Motivated but undersupported

Insights from the UK and Germany on AI capability among Europe's microenterprises

Made possible by PayPal

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Opening statements

"AI is moving faster than most of us can absorb, especially small businesses. But entrepreneurs know these tools can be transformative and are eager for training to start putting them to work. That's why PayPal is proud to partner with INCO to bring practical AI training to small businesses in Europe, as part of our 2030 goal to support 25 million people and small businesses with the resources, skills, and training they need to thrive in the digital economy."

Marcy Scott Lynn, Head of Social Impact & Sustainability, PayPal

Executive summary

Across Europe, many of the 25 million micro, small and medium-sized businesses (SMBs) that drive local economies are already embracing AI for productivity, cost reduction, and growth. Yet most are stuck at the surface - using chatbots for brainstorming while their operations run exactly as they did before AI existed. Commissioned by PayPal and produced by INCO, this white paper investigates the barriers, opportunities, and support needs shaping European SMB AI adoption, drawing on evidence from the UK and Germany - specifically on solopreneurs and microenterprises, the segments most underserved by existing AI support. The goal is practical: provide ecosystem actors designing AI support with the real-world insights they need to make training programs work.

The microenterprises interviewed are motivated to use new AI tools to scale their businesses but overwhelmed by the speed and complexity of AI advancements and how they can be applied in practice. Our sample - majority women-led, half from underserved backgrounds - reflects the businesses most at risk of being left behind, and most in need of targeted support: 9 out of the 12 business owners we interviewed said they need more training, and only 4 out of 12 had a full understanding of what tools were available to them. The gap will widen with agentic AI. Only 4 of the 12 business owners we interviewed - all with technical backgrounds - had a basic operational understanding of what agentic systems mean for their business.

Existing support tends to be too generic, too disconnected from real workflows, and largely absent on agentic AI. AI can boost productivity - but only when it comes with investment in training, data, and software. Without targeted support, the divide between AI-ready and AI-excluded businesses risks growing further. Based on these findings, we outline a practical framework that turns what microenterprises told us into clear principles for building better AI support. The businesses that will thrive in AI-enabled markets are those building foundational capabilities today.

"What used to take six months can now take one month. But I do think you have to know how to use AI properly - That's the most important thing, and I think many small business owners don't yet know how to do that."

UK business owner

Introduction

This white paper aims to guide the development of support programs that help micro businesses adopt AI in practical and commercially valuable ways, and to provide insights for the corporates, policymakers, associations, and training providers behind them. We investigated what happens when micro business owners try to use AI - what works, what blocks them, and what they actually need - and found significant gaps in the current support system.

Our approach is deliberately user-centred: the people best placed to tell us what works are the micro business owners who use AI - or fail to use it - every day. Our primary research draws on qualitative insights from 12 deep-dive interviews with micro business owners in the UK and Germany, all under 5 years old, with teams of 1 to 5 employees and annual revenue under €500k, spanning a range of industries including consulting, healthcare, marketing, and retail.

Notably, 7 of the 12 business owners we interviewed run solo businesses. Solopreneurs face every barrier we identify more acutely: they have no team to delegate to, no colleague to validate outputs with, and no budget for a full tool stack. But the upside is proportionally larger too. For a solo founder, AI isn't just about efficiency - it's the difference between operating alone and operating with a team of ten. This makes them both the highest-potential and hardest-to-reach segment for AI capacity building.

The insights from this sample surface patterns worth investigating at scale, and are triangulated throughout with secondary data.

A note on definitions: throughout this paper, we use both the terms SMBs (small and medium-sized businesses) and SMEs (small and medium-sized enterprises), reflecting the varied usage and thresholds across the institutional sources we cite. Our primary research focuses specifically on micro and small businesses - the segment consistently most underserved by existing AI support programs, and where the applicability gap identified in this paper is most acute. The interview findings therefore speak most directly to this segment, while the secondary data reflects the broader SMB/SME category as defined by each source.

