



SUSTAINABILITY MATTERS: DHL EXPRESS' GLOBAL SURVEY ON SMALL BUSINESSES

INSIGHTS TO INFORM YOUR BUSINESS'
SUSTAINABILITY STRATEGY

December 2024



Sustainability is now the key to business success

Where is your business on its sustainability journey? And how does it measure up against its competitors?

Sustainability is no longer just a buzzword – it has become a strategic imperative for businesses of all sizes. The seventh edition of the DHL Logistics Trend Radar – released earlier this year – highlighted sustainability as a key trend set to transform the industry over the next ten years.

Not just your customers, but also stakeholders, employees, and potentially investors are increasingly scrutinizing companies' **Environmental, Social, and Governance (ESG) practices as a critical measure of long-term value and credibility.**

This shift reflects a growing understanding that businesses embracing ESG principles are not only reducing their carbon footprint, but also enhancing their brand reputation, gaining a competitive edge and securing long-term financial growth.

For businesses of all sizes, the message is clear: sustainability is now a key driver of success. Those who fail to act risk being left behind, while those who integrate sustainability into their core strategy will be positioned as leaders in the evolving global economy.

So what impact is this having on the ways SMEs structure their business?

To discover the answer, DHL Express conducted an in-depth survey with Small and Medium-sized Enterprises (SMEs) across the world, exploring their approaches to sustainability; how much of a priority it is within their business strategy, their willingness to invest in sustainable solutions, the biggest challenges they face in adopting such practices, and the evolving expectations of their own customers.

This report brings the key results together, and shares **actionable steps your business can take to improve the sustainability of its own logistics.**



Contents

Introduction: page 2

Research methodology: page 3

Key takeaways: pages 4-5

Survey results: pages 6-22

Sustainability: your SME's key growth strategy: page 23

DHL Express: the sustainable logistics partner of choice: page 24

Grow your business with the power of sustainability: page 25



Research Methodology

As the global leader in the logistics industry, DHL supports thousands of SMEs across the world within a wide scope of industries; a unique position that has allowed it to witness the growing prioritization of sustainability across supply chain operations.

To gain a greater understanding of this new landscape, DHL Express conducted an **online survey with 5,437 SME decision makers across 11 markets: the UK, France, Germany, the Netherlands, Australia, China, Singapore, Japan, Mexico, Canada and India.** The businesses that took part in the research spanned nine sectors: retail, consumer goods, professional services, engineering, fashion, technology, chemicals, life science & healthcare, and financial services. The fieldwork took place in July 2024 and took three weeks to complete.

The survey provides an **in-depth and unique analysis of the relationship between SMEs and sustainability** in today's world. It highlights key findings and trends to identify insights that will help your business navigate the evolving landscape and seize new opportunities.

7 key takeaways from DHL Express' global sustainability survey of small businesses



Sustainability is a key priority for businesses

At least two thirds of SMEs within all surveyed sectors said that sustainability is either “very important” or “extremely important” to them. The financial services sector and fashion sector agreed most strongly with this – 81% of respondents in each group answered this way.



Most SMEs are reluctant to invest in sustainability

Despite widespread understanding of the importance of the issue, many SMEs are reluctant to allocate any serious budget towards sustainable initiatives. Most (53%) are only willing to invest 1-3% of their operating budget into sustainable practices. Only 9% will invest more than 5%, whilst 16% will invest nothing.



China and India emerge as sustainability leaders

They may be known as global manufacturing and exporting giants, but SMEs across these regions are leaning into sustainable practices. 72% of Chinese SMEs and 59% of Indian SMEs said that sustainability is “extremely important” to their business – versus a global average of 35%. At the other end of the scale, only 16% of Japanese SMEs said the same.



SMEs lack confidence in customer demand for sustainable services

Globally, just 23% of SMEs believe their customers would be “very” or “extremely” willing to pay more for sustainable shipping. When reviewing the results on a country level, confidence is notably higher among SMEs in India and China, where 51% and 47%, respectively, believe their customers would be willing to do so.



Securing internal and customer support is a leading challenge for SMEs

When asked about their challenges in reaching their sustainability goals, the main concern for most SMEs across all markets was getting internal and customer buy-in. This was particularly prevalent in Germany, where 74% of SMEs felt this.



Fashion industry defies stereotypes

Despite existing in an industry that often receives negative press around its manufacturing processes, most fashion SMEs are strongly pro-sustainability. 81% of respondents in the sector said it is “very important” or “extremely important” to their business. 78% said they feel offering sustainable delivery options could improve their brand image (“to some/a large/a very large” extent.)



