
B2C / C2C

Current definitions

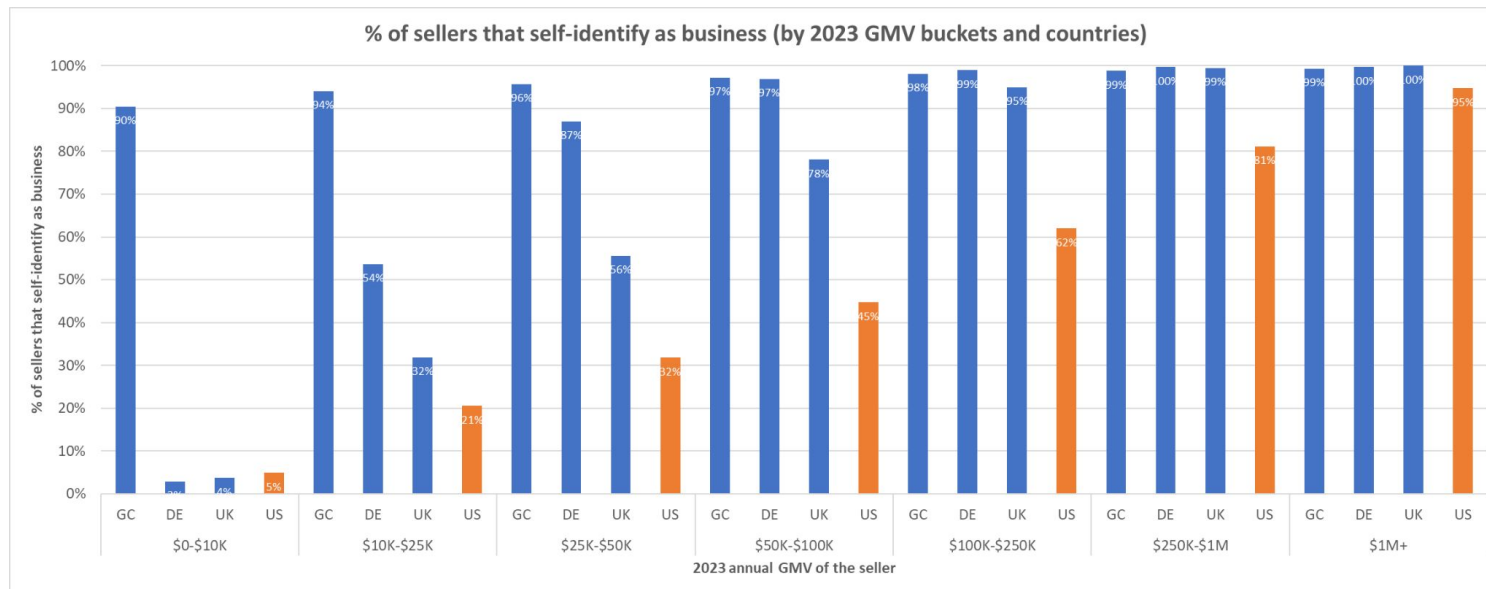
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B2C/ C2C segmentations differ by country

	Europe (incl. UK)	US & RoW
Segmentation basis	Self-identified as business (SIAB)	CSS Segmentation B2C if >\$10k T12M GMV & >100 sold items (Entrepreneur, Merchants & Large Merchants)
Segmentation uses	<ul style="list-style-type: none">• Business reporting• Seller rate cards & Promos• Seller GTM• Access to product features (e.g., PL, Seller Hub)	<ul style="list-style-type: none">• CSS based: Business reporting• Store based: Seller rate cards & Promos<ul style="list-style-type: none">- Seller GTM- Access to product features
Self Identify As Business (SIAB)	<ul style="list-style-type: none">• Sellers legally obliged to identify themselves• Choice required at Registration• Can switch existing account to business in account settings• Switch to C2C requires proof of deregistration as business• Enforced switch to B2C with different criteria for each country for UK, DE, ES, IT. (Blackbird)	<ul style="list-style-type: none">• Sellers <u>not</u> legally obliged to identify themselves• Choice required at Registration• Can switch existing account to business in account settings• Switch back to C2C possible with no requirements or limitations

