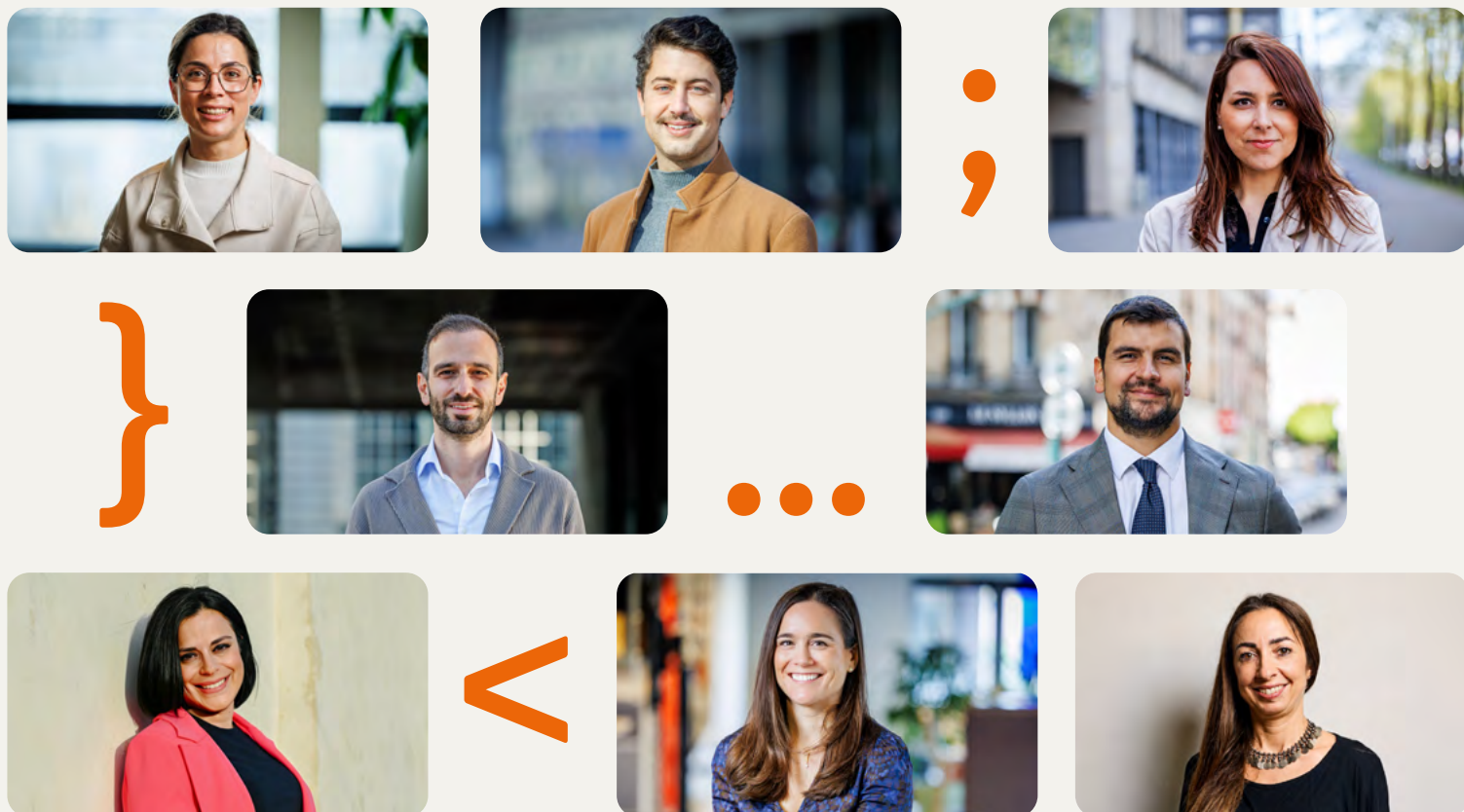




{ Applying AI

to empower Europe's
small and medium-sized
enterprises }

LETTER FROM DAVID ZAPOLSKY

AI and Opportunity in Europe

A small team in Brussels is selling non-alcoholic beverages across Europe, and AI is the reason they can. When I sat down with Annabel Soenen, Sales Director Benelux & Export at Gimber, she didn't talk about AI as something aspirational or futuristic. Our conversation focused on how AI is a natural part of her daily toolkit.

Annabel explained to me how, with just a few inputs, her team can instantly generate optimized product listings, including images, titles, and descriptions, that drive visibility not just across seven Amazon stores, but on their own website too. She uses AI for forecasting and analysis, without the heavy upfront costs that were previously required. That's what productivity looks like when AI works for small businesses.

At Amazon, we see this every day. Our global listing tools allow a business like Gimber to upload basic product information and generate a fully realized, optimized detail page ready to attract traffic, which will be translated automatically for whichever country they're selling in. What used to be a repetitive task, requiring significant time investments, is now fast and seamless. Our AI-powered Seller Assistant with agentic capabilities helps sellers with forecasting, inventory control, and pricing, so they can focus on what really matters—making great products for their customers.



— Watch the conversation



From left to right: **Conor Sweeney**, Director, International Policy Communications, Amazon; **Annabel Soenen**, Sales Director Benelux & Export, Gimber; **David Zapolsky**, Chief Global Affairs & Legal Officer, Amazon.