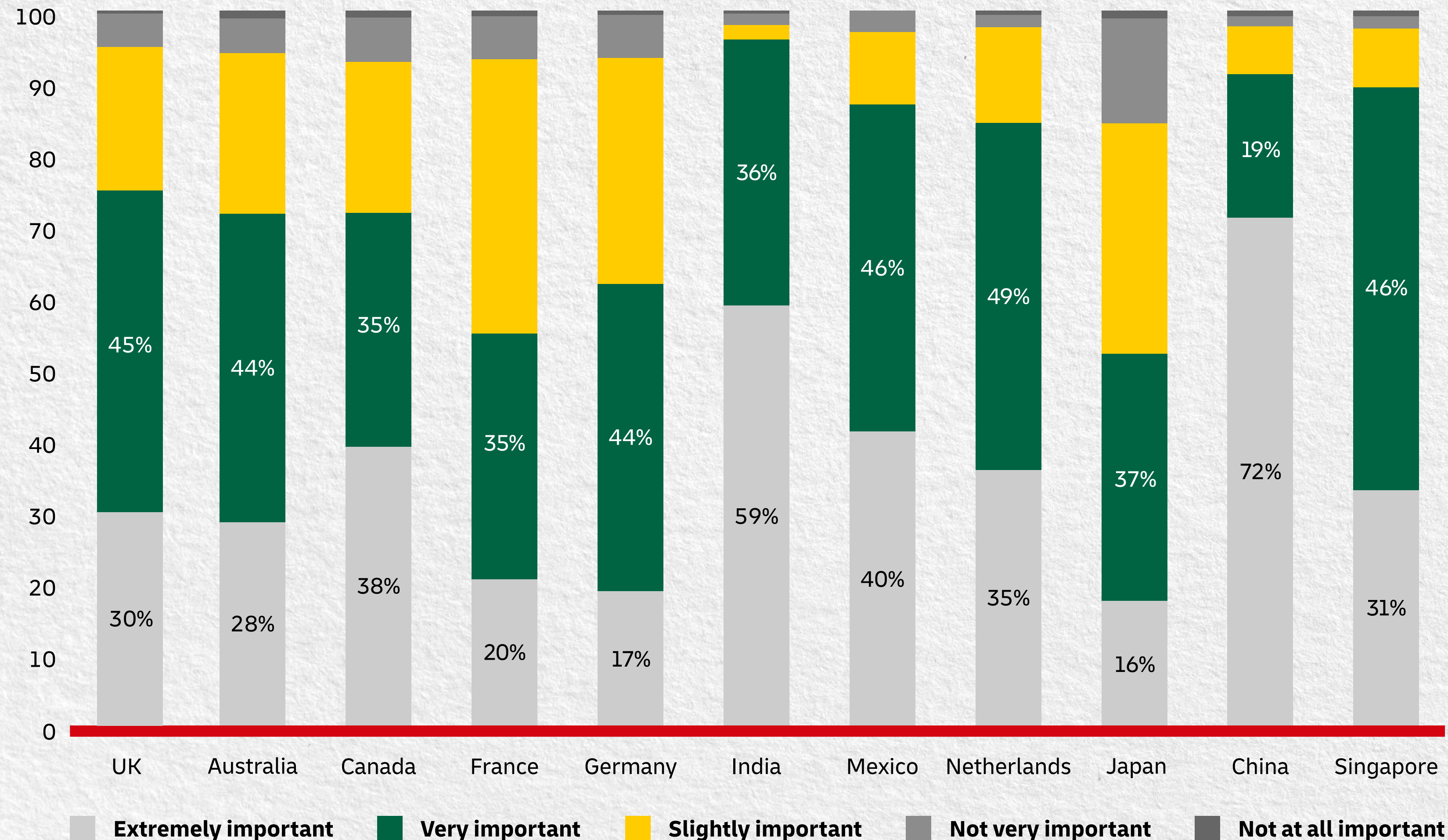
Financial services sector sits firmly in its sustainability era

SMEs in the financial services sector were the most likely to say sustainability is “extremely important” to their business (43%). They were also the most willing to allocate operating budget to sustainability practices (88%), and the most likely to feel offering sustainable delivery options could lead to increased commercial success (47% “to a large/to a very large” extent.)



Sustainability is a top priority for businesses

How important is sustainability to your business?



When reviewing the data on a global scale, **75% of SMEs said sustainability is “very important” or “extremely important” to their business. Less than 1% said it is “not at all important”.**

When looking at the results on a country level, India and China led the way as big supporters of sustainability – 95% and 91%, respectively, said that it is “very important” or “extremely important” to their business.

Elsewhere, Mexico also stood out as a country with a big commitment to sustainability; 86% of SMEs there said it is “extremely important” or “very important” to their business. In Europe, the Netherlands took the lead amongst its neighbors, with 84% of SMEs there saying the same, whilst France trailed behind at just 55%. Meanwhile, Japan ranked the lowest of all the countries, at just 53%.

There will be many factors impacting the variations in results. Different countries’ laws and policies on sustainability within workplaces not only has a direct impact on operations, but influences wider cultural attitudes towards the issue.

Why every SME should be on board with sustainability



SMEs make up over 90% of all businesses worldwide, meaning their significant contribution to global carbon emissions cannot be ignored.