Share of self-identified business sellers differs by country and GMV



- practically all GC sellers are businesses, and are forced through a proper business registration process
- In EU the SiAB share strongly correlates with the country VAT exemption thresholds (€22k for DE, £85k for UK)
- in US it linearly increases with the annual GMV size of the account



BACKUP

Global Business/Consumer seller standard definition is different for EU+UK vs. US+RoW (Qsx)

- Seller countries: **EU rollup + UK**
 - Self-identification as business (SiaB) is a legal requirement
 - How to self-identify as business?
 - New Business Seller Registration flow
 - Switch existing account to Business
 - Seller needs to provide proof they have a registered business. Switching account to C2C requires proof of business deregistration - practically never happens
 - SiaB used in
 - Seller rate carts & FvF promos
 - Seller go-to-market
 - Access to product features (seller hub, Promoted listings etc.)
 - eBay does some enforcement to self-declare as business when sales get sizeable. Degree of enforcement and sales thresholds differ by country. Having a VAT number doesn't necessarily mean also being a B2C seller.
- Seller countries: **all non-EU/UK**
 - B2C/C2C split based on CSS segmentation "Entrepreneur" thresholds, e.g. for US trailing 12 months GMV >= \$10k AND T12M sold items >= 100.
 - Definition dates back to 2008 and has never been updated. A more appropriate threshold would be \$25k based on survey CSS segment is re-evaluated every month based on trailing 12 months sales. About 50% of CSS B2C sellers constantly flip between B2C and C2C.
 - Sellers in these countries can still self-identify as business in new seller registration flow as well as in their account setting. But not doing so has little implication and enforcement doesn't exist.
 - Sellers don't know their CSS segment. It's an internal business segment not used in pricing and product features. Seller GTM still uses the CSS segmentation - though often store subscription is used instead.

Market feedback

DE

Yes, the BU validates business status (details coming, includes VAT/Blackbird)

Yes, the BU does recategorize. C2C sellers who are deemed not to be C2C are blocked and must apply to become a B2C seller.

UK

The BU doesn't do anything to validate the SIAB status at on-boarding. However, C2C sellers are forced to change to a B2C account if the account:

- i. Crosses £3,500 and 100 transactions per month, for 3 consecutive months, OR £85,000 annually); or
- ii. Is reported to us as trading as a business

In either of these instances, the account is forced to recategorize as a business (process in place for years).

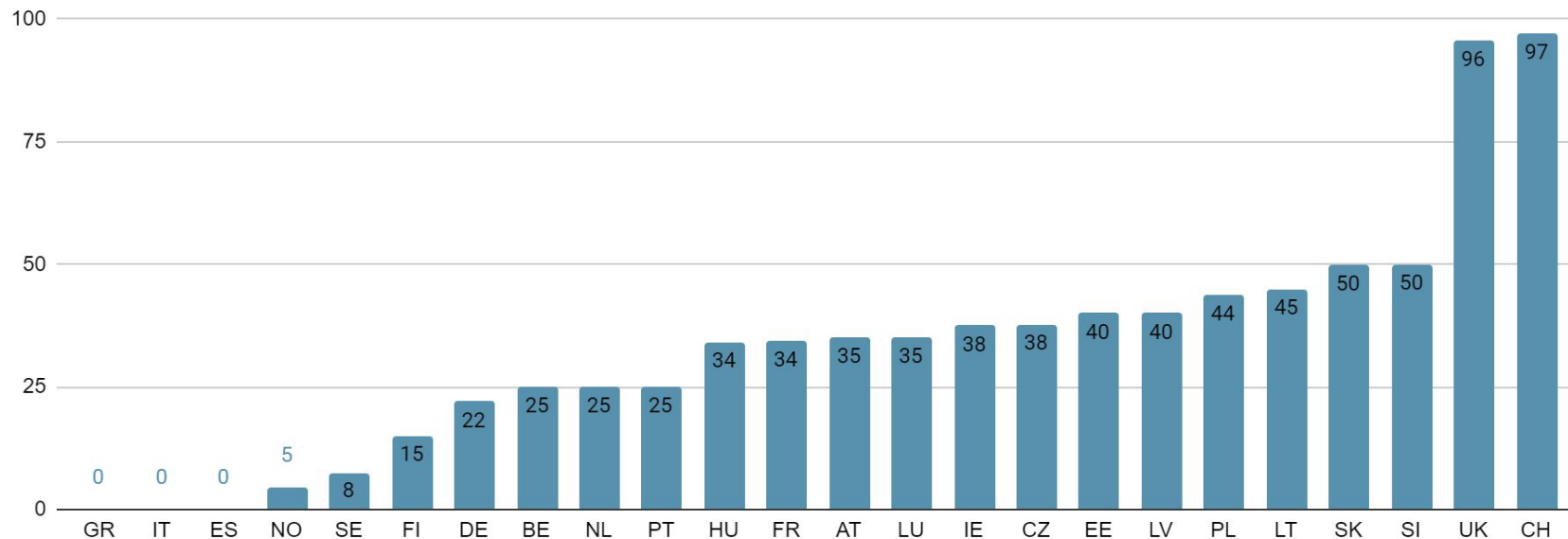
Note: the B2C threshold has been set by eBay (internal threshold) as in the UK there is no strict definition of what constitutes a business, other than the fact that you are operating 'as a business'.