AI Adoption in Europe's SMBs:

Growing interest, limited integration

"You can't really be a good business owner if you don't interact with AI right now. The motivation is definitely efficiency and being competitive too." — UK business owner

Every business owner we interviewed agreed: AI is no longer optional. AI adoption among small businesses is accelerating worldwide - uptake grew 72% across OECD countries in 2023-24 (OECD Cogito 2025). This matters because SMBs are the backbone of the global economy, - 90% of businesses, over 70% of jobs, and 50% of GDP (United Nations n.d.). In today's volatile landscape, small business owners increasingly view AI as essential for competitiveness and resilience - 82% of SMB leaders say AI will restructure how they operate, and 76% are increasing tech investment to keep up. And despite fewer resources, SMBs are agile: 54% of leaders say they feel advantaged when markets shift (Salesforce 2024).

Across Europe, AI use among enterprises nearly doubled from 8.0% to 13.5% in 2023-24, but this headline hides big differences by business size, location, and sector - and the evidence is still thin (Eurostat 2025a). Doubling sounds like progress, but it still means 86% of European firms don't use AI in any structured way.

Meanwhile, agentic AI is emerging as AI's next frontier - AI systems that can plan, decide, and act on their own. In practical terms, this means AI that can anticipate needs, compare options, negotiate terms, and complete transactions on behalf of businesses, reshaping commerce from platform-led to "intent-driven flows" (McKinsey & Company 2025). While market projections vary widely, the direction is clear: autonomous capabilities are moving from experimental to operational.

"Everything that follows a clear process can be automated. That's where AI really adds value." — DE business owner

Yet evidence on sustained impact remains limited. Gartner projects over 40% of agentic projects will be cancelled by 2027 due to implementation failures (2025b). For a sole founder, the pressure to adopt is real – but so is the risk of spending scarce time and money on tools that don't deliver. Without structured guidance, many will either hold back too long or adopt too superficially to see returns.

Among SMEs that do use AI, three-quarters remain at novice level – relying on simple tools for isolated tasks rather than integrating AI across their operations (OECD 2026). AI only delivers real productivity gains when businesses also invest in software, data, and training – and small firms are the least equipped to do that (Aldasoro et al. 2026).

Our interviews confirmed this pattern: AI use is frequent but surface-level. Most business owners we spoke with used ChatGPT-style tools daily for brainstorming, content, and research, but very few had moved into operational automation.

"Everything that follows a clear process can be automated. That's where AI really adds value." — DE business owner

"Everyone talks to ChatGPT right now. But in terms of actually having something running in the background, I don't know many small businesses who do." — UK business owner

The UK and Germany – Europe's two largest economies – score above global averages on AI readiness (Salesforce 2025), yet both grapple with persistent small-business adoption gaps. If AI struggles to reach SMBs equitably in these relatively advantaged environments, it raises serious questions about whether and how AI will reach small businesses across the rest of Europe.

The UK:

Digital leadership, persistent divides

"With AI right now, I'm already acting like I have 20 employees instead of two." — UK business owner

Experiences like this show what AI can unlock for a small team. Especially for solopreneurs, AI isn't a productivity tool – it's a workforce. But across the UK, most SMBs haven't got there yet. The UK emerges as one of Europe's AI adoption leaders (Salesforce 2025). This reflects strong foundations: mature data governance, established AI use in healthcare and financial services, and regulatory frameworks like sandboxes that let businesses test AI safely.

Yet significant gaps persist between enthusiasm and execution. While 64% of SMB leaders report AI as fully embedded in their businesses, 55% simultaneously acknowledge not using it as effectively as they could – pointing to surface-level use rather than real transformation (Sharp Europe 2025). While the next step lies in developing agentic tools, most UK SMBs have not yet built the foundational workflows and data practices that agentic systems require. Employee readiness compounds this: 35% of UK SMB leaders report staff anxiety about lacking technical skills, while 30% indicate a mismatch between available skillsets and AI operational requirements (Sharp Europe 2025). Training and structural investments are concentrated among early adopters with existing digital capabilities, and the actual impact on business operations remains unclear.

UK business owners in our sample reported strong use of AI in marketing and customer-facing preparation, with high daily frequency. Motivation is centered on operational speed – "buying back hours".