Cross-border growth is where AI becomes truly transformative. Annabel put it simply: “expanding globally is complex.” She’s balancing different sets of legislation, different tax regulations, and different languages. Competing globally used to require the kind of resources only large corporations could afford: dedicated teams for expansion, localization, budget. Not anymore. AI is helping her navigate all of that, from understanding export requirements to adapting product information for local countries.

And then there’s marketing innovation. We recently launched AI Creative Studio, which enables small and medium-sized businesses to generate images, video, and audio, including 30-second advertisements, in minutes, at no additional cost. Before AI, producing that kind of professional content was expensive and it gave large companies a significant edge. Annabel confirmed that more than 90% of visitors to Gimber’s product pages click on videos to learn more. Creating those videos from scratch was prohibitively costly. But now AI makes it accessible. That levels the playing field.

Last year small and medium-sized businesses on Amazon achieved more than €40 billion in sales across Europe. This momentum is just the start. I believe the potential for growth is unlimited, provided we develop this technology responsibly and remove barriers to adoption. According to an OECD D4SME Survey, roughly one in six SMEs remain at a “basic” stage of digital maturity. Enabling SMEs to use AI in transformative ways requires responsible AI deployment and smart regulation that protects against real risks without creating new barriers. The governments that strike this balance will unlock the greatest economic benefits for their citizens and businesses.

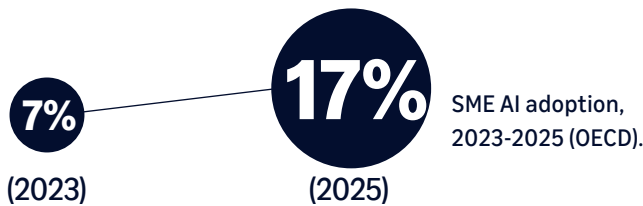
Europe stands at a defining moment. The entrepreneurial spirit is present. The technology is ready. We need the regulatory environment to support frameworks that enable small businesses to thrive.

— **David Zapolsky**, Chief Global Affairs & Legal Officer, Amazon.

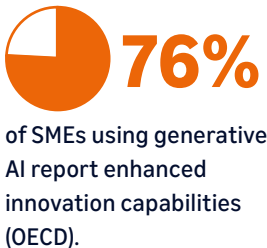
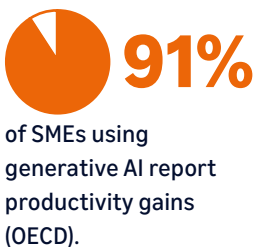
EXECUTIVE SUMMARY

AI is levelling the playing field for Europe's SMEs

Where we are

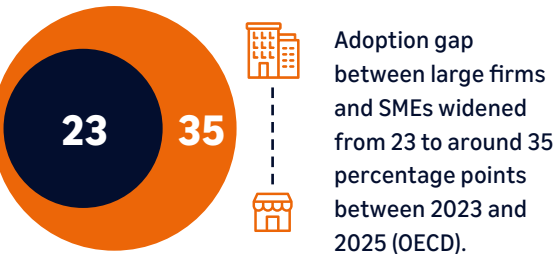


1 in 3 micro-enterprises and self-employed workers **report strong or transformational effects from using AI** vs 22% of medium-sized firms (OECD).



SMEs selling in the Amazon store achieved over **€40bn in sales** in the EU. Export sales grew from €15bn to €17bn (Amazon).

Challenge



50% Half of surveyed businesses see a concrete **risk of falling behind** (OECD).

20% — **75%** Within the **EU AI adoption** stands at **20% of enterprises** against a **2030 target of 75%** (European Commission).

MOST SMES HAVE ONLY STARTED TO ADOPT AI



76% novices—SMEs that rely on off-the-shelf tools for isolated tasks.

5% explorers—SMEs experimenting with more advanced or customized AI.

15% optimizers—SMEs that use the same basic tools across multiple business functions.

4% champions—SMEs combining customized or agentic AI with enterprise-wide deployment.

(OECD)

How AI is empowering European SMEs

{ Work Smarter :

AI helps with more efficient management of inventory, planning, and operations }



{ Sell Further :

AI enables affordable localized listings, demand forecasting, and cultural adaptation }



{ Stand Out :

AI delivers professional-grade creative content: images, video, and ads }



HOW THE TOOLS GET BUILT: WORKING BACKWARDS.

Every tool in this report started with a real seller need, not a corporate roadmap. Amazon uses AI to read what sellers are asking for at scale. A dedicated team then builds the tools they point to.

What needs to happen

Five conditions for AI to work for everyone:

- 01** Digital infrastructure
- 02** Skills and talent
- 03** Access to finance and funding
- 04** Local support systems and awareness
- 05** Proportionate regulation

“AI has the potential to be an engine for productivity, innovation, and international expansion for SMEs.”

— **Marco Bianchini**, Economist and Digital for SMEs (D4SME) Coordinator, OECD

A DEFINING MOMENT

Europe's SMEs Are Ready. Are the Rest of Us?

