

# SIDE HUSTLES THE NEW NORMAL?

Side hustles are a big trend at the moment, something that looks set to continue for the foreseeable future. But what exactly is a side hustle, how many people are involved and what's important to the people that have them?

DHL eCommerce UK - Excellence. Simply Delivered.

## **6.49** UK ADULTS CURRENTLY RUN A SIDE HUSTLE

The global pandemic changed many things about our everyday lives and the increase in people taking up a side hustle is one of those – one in five adults in the UK has started a side hustle since March 2020.<sup>1</sup> What's more, **63%** of these are still active today – that's around **6.49 million UK adults.** 

Recent research carried out by DHL eCommerce UK among small business owners showed that **67%** of those surveyed were running a side hustle alongside their main job.<sup>2</sup> Over a quarter **(26%)** of these people are looking to turn it into a full time endeavour in the future.

SIDE HUSTLE VS FULL TIME VENTURE Time

30 NUSTIE

Future Full Time Venture

Many people found that the pandemic gave them the **extra time and energy** they needed to be able to start their business ideas, while others took the opportunity to reconsider their long term plans.<sup>3</sup>

# SIDE HUSTLES

The most popular side hustles involve **arts and crafts** or selling **hand-crafted products,** while home baking and freelance marketing services also made the top ten.<sup>4</sup> And once you've created your beautiful products, you need to find somewhere to sell them and ensure they reach your customers in perfect condition.

1

2

3

4

5

6

7

8

9

10

#### Arts and crafts

Online shop/e-commerce

- **Clothing and textiles**
- Social media content creator
- Home baking/cake making
- Tutoring/teaching
- **IT/Computing**
- Marketing services, including copywriting and design
- Hair and beauty services
  - Fitness / wellbeing

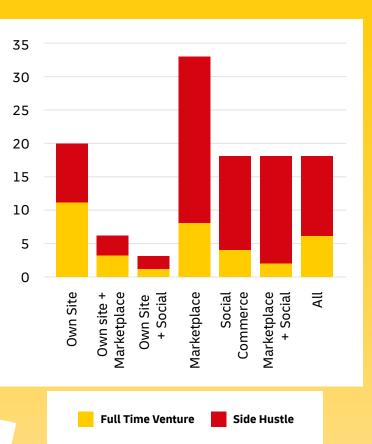


# SELL, SELL, SELL.

DHL eCommerce UK's research has shown that the most common place for side hustlers and small business owners to sell their products is on marketplace websites, such as eBay, Etsy and Amazon Marketplace.

But a surprising number are selling via social commerce sites – **30%** of those surveyed selected this as their main selling channel. And that's where their audiences are shopping – **52%** of shoppers say they have bought something on social media prior to 2021 and **69%** say they have been inspired by social media content to make a purchase through another channel.<sup>5</sup>

### **WHERE DO SELLERS SELL?**



Just under half **(43%)** of those running a full time venture sell via their own ecommerce websites, compared to a fifth **(20%)** of those who are currently running a side hustle. Nearly a third **(31%)** of people who have their own website also sell via marketplace or social commerce sites.

## DELIVERING THE GOODS

Next day delivery is the most important requirement from couriers, according to research carried out by DHL eCommerce UK.<sup>6</sup>

**41%** of those surveyed chose **next working day** UK delivery as most important to them and their customers, compared to **31% choosing slower, cheaper UK delivery.** But when asked what is most important when choosing a delivery company, 38% chose price, with just **16% choosing speed of delivery.** Trust also ranked highly, with 23% choosing this as most important.

Nearly half of respondents **(45%) choose to charge their customers for delivery,** with less than a quarter offering free deliveries. **24%** offer free delivery only if the customer spends over a certain amount. 41%

SAY NEXT DAY UK DELIVERY IS IMPORTANT TO THEM AND THEIR CUSTOMERS



CHOSE PRICE AS THE MOST IMPORTANT FACTOR WHEN SELECTING A DELIVERY COMPANY

23%

RANKED TRUST AS THE MOST IMPORTANT FACTOR WHEN SELECTING A DELIVERY COMPANY

# SUSTAINABILITY MATTERS

Concern around climate change and pursuing a more sustainable way of life continues to be high on the agenda. Research carried out by Eden McCallum shows that **92%** of people are concerned or very concerned about environmental sustainability.<sup>7</sup> And **39%** of people believe that companies and brands have the biggest impact the environment.

But it's not that simple. A study by Deloitte in June 2022 found that **52%** of people say a sustainable lifestyle is too expensive.<sup>8</sup> And this attitude seems to hold true when it comes to sustainable deliveries – just **2%** of respondents to the DHL eCommerce UK survey said that green or sustainable delivery was an important factor in choosing a parcel delivery company.