"AI cuts down on the time-consuming work that we have to do. Before now, I'd be up all night googling and reading articles. AI has really, really helped in pulling all of these sources, bringing it to me in one place, letting me go through it quickly." — UK business owner

Germany:

Industrial strength, digital caution

"For me, AI really was a game changer - being able to build what you have in your mind really, really fast and test in real market conditions." — DE business owner

This kind of momentum is real - but it's not yet the norm for most German SMBs. Germany scores high in terms of AI readiness but presents a more complex adoption profile, combining world-class industrial strength with a cautious approach to digital change (Salesforce 2025), where strong institutions meet more conservative business cultures in the critical Mittelstand sector - the small and medium-sized manufacturing firms (typically 10-500 employees, often family-owned) that form the backbone of German competitiveness.

AI adoption among German SMBs has accelerated markedly: usage jumped from 11% in 2023 to 25% in 2025 (IfM Bonn 2026). But this growth is concentrated in automotive, electronics, pharma and textile, where over 33% of companies now use AI (ifo Institute 2025). Much of the broader Mittelstand has yet to follow, with unstable funding pipelines and underdeveloped commercialization infrastructure hitting micro-enterprises hardest (Salesforce 2025).

Germany's market also presents distinct implications for agentic commerce. Most agentic systems are built for card-based payments, but account-to-account transfers dominate in Germany, accounting for 26 percent of e-commerce payments (McKinsey & Company 2025). Without payment rails that match how German businesses transact, agentic tools risk being irrelevant - regardless of how capable they are.

German business owners in our sample showed similar use cases to UK counterparts but with slightly more technical curiosity around tools and integrations. German participants prioritized operational security over speed, reflecting the broader cultural emphasis on regulatory certainty.

"I use AI to support me, but I'd still rely on a real lawyer for anything legal or financial - I'm not comfortable handing over finance, tax, or regulatory decisions to AI." — DE business owner

Barriers to adoption

"The more I learn about it, the more I understand I know nothing." — DE business owner

This captures what we heard in every interview. The core gap appears to be not awareness but applicability. The business owners we spoke with are not blocked by access to AI – they are blocked by what to do with it. They are experimenting but not scaling. They lack clear use cases, trusted tooling pathways, practical training, and confidence in where AI fits versus where it does not.

The barriers below fall into two categories - internal (skills, time, trust) and external (fragmentation, cost, regulation) - and the smaller the business, the more sharply they compound. SMBs face persistent capacity gaps compared to larger firms - in digital infrastructure, technical skills, and access to targeted support - that limit their ability to adapt to rapid technological and regulatory change (OECD 2025a). SMBs that don't use AI at all are falling further behind - often not realising how many of their competitors have already started (Salesforce 2024). Time constraints, maintenance costs, and skills gaps consistently emerge as the barriers most limiting effective AI implementation across SMBs (OECD 2026). Each barrier identified below points directly to an intervention opportunity.

I'm learning through AI by just experimenting with it myself - whether AI can do this or do that." — UK business owner

Internal barriers: skills, resources, and trust

Skills

"Many small business owners assume that adopting AI means they have to be tech gurus, that they have to be coding and doing all these complex things. A lot of them don't know that there are simple integrations and that almost anybody could use these tools." — UK business owner

9 out of the 12 business owners we interviewed reported needing more training and support to use AI effectively for business growth – a significant figure given that all participants were already somewhat active AI users: even daily users described their adoption as experimental and unstructured.

Skills gaps consistently emerge as the primary barrier to AI adoption among European enterprises: 71% of those who evaluated AI but did not implement it, cite lack of relevant expertise as the decisive factor (Eurostat 2025b). This plays out at every level: many employees lack the basic digital skills to understand what AI can and can't do, while very few small businesses have in-house expertise to manage complex integrations or agentic workflows.

But what businesses actually need goes beyond technical training. They need "fusion skills" - the combination of human capabilities with AI and technology – to identify high-value use cases, design workflows around AI strengths, and manage human-AI collaboration effectively (Aldasoro et al. 2026). Without these skills, businesses end up buying tools they never properly use or running pilots that go nowhere.