Across the continent, something remarkable is happening. In a Spanish village of fewer than 5,000 people, a men's grooming brand is competing with global giants. In an apartment in Sofia, an ex-consultant and a former pilot are running an organic food multi-national company, handling day-to-day operations from their phones. In a Biella textile district, a team of five is managing a pan-European catalogue in several languages without having to invest large sums in translation services. None of this would have been possible five years ago.

The numbers tell part of the story. AI adoption among SMEs more than doubled in two years—from 7% in 2023 to over 17% in 2025 for small firms, according to recent OECD data. Last year, small and medium-sized businesses selling in the Amazon store achieved over €40bn in sales across the EU and export sales alone grew from €15bn to €17bn—a 10%+ leap in a single year. AI is playing an increasingly important role in enabling these productivity gains, with some micro-businesses reporting that using AI agents is like suddenly having a team of consultants working alongside them.

The flipside is the cost of standing still. Around half of businesses recently surveyed by the OECD say they risk falling behind if they don't make greater use of AI. And the adoption gap between large firms and SMEs is widening fast—from 23 percentage points in 2023 to nearly 35 in 2025—, even as the tools themselves have become more accessible. As Josianne Cutajar, former Member of the European Parliament (MEP) and Special Advisor to SME Connect's AI Working Group, points out, “within the EU AI adoption stands at 20% of enterprises against a 2030 target of 75%, according to recent European Commission data.”

Even among SMEs that have adopted AI, depth of use varies sharply. The OECD classifies 76% of AI-using SMEs as 'novices', relying on off-the-shelf tools for isolated tasks. Another 15% are 'optimizers', using the same basic tools across multiple business functions; 5% are 'explorers' experimenting with more advanced or customized AI; and just 4% are 'champions' combining customized or agentic AI with enterprise-wide deployment.

This report tells three stories. Each one relates to a European SME that found an AI-powered opportunity. Together, they map three distinct possibilities that AI is unlocking for SMEs across the continent: the chance to work smarter, sell further, and stand out creatively, easing the burdens that have long kept smaller sellers from competing on equal terms with larger companies.

“Widespread, responsible AI adoption among SMEs would be transformative for Europe's competitiveness. SMEs represent the backbone of the European economy, and enabling them to scale productivity and innovation through AI would strengthen the entire economic fabric.”

— **Josianne Cutajar**, former Member of the European Parliament (MEP) and Special Advisor to SME Connect's AI Working Group.



Josianne Cutajar

Three key opportunities. One Technology behind them.

{ **Work Smarter :**
| From spreadsheet
| to strategy. }

AI tools help sellers manage inventory, planning, and operations more efficiently, giving them time back to focus on their customers and growth.

{ **Sell Further :**
| One listing.
| Nine languages.
| Zero lost in translation. }

Localized listings, demand forecasting, and cultural adaptation without the need for expensive translation services.

{ **Stand Out :**
| From a village
| of 5,000, competing
| with the world. }

Professional-grade creative content (images, video, ads) generated in minutes at no additional cost.

Most of the AI adoption story so far is concentrated in tech-adjacent sectors. **According to Eurostat, in 2025 63% of EU firms in information and communications used AI, as did 40% in professional, scientific and technical service activities. In every other sector, the share remained below 25%.**

The three companies featured in this report—an organic food manufacturer, a sustainable consumer-goods brand, a men’s personal care label—are precisely the kind of “other sector” SMEs the data describes as trailing the frontier. They are not trailing. They are showing what is possible, and what becomes possible for thousands of businesses, in every EU country, when the technology is right, the tools are accessible, and the conditions allow small and medium-sized businesses to compete on equal terms.



{

Work Smarter :

< From spreadsheet
to strategy. >

}

Alexander Dreischuh spent years advising companies before making the leap to build one of his own alongside his co-founder Ivaylo Daskalov. When they decided to create Alpi Investment, a certified organic food manufacturer, they made a deliberate choice: the Amazon store from day one. Direct to consumer, with the full weight of Amazon’s logistics and international reach behind them.

It was, in retrospect, the right bet. Alpi started selling in the Amazon store in Germany in 2019 and expanded quickly: Spain, Italy, France and the UK in the first year, then the Netherlands, Sweden, Belgium, Poland and Ireland. The business now reaches customers in more than a dozen European countries, is building out a US presence, and has piloted selling in Japan. But the growth brought operational complexity of a kind that would strain any business, let alone one built on organic, natural products with their own particular constraints.

Five hundred raw materials. Five hundred different shelf-lives. Five hundred different delivery schedules. Five hundred small ticking clocks, and a missed clock means an expired product reaching a customer’s door—expensive as well as damaging to a brand built on trust. In conventional food manufacturing, managing this kind of complexity requires dedicated logistics and inventory infrastructure. For an SME uncompromising on product quality, it was painstaking and time-consuming.

“We started using artificial intelligence in our inventory planning, which helped us identify products with nearing expiration dates and increased our customer satisfaction.”

— Alexander Dreischuh, Co-founder, Alpi.

AI inventory management tools rewrote the equation. By flagging products approaching expiration dates and generating prioritization recommendations, the system removed the manual scanning and spreadsheet work that had previously consumed significant team time. For a business managing 500+ raw materials with varying shelf lives, the gain is concrete: tighter forecasting, less waste, no products close to expiration reaching customers, and a team freed from spreadsheet work to focus on what really grows the business.