Service Partner

OF CONSUMERS ARE CONCERNED ABOUT ENVIRONMENTAL SUSTAINABILITY



#### OF CONSUMERS SAY A SUSTAINABLE LIFESTYLE IS **TOO EXPENSIVE**



OF SMALL BUSINESS OWNERS ARE **NOT PREPARED TO PAY MORE** FOR SUSTAINABLE DELIVERY

Furthermore, over half of those surveyed said that a delivery company having green and sustainable credentials would be important "possibly in the future", while nearly a quarter (24%) said that they would not be prepared to pay extra for a green or sustainable delivery service.

With prices in the UK on the increase in the wake of the pandemic, Brexit and the cost of living crisis, it's unlikely that thrifty consumers will be prepared to bear the cost of sustainable practices. Indeed, almost half of global consumers (48%) believe companies are responsible for increasing the amount of packaging that is recycled and two in five (41%) believe that companies are responsible for reducing emissions from air transport, according to a 2021 Mintel report.<sup>9</sup>

## JUST RIGHT RETURNS

**57%** of ecommerce merchants say that returns are a significant or very significant problem – and this rises to **73%** for small businesses.<sup>10</sup> This is an issue that is likely to get worse – **52%** have seen an increase in return rates over the last year.

Currently, just over half **(56%)** of the small business owners surveyed by DHL eCommerce UK offer returns to their customers. Of those who aren't, a quarter **(26%)** are considering it as an option for the future. **11%** Possibly in Possibly in

SG0

DO YOU OFFER YOUR CUSTOMERS A RETURN SERVICE?

When comes to covering the cost of returns, over half of those surveyed **(53%)** pass the cost on to their customers. Just over a third **(35%)** offer free returns and the remainder offer store credit to cover the cost of the return. This may be somewhat jarring for consumers, over two thirds of whom **(67%)** identify free returns as being of high importance.<sup>11</sup>



OF SMALL BUSINESSES OFFER FREE RETURNS





OF CONSUMERS SAY FREE RETURNS ARE IMPORTANT TO THEM

If you already have or are considering implementing a returns policy, you can find our top tips for getting it right at <u>dhl.com/just-right-returns</u>

## THE BOTTOM LINE

So, what is the most important thing to small business owners when choosing a delivery company? Ultimately, price is a deciding factor – a not unexpected outcome in today's volatile economic climate. **38%** of small business owners chose this, with trust coming in as the second most important factor with **23%**. This price consciousness was seen throughout the survey, as respondents showed reluctance to pay more for premium services, with **79%** saying they are not currently prepared to pay more for a more sustainable delivery service. It can also be seen in the fact that only **22%** offer their customers a free delivery with the remainder charging or requiring the customer to spend a set amount in return for free delivery.



However, a guaranteed next working day delivery is still of importance to two fifths of respondents **(41%)**, with **16%** identifying speed of delivery as the most important criteria.

Find out more about our services for small business owners at send.dhlparcel.co.uk



- <sup>1</sup> <u>https://www.aviva.com/newsroom/news-releases/2022/06/one-in-five-brits-have-started-a-side-hustle-since-march-2020/</u>
- <sup>2</sup> DHL eCommerce UK Small Business Owners Survey, September 2022. 106 respondents
- <sup>3</sup> https://www.simplybusiness.co.uk/knowledge/articles/2021/11/over-one-third-of-people-in-uk-now-run-a-side-hustle/
- <sup>4</sup> https://www.simplybusiness.co.uk/knowledge/articles/2021/11/over-one-third-of-people-in-uk-now-run-a-side-hustle/
- <sup>5</sup> <u>https://www.bazaarvoice.com/resources/shopper-experience-index-2022/</u>
- <sup>6</sup> DHL eCommerce UK Small Business Owners Survey, September 2022. 106 respondents%
- <sup>7</sup> Eden McCallum Environmental Sustainability Client Survey, October 2021 <u>https://edenmccallum.com/consumer-sentiment-pulse-check-environmental-sustainability/</u>
- <sup>8</sup> https://www2.deloitte.com/uk/en/pages/consumer-business/articles/sustainable-consumer.html
- https://www.mintel.com/press-centre/social-and-lifestyle/consumers-hold-companies-most-responsible-for-sustainability-issues-but-also-thinkthey-can-make-a-difference#:~:text=Almost%20half%20(48%25)%20of.fifth%20(20%25)%20with%20governments.
- <sup>10</sup> https://www.doddle.com/wp-content/uploads/2022/02/Doddle\_Returns\_Research\_Report\_2022\_Why-carriers-have-to-care.pdf
- <sup>11</sup> https://info.zigzag.global/preparing-for-peak-returns-2021