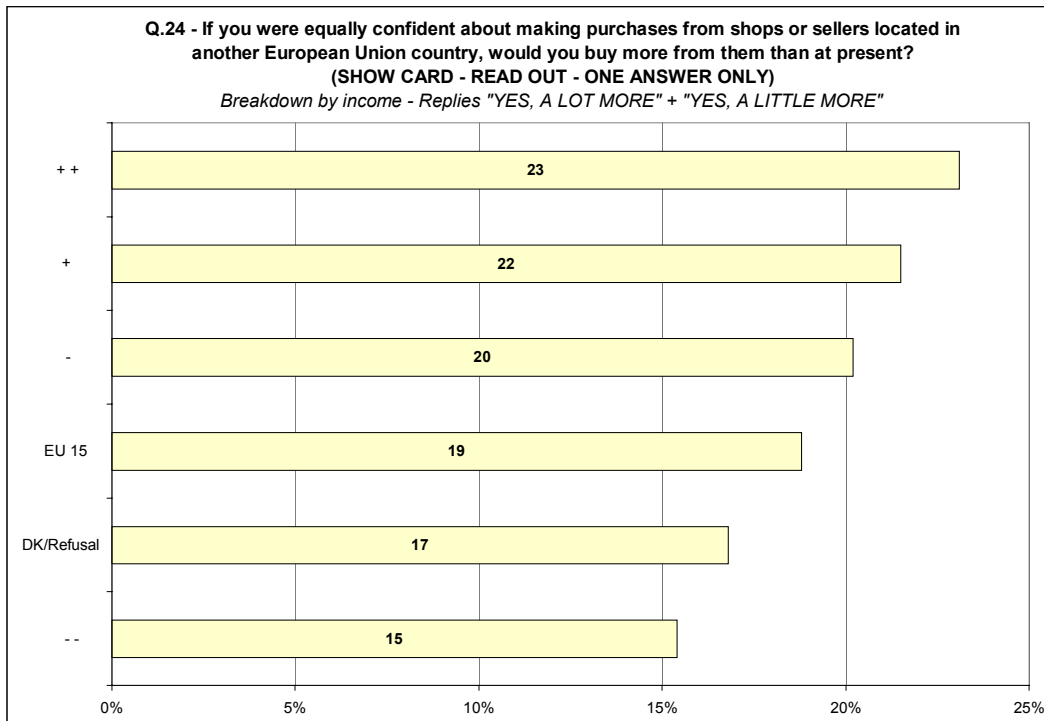
The similar correspondence between the proportion of respondents who have bought or ordered a product or service over the last 12 months and the proportion who declared they would buy a lot or a little more if they were equally confident as in their own country can be seen in the analysis of age and income groups. The younger and better off respondents are, the more they would buy cross-border if the level of confidence were the same as in their home country.

*See graphs next page*

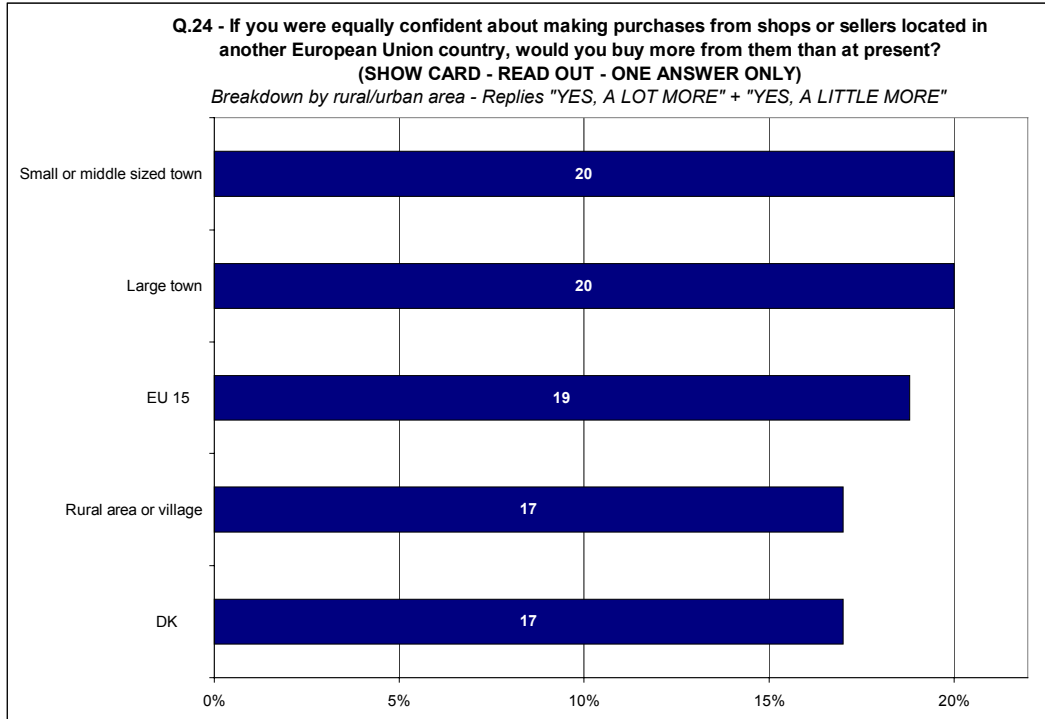
The following graph illustrates that it is predominantly younger people who declare they would buy a lot or a little more if they were equally confident as in their own country: 24% of the 15-24 year-olds and 23% of the 25-39 year-olds, compared with 20% of 40-54 year-olds and 12% of those aged 55 or more.