BEFORE AI

- Manual scanning to identify near-expiry inventory across 500+ materials.
- Complex multi-report data requiring manual consolidation for planning.
- Operations tied to the desk.
- Team time absorbed by repetitive manual tasks—inventory scanning, report collation, content production.

AFTER AI

- AI flags expiring products automatically, prioritizing action.
- Seller Assistant consolidates reports into clear, actionable insights.
- Full Seller Central functionality on mobile—stock, metrics, ads, messages handled anywhere.
- Team freed to focus on meaningful, higher-value work—with job satisfaction rising as a result.



Alpi product

Another key transformation came through Seller Assistant, Amazon’s agentic AI tool, which Alexander describes as “particularly promising.” The tool consolidates complex data from multiple reports into clear, actionable insights, improving the accuracy of internal planning and reducing the time his team spends digging through dashboards. The shift—from data retrieval to strategic interpretation—is subtle but profound. Time that was previously spent on routine analysis is now spent on the higher-value decisions that only humans can make.

“We are still in the early stages of AI development, but Amazon’s tools are already helping us make smarter decisions and eliminate routine tasks.”

— **Alexander Dreischuh**, Co-founder, Alpi.

This brings a human dividend, too: employee satisfaction. Automating repetitive tasks—inventory scanning, report collation, content production—gave Alpi’s team time back to focus on work that felt more meaningful. In a tight talent market, that is no small thing. Alpi’s experience matches what SMEs surveyed by the OECD in late 2024 report at scale: among those using generative AI, 91% report productivity and efficiency improvements, while 76% report enhanced innovation capabilities.

Operational accessibility matters as much as operational efficiency. Alexander and his executive team run Seller Central on their phones, which gives them full account functionality wherever they are—stock levels, performance metrics, customer messages, advertising. For an upstart SME managing several European countries and building out a presence in the US and Japan, the ability to act on issues the moment they arise, rather than waiting until the next time someone is back at a desk, is its own form of competitive advantage.

“It is very easy for us to use Seller Central on our phones. It has all the functionalities we need to manage our business, and at the same time you have it with you almost 24/7.”

— **Alexander Dreischuh**, Co-founder, Alpi.

“When you give an SME AI that handles the repetitive operational work, you give them back the one resource they never have enough of: time.”

— **Camilla Ottnad**, Head of DE Global Selling & New Seller Success, Amazon.



Camilla Ottnad

★ **AI TOOLS FEATURED IN THIS CASE STUDY:**

- **AI inventory management**—flags products approaching expiry dates and recommends prioritization.
- **Seller Assistant**—agentic AI consolidating multi-report data into actionable planning insights; available in the UK and Germany, rolling out across Europe.
- **Seller Central mobile app**—full account management on mobile, ensuring near-constant operational accessibility.

{ **Sell Further :**
| < One listing.
| Nine languages.
| Zero lost in translation. > }

Susanna Mosca, Brand Manager at Kalapanta, will be the first to admit that pots and yarn balls are not the most photogenic products in the world. They are functional, tactile, natural—but not the kind of thing that photographs well against a white background or jumps off a screen. That, in a nutshell, is the story of how this SME from northern Italy ended up turning to AI to sharpen their growth strategy.

The team behind Kalapanta runs three online shops: a gardening line (pots, organic bark, sustainable substrates), a natural-yarn line sourced from the textile district of Biella, and a trekking-socks line, all made from natural fibers. What unites the three ranges is less obvious than a shared product category—it is a shared philosophy. Natural. Sustainable. Made in Italy.

The challenge: communicating that philosophy across nine countries—in German, French, Spanish, or Dutch—at the scale a growing brand demands.

For years, the expansion had been manual and slow. Creating a localized product page for the German store meant not just translating a description but rewriting it entirely—adapting the keywords that German customers actually used, restructuring bullet points for local search algorithms, and ensuring the product title hit the right SEO signals in each language. For a large retailer with a dedicated localization team, that is a manageable task. Without that kind of infrastructure, it was, quite simply, impossible.



“Automation through AI isn’t just about ‘saving time’. It’s about levelling the playing field—allowing SMEs to compete with global brands.”

— **Susanna Mosca**, Brand Manager, Kalapanta.

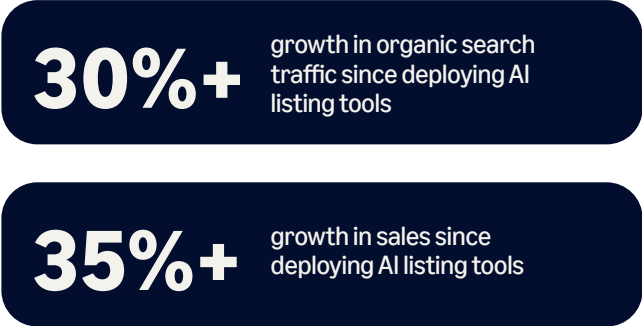
Then came AI-powered listing tools, and the equation changed. There is something in Kalapanta’s DNA that helps. The team grew out of a web agency—a group of developers and technicians who are “very curious” about anything new in the digital world. That’s why, as Susanna puts it: “as soon as AI was available, we learned how to use it.” Every new AI tool Amazon has released in Seller Central since has been tried on day one.