Resources: time and cost

"I really need time to sit down and embed AI in my processes - to learn the tool and how everything connects. It does take a lot off my shoulders once it's running, and I have more time for actual sales conversations. But the initial investment is big - you have to invest time and money first." — UK business owner

Many small businesses face a paradox: they don't have the time or staff to experiment with AI - 37% cite this globally (Salesforce 2024) - yet experimentation is precisely how organizations learn which use cases deliver value. Large firms assign dedicated teams; small businesses must squeeze learning into overstretched schedules. That's exactly why structured training matters - it gives small businesses a shortcut to what large firms learn through expensive trial and error.

"I actually have to schedule time - otherwise I won't interact with AI. And to really integrate it properly would cost me $10,000. It's just not feasible for an SMB." — UK business owner

Trust and human-AI boundaries

"Talking to clients is where I lose a lot of time - they want that relationship, and it takes two or three weeks of conversation before they convert. I'm not sure I can do that with AI, because they want human connection. If they realized I was using AI for conversations, there'd be a massive stigma. They can accept AI for back-office work, but for conversations, it's different." — UK business owner

Our sample consistently drew sharp boundaries around where AI should and should not operate. Trust is another common barrier - and it reinforces the skills and resources problem. Around 80% of businesses worry about data privacy, legal liability, and misinformation (OECD 2025a) - real risks that small businesses don't have the resources to manage on their own. SMB owners are caught between two realities: they see AI's potential for back-office efficiency, but recognize that preserving the human element is a genuine competitive advantage.

"I would like the AI to present its output to me first so I can validate it before sending anything to a customer. One of the biggest risks is hallucination - the AI inventing things because it doesn't have the right information. That would be bad in a small business context." — DE business owner

"AI will give me more time for real human connection - that's where my business is going." — DE business owner

External barriers:

the hidden AI tax and regulatory uncertainty

The hidden AI tax:
tools overload and infrastructure fragmentation

"The number of tools out there is overwhelming. There's so much noise! You can find an amazing tool, but it's really expensive. Or one that doesn't really work. There's just this choice paralysis. At the end of the day, does it actually add value to my business? Sometimes, no. It's a lot of mental effort and it's definitely not efficient." — UK business owner

Only 4 out of the 12 business owners we interviewed reported a full understanding of what AI tools are available and how to use them for business growth. These are self-reported values from already-active AI users, suggesting that the knowledge gap among non-users is likely far wider.

Small businesses face what the sector now calls the "hidden AI tax": tool fragmentation, vendor pricing, and overlapping capabilities that produce rising costs and administrative burden without proportional benefit (Glean 2025). Existing business software often resists interoperability, and for micro-enterprises using multiple disconnected tools, every new AI subscription adds to the burden. Some vendors require minimum user counts that exceed a micro-enterprise's total headcount; others operate on usage-based pricing that introduces unpredictable monthly costs. **Unlike large enterprises with dedicated AI budgets, SMBs must justify every expenditure against immediate revenue needs (Aldasoro et al. 2026)**.

This dynamic reinforces the case for capacity building over tool procurement. As general-purpose LLMs make it increasingly possible for non-technical founders to build lightweight custom solutions themselves ('vibe coding'), the binding constraint shifts from tool selection and cost, to skills, time, and confidence.

"The amount of tools that are popping up makes it difficult to understand the difference. That level of complexity is not something I want. I don't want to have 20 different tools in my business. I just want an ecosystem that works together." — DE business owner

"I spend a lot of money on monthly subscriptions - it can get a lot for a small business and it's also a bit annoying, to be honest. If I can see a definite return, then I would pay for it." — DE business owner

Regulatory uncertainty

Regulatory confusion provides a further challenge. The EU AI Act introduces compliance obligations that many small businesses struggle to interpret - 32% of German SMBs cite regulatory requirements as key concern (Qonto 2025) - and GDPR obligations intersect in ways that compound the challenge. For small teams, each regulation can represent hours of research and potential legal fees, and many just freeze. The UK offers clarity for specific sectors through operational sandboxes, but businesses outside priority areas face less guidance. Any support that addresses only capability without compliance, or compliance without capability, is not going to be comprehensive enough for effective, sustainable implementation.