Again we can note the good match between income levels and proportions of respondents:



A slightly higher proportion of Europeans from urban areas, in contrast to rural areas, would tend to buy more across the border if they were equally confident as in their own country: The proportion of respondents who would buy a lot or a little more is 20% in small, middle sized and large towns, whereas this proportion is 17% in rural areas or villages.



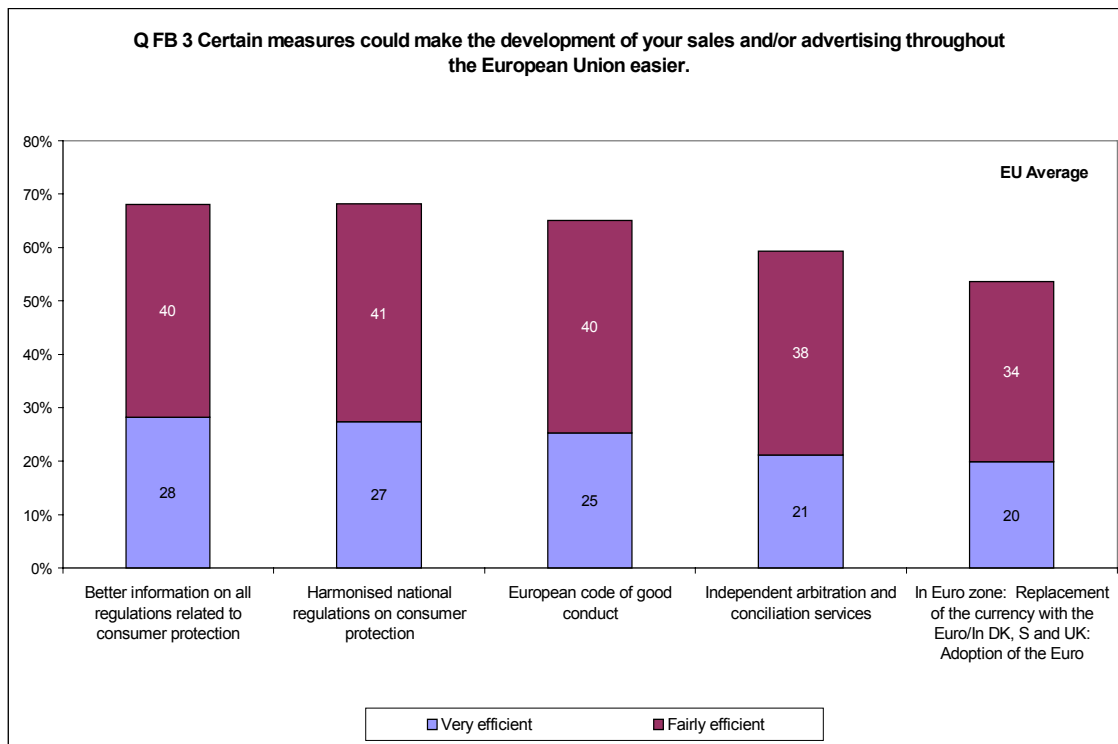


## 2. Businesses' view

### 2.1. Measures to make the development of sales and/or advertising throughout the EU easier

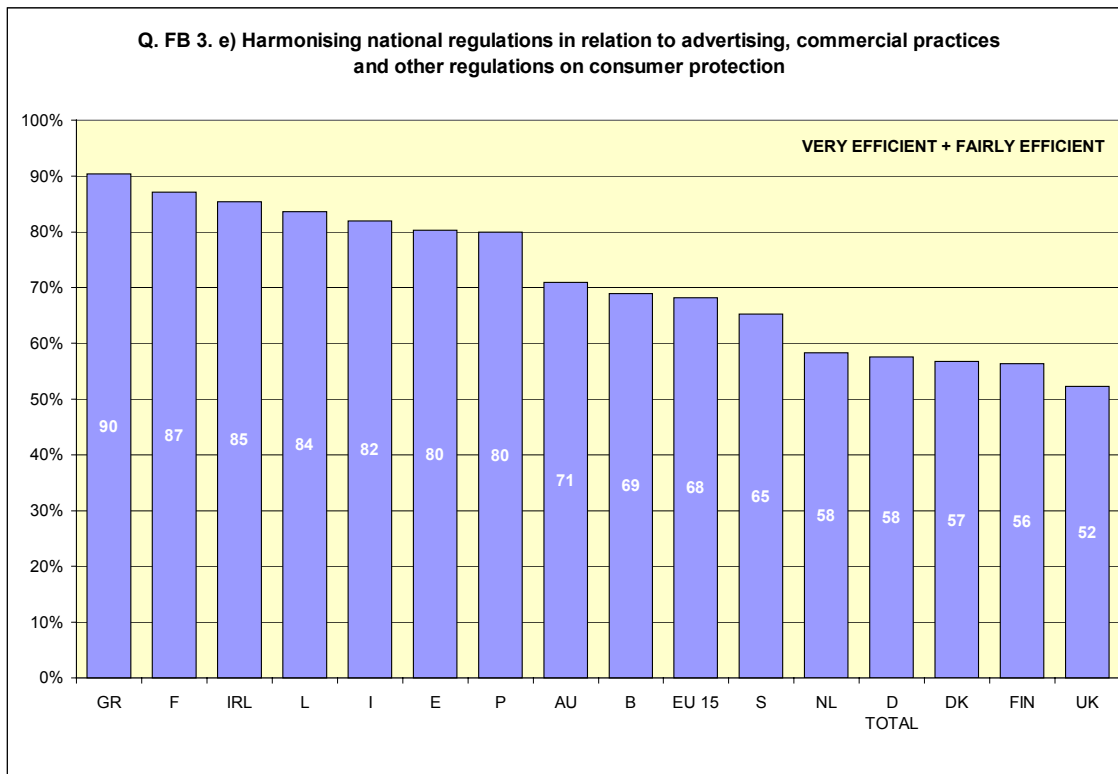
#### a. Europe-wide figures

Measures to make the development of sales and/or advertising throughout the EU easier was another issue raised in Flash Eurobarometer 128. The respondents were asked: "Certain measures could make the development of your sales and/or advertising throughout the European Union easier. For example (...): would you say that this measure will be - very efficient - fairly efficient - fairly inefficient, or not efficient at all in facilitating your cross-border sales and/or advertising within the European Union?". The answers reveal that two in three respondents see a group of measures including better information for companies on all the regulations related to consumer protection in the other European Union countries (68%), harmonisation of national regulations (68%) and European codes of conduct (65%) as very or fairly efficient. Other measures are also seen as important, with still more than half of the respondents seeing the setting up of independent arbitration services (59%) and replacement of the remaining national currencies with the Euro (54%) as very or fairly efficient.