US

No, the BU does not validate the seller status and there is no indication on help pages or elsewhere of any reasons why you would have to register as a business, which also implies no "enforcement".

EU VAT registration thresholds 2023 ([source](#))

Annual sales threshold for VAT registration in Thousands EUR



Blackbird

([source deck](#))

- Legally required initiative to tackle the non-payment of VAT in EU
- eBay needs to cooperate with local tax authorities to ensure seller VAT compliance
- **The Blackbird C2C - Process is to ask the C2C Sellers to upgrade their account to business accounts if business-seller-like traits are observed in the C2C Sellers**
- If the seller falls in any of the below scopes, they must upgrade their account to B2C or be blocked
- Automated in DE since Sept 2019, in UK since May 2022 (was manual before that)

country	threshold	upgrade period	email notifications	appeal
DE	<ul style="list-style-type: none">• T12M performing GMV > 50K Euro OR• T12M performing GMV > 17.5K Euro AND (Performing Sold Items > 200 OR Performing New sold items > 120) OR• Has a DE VAT ID (New criteria as part of BB2.0)	28 days	1: threshold hit day	yes
ES		28 days	2: threshold hit day + 14 days after	yes
IT		28 days	2: threshold hit day + 14 days after	yes
UK	<ul style="list-style-type: none">• 85K GBP GMV per year AND/OR• 3.5K GBP GMV / 100 transactions for 3 consecutive months	21 days	1: threshold hit day	no

Blackbird Appeal (issue 962)

- Meant to help sellers selling large households/collectors
- User needs to call GCX to appeal after Blackbird warning
- User provides written statement from tax advisor and a valid reason that they are e.g. collector and they get an exception
- GCX FE reviews the documentation & screens the structure of the items to see if they correspond
- If yes, the GCX applies whitelisting for 6 months manually.
- The process runs again in 6 months to make sure it is still a valid case

Resources

- [Wiki](#) with overview on all current and past Seller segmentations
- Proposed seller [segmentation](#) developed by Strategy in 2022



The resulting new segmentation includes 9 seller segments

C2C (23% GMV / 92% of sellers)					B2C (77% GMV / 8% of sellers)				
Occasionals	Hobbyists	Small Pros	Traders	Micros (Non-MC)	Mainly Multi-channel	Medium & Large B2Cs (Non-MC)	GC CBT	Brands	
Occasionally sell and buy	Moderate selling, buy 2x as much	Higher selling activity but low buying	Highly active in both selling and buying	<\$1M eBay GMV resellers/retailers focused on eBay selling (low 3PP tool use)	Retailers / resellers mainly selling via 3PP on eBay and active on other sites	Mid-size & Larger retailers / resellers (\$1M+) focused on eBay selling	Located in GC and focused on exporting or locally-based GC sellers	Brands selling directly on eBay	
% 2021 GMV	2%	6%	5%	10%	34%	20%	11%	10%	1.3%
% 2021 sellers	28%	43%	12%	10%	6%	0.8%	<0.1%	1.3%	<0.1%

ebay