"I find myself questioning where my data is being stored, and whether using these tools could put me at risk of breaking regulations like GDPR." — UK business owner

When AI acts autonomously:

amplified opportunities and barriers

When AI starts acting on its own, the skills bar rises significantly. Businesses must understand not just how to use tools, but how to define guardrails, validate multi-step reasoning, and maintain oversight of independent decisions. This goes well beyond basic AI know-how - it means understanding workflow design, decision logic, and what to do when things go wrong (OECD 2025a).

Among the micro business owners we interviewed, only 4 out of 12 - all with technical backgrounds - demonstrated a clear, operational understanding of agentic AI. Their advantage was a fundamentally different mental model: they approached AI as a system for automating workflows, not as a tool for generating outputs. These business owners could identify repeatable processes and redesign them as agent-driven loops - automating operations, accelerating iteration cycles, and in some cases embedding AI directly into their product. The majority remained confined to task-level productivity gains. The gap, based on our conversations, is not in access to AI, but in the ability to conceptualise it as an autonomous system - bridging it requires targeted education around workflow decomposition, agent design, and practical entry points for non-technical SMB owners.

"I'm not sure what the use cases are for me yet. I've seen people find use cases that seem great for them, but I haven't really put in the time to break down what steps in my business an agent could actually do."

DE business owner

"The term 'agentic AI' .. I was confused: where does it actually happen, where do you run it?"

UK business owner

Trust challenges intensify with greater AI autonomy - delegating purchasing decisions to autonomous agents is fundamentally different from reviewing AI-generated content. Many SMBs also lack the integrated, real-time data that autonomous systems require - their information lives in disconnected spreadsheets and email threads. Fixing this takes real investment - and it should happen before any agentic experimentation can even start.

"None of my systems are properly integrated, so I end up doing a lot of things manually - updating bookings across platforms and managing data in different places."

DE business owner

"There are so many tools out there - I spend a lot of time testing them, and then when I want to actually integrate it, I realize it doesn't integrate with what I'm using."

UK business owner

EXISTING SUPPORT: enablers and g_a_p_s

"Government programs are not hands-on enough. What we actually need is short, practical, bite-sized training that solves one immediate business problem, not broad generic digital skills programmes. What works is learning by doing, testing tools in real business scenarios." — DE business owner

This frustration was common among the business owners we interviewed. Public and private actors across Europe have launched a range of support programs - government-backed digitalization schemes, industry association offerings, fintech partnerships, vendor-provided training - many of which appear not to be designed around the realities of the businesses that need them most. To build support that actually works for micro-enterprises and early-stage firms, it is helpful to understand what already exists and where the gaps are.

The support landscape:
public and private initiatives

The EU has positioned AI as a central pillar of its competitiveness strategy through the Digital Europe Programme, the Apply AI Strategy, and the AI Continent Action Plan (European Commission 2025). In the UK, the UK's Help to Grow: Management programme offers subsidized digital skills training for SME leaders, while the AI Growth Lab provides a regulatory sandbox for testing AI products (DSIT 2025; GOV.UK 2025). Germany's go-digital programme offers subsidized consulting at the Länder level, and the new Federal Ministry for Digital Transformation (BMDS), established in May 2025, signals stronger institutional commitment to digitalization (BMDS 2025).

Technology platform initiatives offer a distinct advantage: direct connection to implementation. Payment processors embed fraud detection and cash flow forecasting; e-commerce platforms integrate automated marketing; cloud providers bundle AI into familiar interfaces. Micro-enterprises will not independently integrate multiple AI systems, but will use AI if it arrives seamlessly within platforms they already depend on (Salesforce 2024).