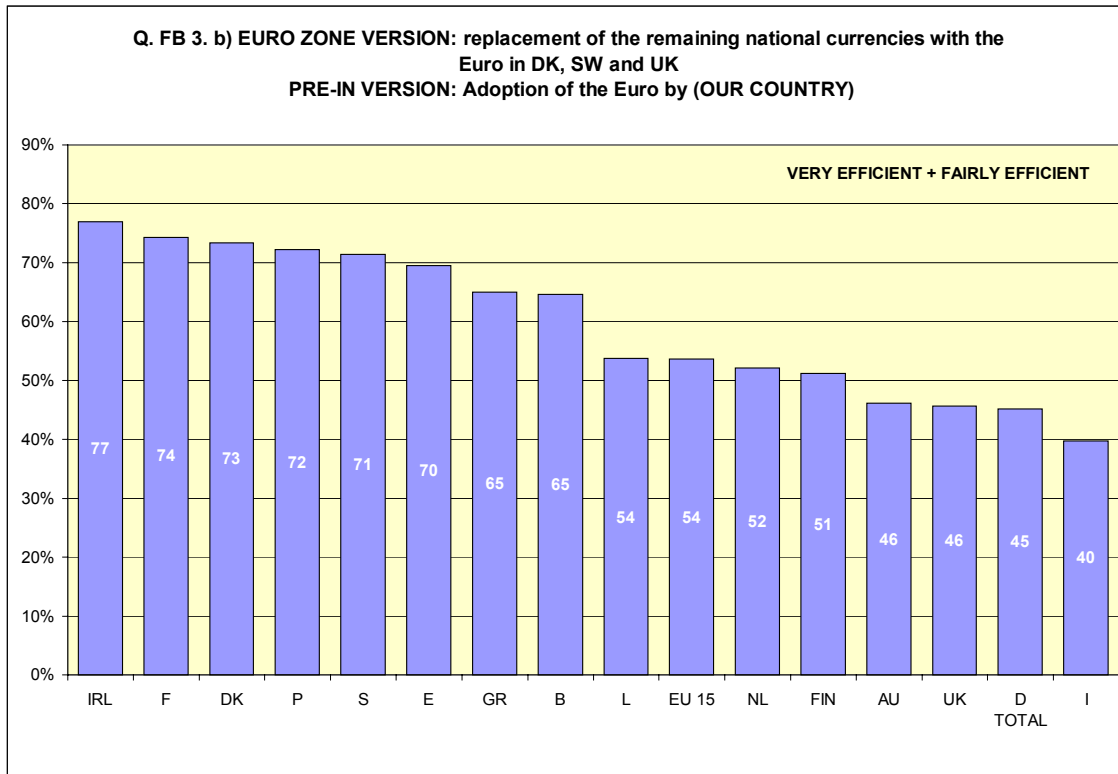
**b. Analysis by country**

Country figures for the importance of a particular measure may deviate up to 20 percentage points from the EU average with respect to the proportion of respondents answering “very” or “fairly efficient”. For example, harmonising national regulations in relation to advertising, commercial practices and other regulations on consumer protection was seen by only 52% of British companies as very or fairly efficient measure, compared to 90% of Greek companies (EU 15 average 68%).



Similarly, replacement of the remaining national currencies with the Euro in Denmark, Sweden and the United Kingdom was seen by only 40% of Italian companies as very or fairly efficient measure, compared to 77% of Irish companies (EU 15 average 54%). Companies from the non-Euro countries are divided on the issue, with three of four companies from Sweden (71%) and Denmark (73%) seeing the introduction of the Euro as very or fairly efficient, but less than half of UK companies (46%).