Amazon’s AI listing-generation tools—including the “Enhance My Listing” and “AI Listing Generation” capabilities built into Seller Central—do not simply translate existing text. They generate new, SEO-optimized content in each local language based on customer purchasing data. They know that a German shopper searching for a trekking sock tends to use different keywords than a French shopper searching for the same item. They adapt technical terms to sound natural in German, French, or Spanish, rather than like a machine translation. And they do it at scale, updating hundreds of listings across multiple countries in minutes. Kalapanta’s use case fits a pattern: across SMEs recently surveyed by the OECD, off-the-shelf AI is most frequently applied to marketing-related activities—70% of users deploy it there, more than any other function.



“It’s a good habit to use AI—you can optimize the catalogue and save a lot of time, without losing the human component. That is always very, very important.”

— **Susanna Mosca**, Brand Manager, Kalapanta.



Source: Kalapanta, Amazon Seller Central data.

Alongside listing creation, Kalapanta uses Amazon’s Opportunity Explorer as a virtual internal data analyst—surfacing category insights, search performance data, and the most popular keywords in each country. It is the kind of granular market intelligence that large brands pay specialist agencies to produce. For Kalapanta, it is built into the tools they already use every day.

The results have been unambiguous. Since deploying AI-powered listing tools, Kalapanta has seen “our product pages become much stronger for search algorithms”—with “30% growth in organic traffic and 35% in sales.” Those numbers represent a transformation.

Demand forecasting completes the picture. Kalapanta also uses Amazon’s AI-powered forecasting algorithms to predict when each product will be needed and in what quantity, feeding that data into pan-European warehouse decisions. This removes one of the most persistent headaches of cross-border selling: the risk of running out of stock in a fast-moving country while carrying excess inventory in another. AI handles the calculation; the team handles the business. Demand forecasting is also a leading AI use case more broadly: among SMEs recently surveyed by the OECD deploying customized AI systems, it is the single most common application, cited by 39% of businesses.

“Selling across Europe is one of the biggest growth opportunities for an SME, and also one of the hardest. AI is the tool that’s finally making it manageable—language, listings, local SEO, all in the same flow.”

— **Camilla Ottnad**, Head of DE Global Selling & New Seller Success, Amazon.



★ **AI TOOLS FEATURED IN THIS CASE STUDY:**

- **AI Listing Generation & Enhance My Listing**—auto-generates SEO-optimized titles, bullet points, and descriptions in multiple languages.
- **Listing Preferences (formerly Build International Listings)**—adapts and updates listings automatically across European online stores.
- **Opportunity Explorer**—identifies demand trends, search patterns, and competitive insights by country.
- **AI-powered demand forecasting**—predicts stock needs by country, reducing out-of-stock risk and excess inventory.

{ Stand Out :

< From a village
of 5,000, competing
with the world. > }



Together with Ester Somolinos, Eduardo López-Villalta co-founded FETÉN in a small Spanish town in rural Guadalajara, with fewer than 5,000 inhabitants, in 2021, during COVID-19. Their concept was simple: offer not just products, but grooming solutions for men. Their ambition was larger: to build the leading men's personal care brand in Europe. The gap between those two propositions—the village setting and the European ambition—is where AI stepped in.

FETÉN's early digital growth accelerated significantly once the brand began selling in the Amazon store in 2023. However, success brought a new challenge familiar to any ambitious small and medium-sized brand: visual content. In the digital age, a product page is a brand's first impression. Consumers scroll past weak imagery without a second thought. Professional-grade content—lifestyle photography, video, polished product visuals—is the difference between a pass and a click.

Yet the economics of traditional content production are unforgiving for SMEs. A single professional photo shoot can run to thousands of euros. A 30-second video advertisement, with a videographer, editor, and creative director, can cost multiples of that. For an upstart brand operating from rural Spain with tight margins, those costs were simply not viable — and they ceded enormous ground to global grooming brands with seven-figure marketing budgets.

“From our small rural town in Spain, we can compete with global players using Amazon’s AI tools to develop our own creative content.”