Yet both public and private support have limitations - public programs remain uneven in coverage and focus on generic awareness rather than tailored implementation (OECD 2025b), while private initiatives concentrate where commercial incentives align, leaving micro-enterprises and traditional sectors outside the logic. Neither approach alone is enough. **Reaching all small businesses takes a coordinated effort - non-profits, associations, and chambers of commerce filling the gaps that public programs and commercial platforms can't cover on their own.**

What is missing:
critical gaps in training and support

Industry associations and chambers of commerce occupy trusted positions within SMB ecosystems - Germany's Mittelstand associations facilitate peer learning networks, and the British Chambers of Commerce launched its AI Academy in October 2025 (BCC 2026). Yet the broader landscape remains thin: 76% of AI-using SMEs are still "AI novices," only 16.5% have benefited from any government digitalisation support, and 65% of non-beneficiaries were unaware such programmes existed (OECD 2026).

Existing training initiatives reveal four systematic gaps:

Foundational digital gaps are overlooked.

A significant share of Europeans still lack basic digital skills (European Commission 2024). Programs that skip digital literacy foundations produce frustration rather than capability. Yet current offerings cluster at the awareness level or assume advanced competencies, leaving progression routes incomplete (OECD 2025b).

Micro-enterprises are excluded by design.

Program design assumes businesses with several employees and capacity to absorb multi-week commitments. Administrative complexity and poor targeting limit participation among the smallest firms (OECD 2025b).

Support is fragmented and one-off.

Workshops generate enthusiasm but rarely lead to implementation. SMBs cite lack of time (38%) and maintenance costs (39%) as key barriers to deepening digital adoption - even when training exists, its format fails to match realities (OECD 2026).

Agentic AI is absent.

Training addresses general AI awareness and basic generative tools, but the capabilities agentic systems demand - workflow redesign, oversight protocols, data readiness - remain largely unaddressed (OECD 2025a). SMBs often lack AI-ready data and face fragmented systems, yet training rarely addresses these prerequisites (G7/OECD 2025).

What micro business owners have tried and what would actually help

The training experiences of the business owners in our sample validated these gaps. Most relied on self-directed learning - YouTube, social media tips, hands-on experimentation - rather than formal programs. Those who tried structured offerings found them too theoretical or too disconnected from real workflows. The consistent ask across both markets was for actionable micro-learning: short, use-case-driven modules delivered by credible peers or practitioners rather than broad digital literacy courses. Peer and community-based learning emerged as the most valued format - the business owners we spoke with reported that recommendations from their network and real-world examples from other business owners were more impactful than any formal training. The gap between what micro business owners need and what currently exists reinforces the urgency of targeted capacity-building programs.

"Real examples from other business owners trigger adoption - seeing how others apply AI in business is what makes it click. Most of what I've learned came through peer recommendations and exchanging with other SMB owners who use the same tools." DE business owner

The business owners we interviewed were remarkably consistent about what they needed: practical, use-case-driven learning, delivered in short formats by credible peers, with sustained follow-up.

WHAT SMB OWNERS NEED:

turning insight into capability

"This initial lack of knowledge on what automations and AI can do is a barrier - but once they see what's possible, small businesses begin to have a lot of ideas of how to use it." — DE business owner

That shift - from confusion to clarity - is exactly what a well-designed support program can deliver. The gaps above tell us what a working support model needs to look like.

Drawing on our interviews with business owners, comparative evidence, and INCO's program experience, we have built the "INCO Entrepreneurs AI Training Framework" below - eight design principles that turn what business owners told us into something ecosystem actors can actually fund, build, and deliver.

The framework puts inclusive access first - support designed for solopreneurs, micro-enterprises and resource-constrained SMB owners - not for businesses that are already ahead. It also focuses on getting businesses ready for agentic AI - not just general awareness - because autonomous systems will change the competitive landscape fast.

Training is the single most impactful thing we can do to make AI adoption more inclusive. Each additional percentage point spent on workforce training amplifies AI's productivity gains by 5.9 percentage points (Aldasoro et al. 2026). But for small businesses, training has to match their reality - combining user-friendly technology with training, real-world proof, and hands-on implementation support (OECD 2025b; G7/OECD 2025), not just technical knowledge or tool access.

INCO ENTREPRENEURS

AI Training Framework

The eight pillars are sequenced by business owners' journey: meet them where they are, make it relevant, build skills, de-risk adoption, support implementation, connect them, unlock the next frontier, and deliver it right.