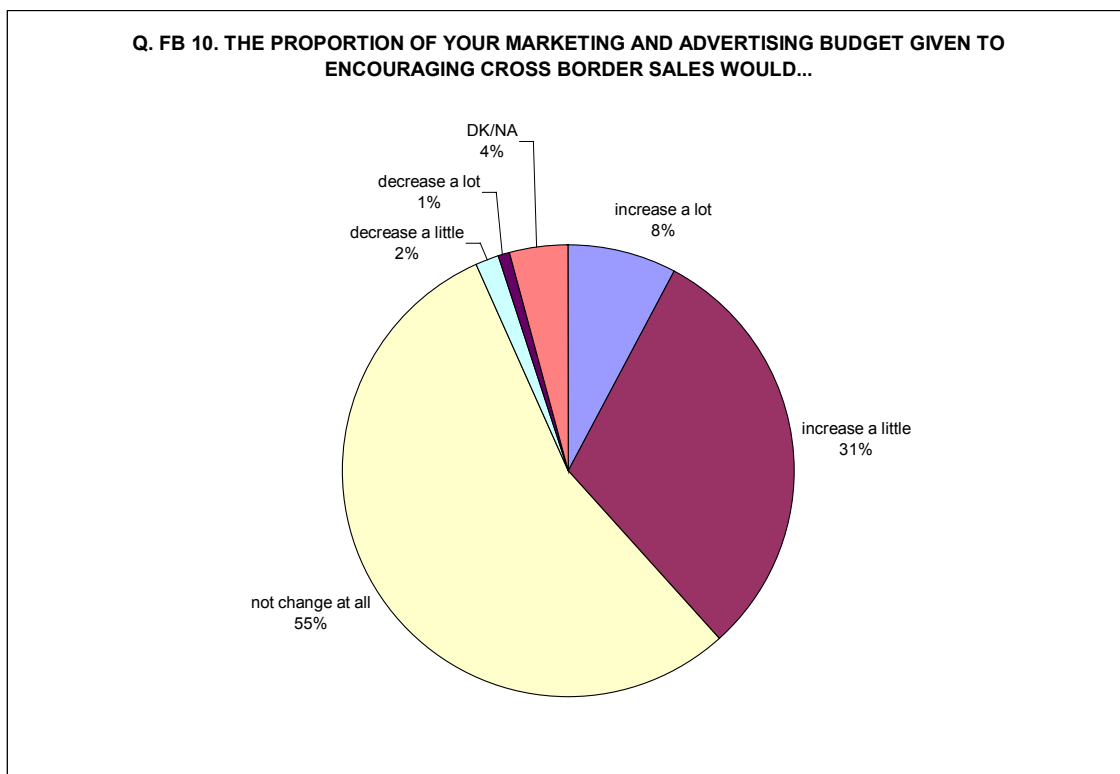
*See graph next page*



## 2.2. Proportion of marketing and advertising budget given to encouraging cross-border sales with complete harmonisation

### a. Europe-wide figures

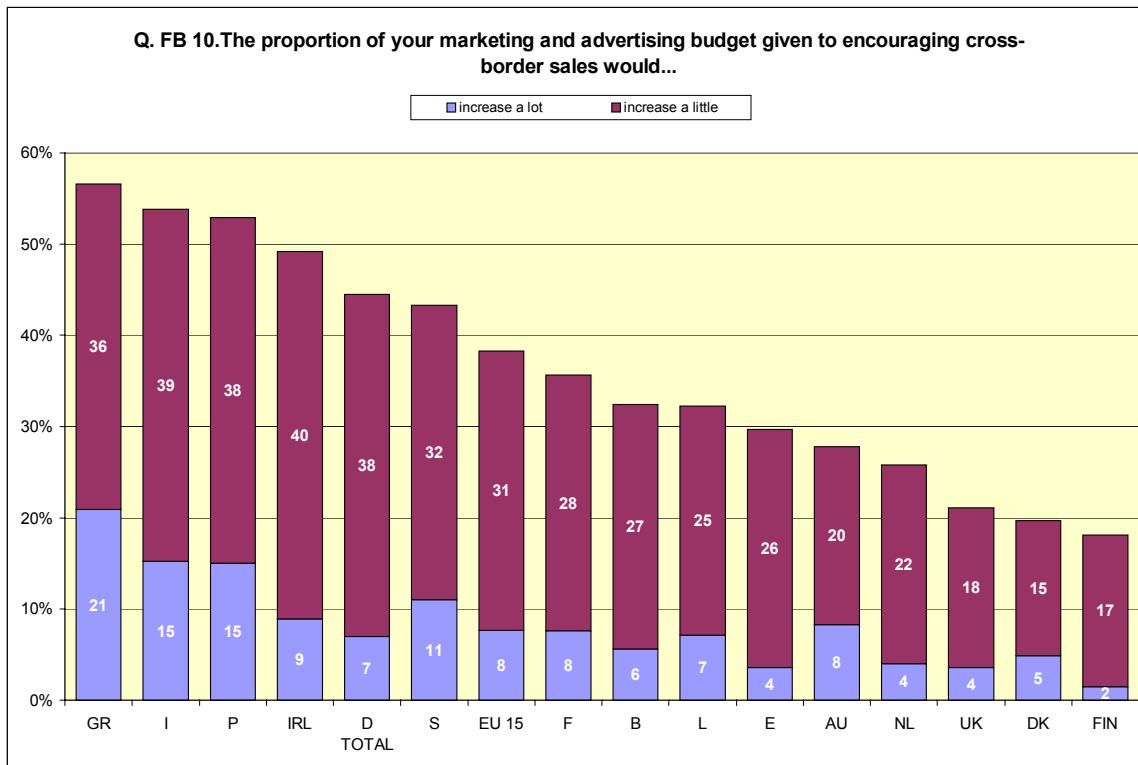
All respondents of the survey were asked whether the proportion of the marketing and advertising budget given to encouraging cross-border sales would increase with complete harmonisation of all regulations on advertising, commercial practices and other regulations on consumer protection. A majority of European companies (55%) declared that the proportion would not change at all. Thirty-eight percent of companies declared the proportion would increase at least a little: Eight percent said the proportion would increase a lot, 31% said a little. Just 2% declared it would decrease. Lastly, 4% of those interviewed had no opinion on the subject.