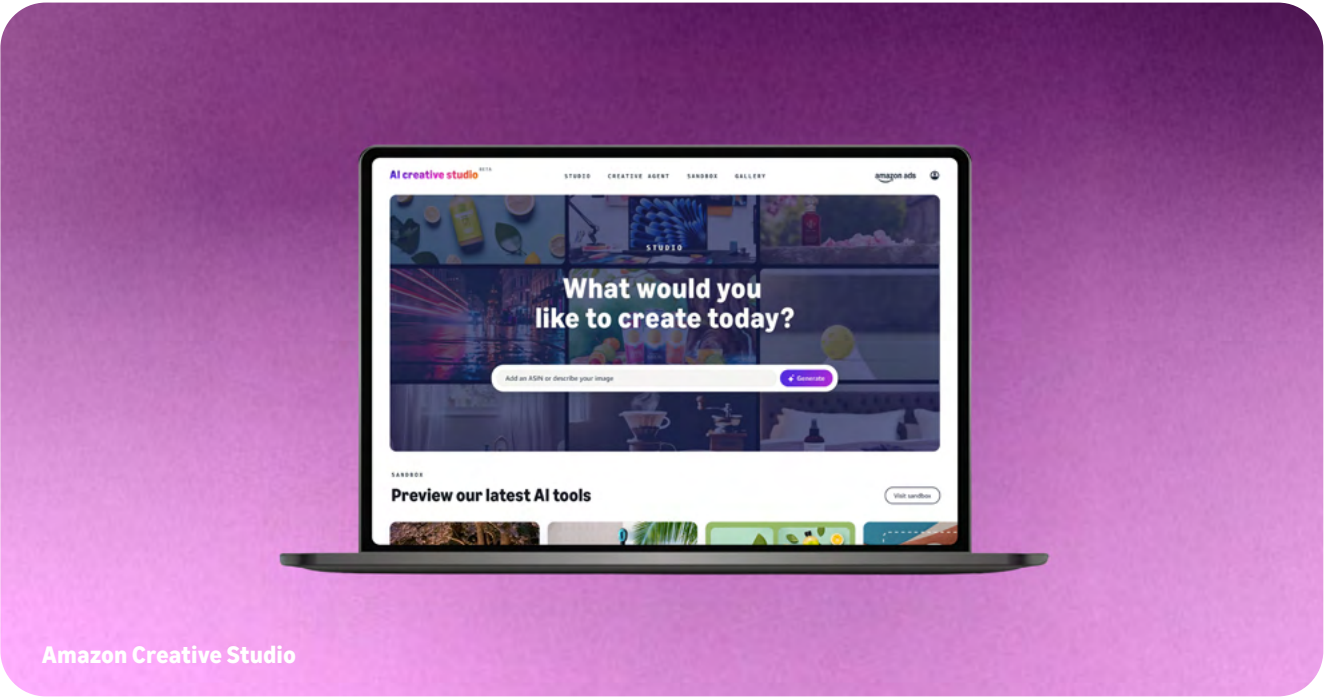
— Eduardo López-Villalta, Co-Founder, FETÉN.

“Creative quality used to be a barrier —producing professional images, videos, and rich content takes time and resources that small and medium-sized sellers usually don’t have. Today, AI levels that field. An upstart SME can produce campaign assets that used to require costly external production.”

— Camilla Ottnad, Head of DE Global Selling & New Seller Success, Amazon.

Creative Studio changed the calculation entirely. Amazon's AI-powered creative tool enables sellers to generate professional-quality images, video, and audio—including complete 30-second advertisements—in minutes, at no additional cost. The result is not template-grade filler content; the Creative Agent within the Studio researches the product, studies the target audience, develops a storyboard, and produces a finished campaign asset.

For FETÉN's team, the impact extended beyond creative content. AI listing tools allowed FETÉN to build and optimize product pages for every European country in a fraction of the time it previously required. Localization —adapting language, tone, and product framing to each country's cultural context, rather than simply running text through a translation engine—became a manageable task rather than an impossible one.



Amazon Creative Studio

The customer-insight loop runs the other way too. Amazon’s review and feedback data has become, in effect, a key R&D channel for FETĒN. For instance, when the brand launched its anti-hair-loss shampoo, the bottle cap they had chosen turned out to be causing problems both on arrival and in everyday use. Customers said so through Amazon reviews. “We were able to go back to the lab and change the cap almost in real time,” Eduardo says. The shift from product launches as one-way events to product launches as iteration is one profound effect of selling in the Amazon store.

Moreover, localization isn’t only about language, it’s about cultural moments, too. For years, FETĒN’s Valentine’s Day campaigns had underperformed, built around the assumption that the holiday was an opportunity to pitch men’s self-care products to male customers. Amazon’s consumer data told a different story: the real Valentine’s Day buyers in this category were women, choosing skincare routines as gifts for partners or fathers. The pivot—same brand, but different audience and different framing—delivered results well above any previous year. FETĒN’s case isn’t unique. Every

country and every season has its own buying patterns, and they do not necessarily match a seller’s assumptions. AI-powered insight is what surfaces them—putting SMEs on the same footing as larger businesses.

FETĒN’s pattern, AI applied across multiple business functions, is what recent OECD data suggests separates incremental gains from transformational ones. In a sub-set of surveyed SMEs, only 2% of businesses using AI for isolated tasks report transformational impact. Yet the share rises to 23% among those deploying AI across the enterprise. Breadth of use, not just adoption, is where the greatest return sits.

“The international growth we have experienced would have been impossible without Amazon’s AI tools and support in cross-border logistics as well as customer trust,” Eduardo says simply. FETĒN is now established in Spain, France, Italy, and Portugal, and is expanding across additional EU countries. That growth coordinated from a village in rural Spain would not have happened without AI.



FETĒN product

★ AI TOOLS FEATURED IN THIS CASE STUDY:

- **Creative Studio**—generates professional images, video, and 30-second ad content in minutes at no additional cost.
- **AI-powered listing tools**—localize and optimize product pages across countries with cultural and SEO adaptation.
- **Creative Agent in AI Studio**—researches products and audiences, develops storyboards, produces full campaign assets without agencies.