Every pillar above originated in a business owner's frustration, aspiration, or unmet need. The framework translates what they told us into a structured model for action. Together, these eight pillars form a complete support architecture - modular by design, so ecosystem actors can adopt one, several, or all eight depending on the businesses they serve and the role they play.

1. Tiered pathways

Match training to current digital maturity.
Entry-level: digital foundations. Intermediate: AI concepts and guided pilots.
Advanced: agentic system management and compliance.
Tiers connect through clear progression routes, not isolated offerings.

In practice: *an intake assessment that places each participant at the right starting level, with milestone checkpoints that trigger progression to the next tier.*

2. Business-specific customisation

Cohorts organised by business type so every use case explored is immediately recognisable. Training designed for lean teams, limited budgets, and sector-specific workflows.

In practice: *facilitators use sector-relevant case studies drawn from real micro business scenarios, so participants leave each session with an actionable use case for their own business.*

3. Target real strategic needs

Combine AI literacy with business strategy and human capabilities. Rather than assembling multiple paid subscriptions, participants learn to identify high-value use cases for their specific business context, design lightweight solutions around AI's strengths, and manage human-AI collaboration effectively. Not just tool users, but strategic thinkers who can decide when to buy, when to build, and when to simplify their stack.

In practice: *modules where participants map their own workflows, identify where AI creates value, and learn to build lightweight custom solutions using general-purpose LLMs ("vibe coding") rather than stacking multiple paid tools.*

4. Trust and compliance guidance

Practical GDPR and AI Act frameworks, "what's safe vs what's not" guidelines, and human-in-the-loop design principles. Address the regulatory paralysis business owners face.

In practice: *ready-to-use decision trees and checklists that participants apply to their own AI use cases during the program - not theory but live compliance planning.*

5. Sustained implementation support

Intensive training (3–6 weeks) combined with extended advisory access (3–6 months) during pilot deployment. Advisors troubleshoot, refine use cases, and prevent abandonment when challenges arise.

In practice: *each participant is paired with an advisor who reviews their pilot progress at regular intervals and helps course-correct before challenges lead to abandonment.*

6. Community and peer learning

Cohort-based programs where business owners learn from peers facing similar challenges, and feel that they are not alone in the challenges they face. Facilitated networks by sector and AI maturity level, with successful participants becoming mentors to newer cohorts.

In practice: *dedicated peer sessions for knowledge exchange and a peer mentorship cascade where program graduates support newer cohorts, creating knowledge transfer that outlasts the program itself.*

7. Agentic readiness

Start from the basics to ensure solid foundations, but also prepare businesses for autonomous AI through sequential steps: workflow redesign, data readiness assessment, and oversight protocols. Demystify agentic AI by breaking it into concrete, manageable capability-building stages.

In practice: *business owners complete a structured self-assessment - which processes are repeatable enough for agents? What data is missing? Where must humans stay in the loop?*

8. Hybrid delivery model

Self-paced learning, periodic intensive workshops, local peer groups. Short formats that respect the reality of running a business.

In practice: *modules designed to be completed in a short time and with flexibility, not in a classroom for a full day.*

Conclusion

"I think targeted AI training will help me develop my strategy, it will help me scale, it will give me that level of emotional support because as someone who's starting a business there's a level of risk." — DE business owner

Across all our interviews, the pattern is unambiguous: the business owners we spoke with are motivated but overwhelmed. They need use-case-first learning, curated tool stacks, hands-on implementation, human-in-the-loop design, and trust and compliance guidance.

The need for practical AI support for solopreneurs, micro and small business owners goes well beyond the UK and Germany. The patterns we documented, corroborated by broader research, are not exceptions – they reflect challenges that Europe's 25 million small businesses are already facing: surface-level adoption, fragmented support, and a widening capability gap.

The AI opportunity for European small businesses is real, but unlocking it will require coordinated action across the organisations that support them — from business networks and public agencies to skills providers, funders and technology companies. Practical, inclusive support doesn't just help individual businesses grow — it strengthens local economies, reduces inequality, and builds the kind of communities Europe's future depends on.

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