### b. Analysis by country

The number of companies that declared the proportion of marketing and advertising budget given to encouraging cross-border sales would increase a little or a lot with complete harmonisation varies significantly on the national level. More than half of the companies polled would increase the proportion of their marketing and advertising budget for this aim in Greece (57%), Italy (54%) and Portugal (53%). The same is only true for less than 30% in Austria (28%), the Netherlands (26%), UK (21%), Denmark (20%) and Finland (18%).

*See graph next page*



### c. Analysis by type of company

The number of companies that declared the proportion of marketing and advertising budget given to encouraging cross-border sales would increase a little or a lot with complete harmonisation varies between sectors: For companies belonging to the construction and services sectors, the percentage is lower than the average (34% in both sectors). In contrast, 40% of companies belonging to the trade sector and 43% of companies belonging to the industry sector declared the proportion of marketing and advertising budget given to encouraging cross-border sales would increase.

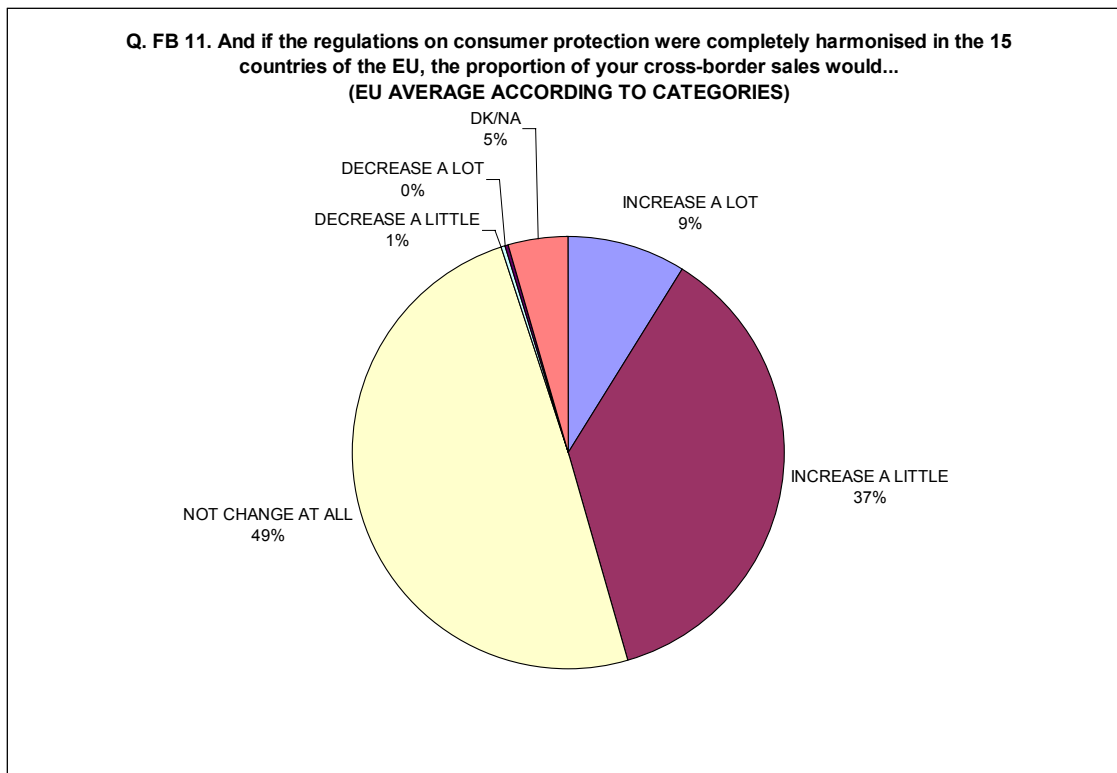
In terms of company size we can see that the percentage of companies expecting an increase varies slightly from 36% for major companies to 43% for medium sized companies (small companies 38%).

According to the survey, independent companies expect less frequent increases (38%) than members of a multinational group (41%) or companies which are mother companies of a multinational group (51% would increase a little or a lot the proportion of marketing and advertising budget given to encouraging cross-border sales).