WORKING BACKWARDS

Built for Europe's SMEs

The tools featured throughout this report did not come from a corporate roadmap drawn up in an office. Each one began as a seller challenge—surfaced through conversations, suggestions, surveys and the everyday friction of running a small and medium-sized business across multiple European countries—and was built to address that challenge.

“We always work backwards from the seller’s reality. We identify what slows them down or what’s costing them, and then we design and build the tool that solves that specific challenge.”

— **Lila Fernández**, Director, Europe Strategic Account Services, Amazon.

Listening at this scale is itself an exercise in engineering. Account managers across Europe log seller ideas and priorities into a central system—**more than 60,000 of them in 2025 alone**. In parallel, the team runs quarterly satisfaction surveys, monitors seller forums and direct escalations, and holds face-to-face meetings with sellers across Europe—1,300 of them last year. Until recently, the volume of this input was a significant challenge: too much signal, not enough capacity to read it. AI changed the equation. “We collect thousands of anecdotes that an AI system analyzes for us,” Lila explains. “That lets us understand exactly what sellers need, and act fast on it.”

The development process itself has been reshaped along similar lines. Lila’s team operates on a two-track model: a top-down track, in which a dedicated European tech team builds tools to address the biggest priorities emerging from seller feedback; and a bottom-up track, in which account managers themselves use AI to prototype solutions with the sellers they work with daily, refine them based on what works, and pass the strongest ideas to the engineering teams for scaling. The cumulative effect is a sharply compressed innovation cycle—from challenge identified, to tool prototyped, to feature in Seller Central—that previously would have taken quarters, and now takes weeks.

“We work very closely with SMEs and we know exactly what they need. And when AI arrived, we realized that we could take that human knowledge and turn it into solutions at scale, not just for a few companies, but for all. That changed everything about how we work.”

— **Lila Fernández**, Director, Europe Strategic Account Services, Amazon.



The tools described in the stories above—listing generation, Creative Studio, Seller Assistant, Opportunity Explorer, demand forecasting—are the visible output of this process. Each one traces back to a concrete frustration voiced by a real seller. They exist because someone selling pots, or beard oil, or organic flour across nine European countries needed something that did not yet exist—and said so. This is what Amazon means when it says it works backwards from the seller’s reality.

EXPERT PERSPECTIVE

What’s Next: An OECD View



When Marco Bianchini talks about AI adoption among European SMEs, he does not reach for the buzzwords. He reaches for the data—and the data, he is clear, tells a story of genuine acceleration. “In just two years,” he notes, “AI adoption among SMEs in OECD countries has more than doubled, from around 7% in 2023 to over 17% in 2025” — an almost 150% increase. Among SMEs adopting digital tools, the most cited benefits are concrete: automation (42%) and expanded markets (33%).

The SME sector is hugely varied—two-person micro-businesses, 200-employee firms, food producers, fashion brands, precision engineers—and AI adoption looks different in each. The latest OECD Digital for SMEs Global Initiative (D4SME) data show that most small and medium-sized

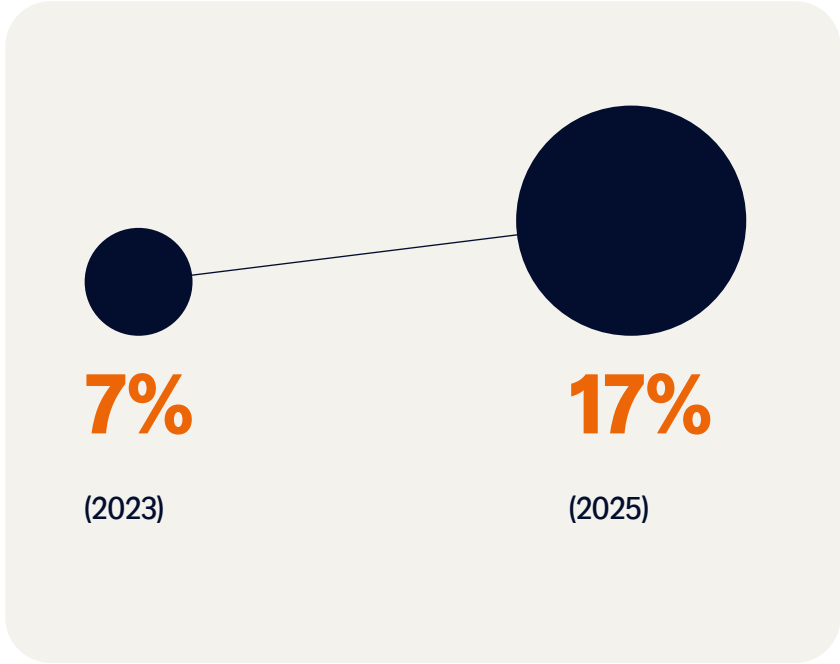
businesses are still at an early stage, with 76% of AI-using SMEs using off-the-shelf tools applied only to isolated tasks, while just 3.6% combine advanced tools (including agentic AI) with enterprise-wide deployment. The room for deeper, more transformative use is, in Bianchini’s assessment, very large—and the gains, notably, are largest for the smallest firms.