## 2.3. Proportion of cross-border sales with complete harmonisation

### a. Europe-wide figures

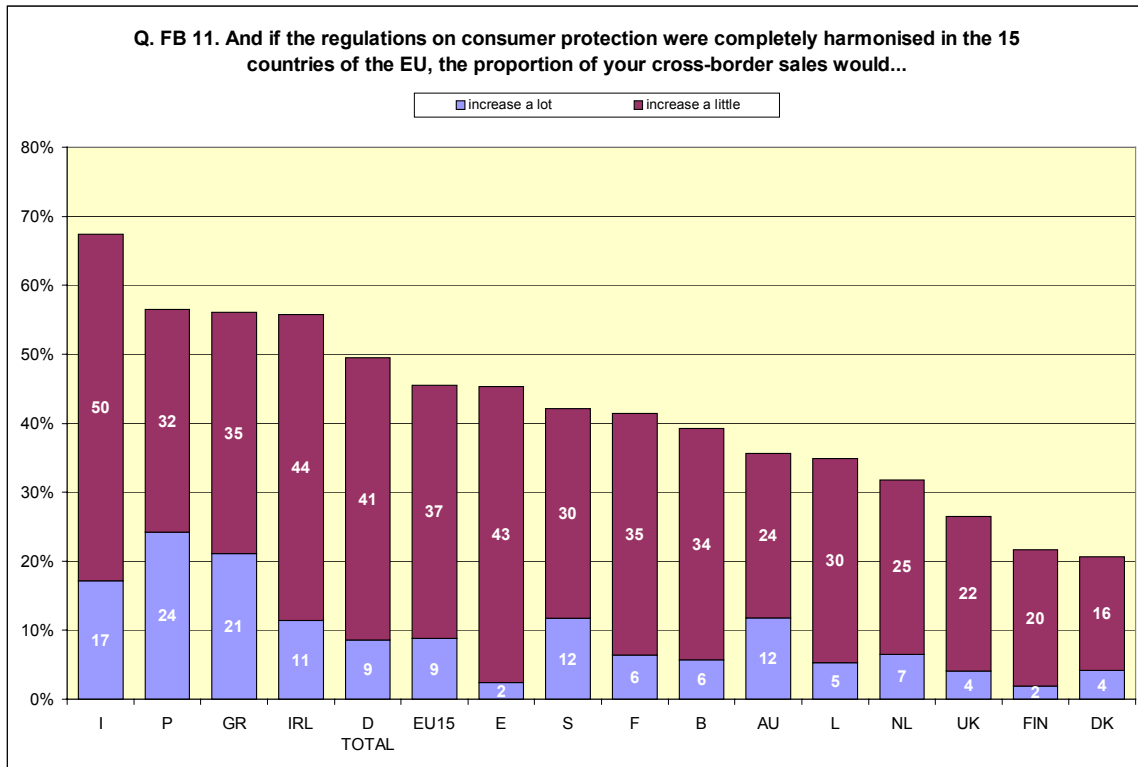
The polled companies were asked whether the proportion of their cross-border sales would increase with complete harmonisation of all regulations on advertising, commercial practices and other regulations on consumer protection in the 15 countries of the EU. Forty-nine percent of European companies declared that the proportion would not change at all. Nearly as many, 46% declared the proportion would at least increase a little. Nine percent said the proportion would increase a lot, and 37% said a little. Just 1% declared it would decrease. Lastly, 5% of those interviewed had no opinion on the subject.



### b. Analysis by country

The number of companies that declared the proportion of cross-border sales would increase a little or a lot with complete harmonisation varies significantly on the national level. Fifty percent or more of the companies polled expect their sales to increase; Italy (67%), Portugal (57%), Ireland (56%), Greece (56%), and Germany (50%) expected sales to increase. The same is true for less than 30% in the UK (27%), Finland (22%) and Denmark (21%).

*See graph next page*



**c. Analysis by type of company**

The number of companies that expected the proportion of cross-border sales to increase a little or a lot with complete harmonisation varies slightly between sectors. For companies belonging to the construction, trade and services sectors, the percentage is slightly lower than the EU 15 average of 46% (construction sector 45%, trade sector 44%, services sector 42%). In contrast, 51% of companies belonging to the industry sector expect the proportion of cross-border sales to increase.

The percentage of companies expecting an increase is roughly the same in all size and status categories.