What is driving adoption as much as enthusiasm is urgency. **Around 50% of SMEs recently surveyed by the OECD describe a concrete risk of falling behind if they do not make greater use of AI.** This is not abstract anxiety—it is the lived experience of businesses watching competitors move faster, serve customers better, and operate at lower cost. The adoption pressure is real, and it is working.

“AI can serve as an engine of innovation, productivity and international expansion for European SMEs. Enabling them to safely and responsibly adopt and deploy AI could be critical to ensuring Europe’s long-term competitiveness.”

— Marco Bianchini, Economist and Digital for SMEs (D4SME) Coordinator, OECD.

AI adoption among SMEs in OECD countries.



Source: OECD.

Where AI is making the biggest difference

Marketing, content, and translation	“Particularly relevant for Europe,” Bianchini says. Generating multilingual content at scale, managing customer relationships across countries, or localizing brand voice. These are use cases that map directly onto the challenges of selling across the Single Market in 24 official EU languages.
Operational efficiency and process redesign	SMEs recently surveyed by the OECD describe AI agents increasingly as business partners: tools to bounce ideas off, gather competitive intelligence from, test new approaches with. Beyond automation, AI’s emerging value is as an advisor.
Market intelligence and product experimentation	AI enables businesses to research new products or regions—including in languages they don’t operate in daily—to understand competitive dynamics, customer preferences, and entry conditions before committing resources. It is market research democratized.

“Josianne Cutajar, the former Member of the European Parliament (MEP) and Special Advisor to SME Connect’s AI Working Group referenced earlier in this report, also recognizes AI’s potential across the same three areas: opening internationalization through translation and market analysis, enabling SMEs to “produce quality content, personalize outreach, and analyze customer behavior” in marketing, and streamlining operations and customer service— “reducing costs and freeing up time for strategic work.”

A Notable Finding: The productivity impact of AI is largest for the smallest firms.

Among SMEs using AI, the smaller the business, the stronger the reported impact. In the latest OECD D4SME survey, around one in three micro-enterprises and self-employed workers within a sub-set of surveyed SMEs report strong or transformational effects from using AI, compared with 22% of medium-sized firms. The proportional gains could be greatest for the smallest firms, which start from the lowest base of digital adoption. Yet the same firms are also the least likely to have adopted AI so far, so for now the gap with larger firms risks widening.

Source: OECD.

Five conditions for AI to work for everyone

Acceleration, Bianchini is careful to note, is not the same as universality. The picture of AI adoption among European SMEs, while positive, remains uneven. The conditions for AI to fulfil its potential for the full breadth of the SME sector require deliberate policy choices. He highlights five:

01
Digital infrastructure
Fast, reliable, affordable broadband—fixed and mobile—for SMEs using the technology, alongside access to computing resources for more advanced adopters. Infrastructure is not glamorous, but it is foundational.

02
Skills and talent
Not only technical skills, but management capability: the ability to identify where AI is genuinely useful in a specific business, to understand which are the potential risks and defend against them, and to deploy the technology effectively and securely. Skills investment must reach business owners and managers, not just IT specialists.

03
Access to finance and funding
Many SMEs cite cost—ongoing software and hardware maintenance costs in particular—as a key obstacle to adoption. Governments can lower these barriers through direct support such as vouchers and grants, which cover part of the cost outright, and through other finance instruments, such as loans, that help firms spread the investment over time.

04
Local support systems and awareness
Governments could help build local systems—at regional, city, and even town level—that connect SMEs with knowledge, training, and support on AI. Surveys show many SMEs are unaware of public initiatives meant for them. Awareness is as important as the initiatives themselves.

05
Proportionate regulation
Constructive dialogue between governments and the business community is essential to ensure regulations protect public interests while remaining manageable for the businesses they affect most.

According to Bianchini, the window for creating the conditions is now. “Enabling European SMEs to safely and responsibly uptake AI might be key to ensure European long-term competitiveness,” he says. The technology is available. The adoption is accelerating. The policy choices that determine who benefits and how broadly are being made now.

60-Second Glimpse



— Watch it here!

METHODOLOGY & SOURCES

About This Report

This report draws on primary research, expert testimony, and seller interviews to examine how AI is changing the competitive landscape for small and medium-sized businesses selling across Europe

External Data Sources

- Eurostat**—Use of artificial intelligence in enterprises, 2025
- OECD**—Empowering SMEs in the age of AI: The 2026 OECD D4SME Survey (2026); SME digitalisation for competitiveness: The 2025 OECD D4SME Survey (2025).
- SME Connect**—Interview with Josianne Cutajar, Special Advisor to SME Connect’s AI Working Group.

On the cover

(From top left corner to bottom right corner)

- Camilla Ottnad**, Head of DE Global Selling & New Seller Success, Amazon.
- Eduardo López-Villalta**, Co-Founder, FETĒN.
- Annabel Soenen**, Sales Director Benelux & Export, Gimber.
- Alexander Dreischuh**, Co-founder, AlpiMarco Bianchini, Economist and Digital for SMEs (D4SME) Coordinator, OECD.
- Josianne Cutajar**, former Member of the European Parliament (MEP) and Special Advisor to SME Connect’s AI Working Group.
- Lila Fernández**, Director, Europe Strategic Account Services, Amazon.
- Susanna Mosca**, Brand Manager, Kalapanta.