But there is positive news. According to the UN-backed SME Climate Hub*, nearly half of small businesses calculate their emissions, and 60% have plans to reduce their carbon impact.

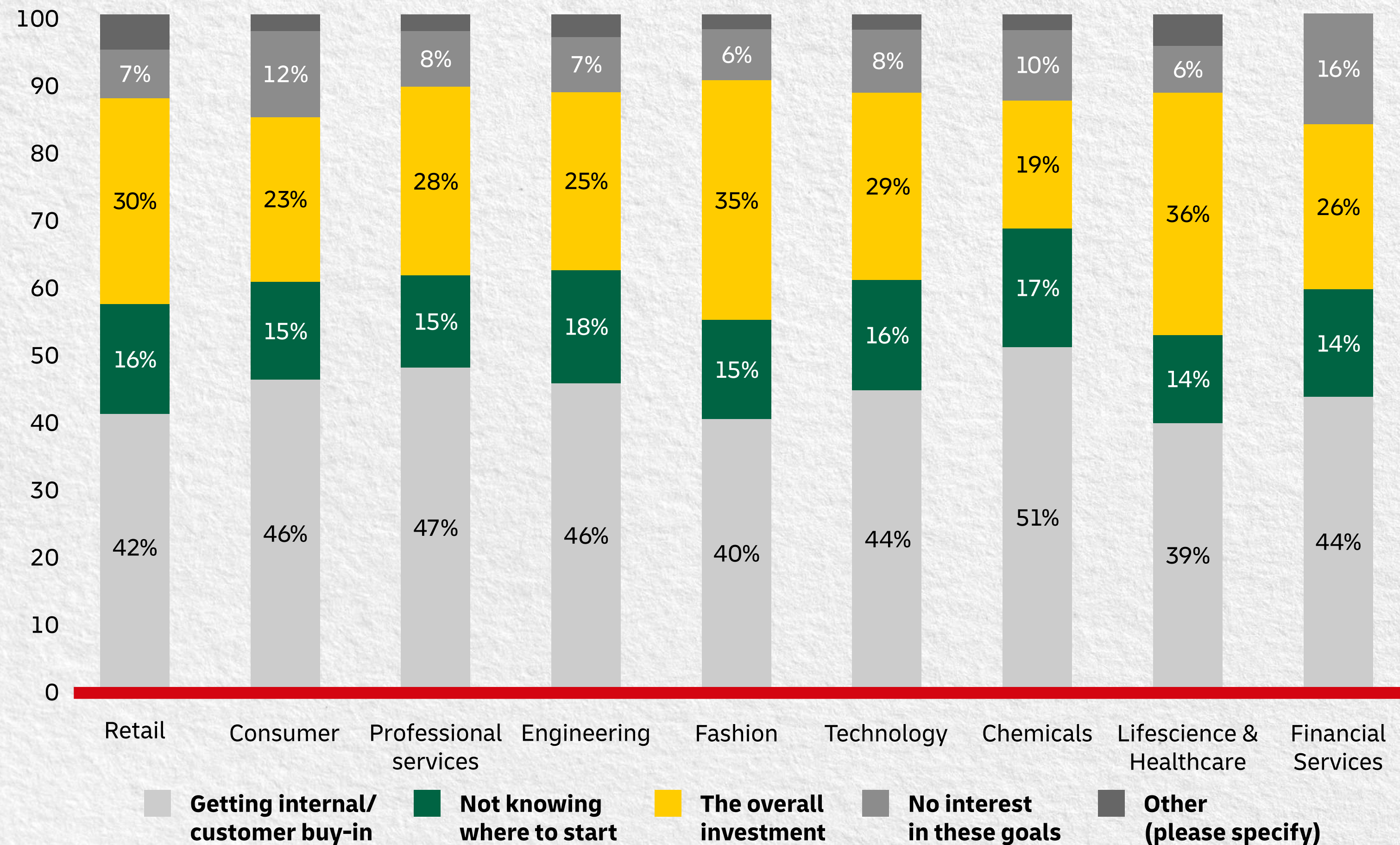
Here, Bettina Paschke, VP of ESG Accounting, Reporting & Controlling at DHL Express, explains why sustainability is such an important topic for small businesses.



*SME Climate Hub, 2022

Securing internal and customer support for sustainability strategies is a key challenge for SMEs

Biggest challenge when considering sustainability goals, by industry



For all sectors, the biggest challenge when considering sustainable goals is getting customer/internal buy-in – particularly within the chemicals (51%) and professional services (47%) sectors.

Any business implementing a new sustainability initiative needs active engagement from all employees for its success. Without company-wide buy-in, an authentic, long-term culture of sustainability will not survive. Similarly, customer support galvanizes the business to stay on track to meet its goals.

When reviewing the data by country, the results show a similar pattern: the main concern for SMEs in all markets was getting internal and customer buy-in. This was particularly the case in Germany, where 74% of SMEs felt this.

Yet, a survey by McKinsey* found that 66% of consumers consider sustainability when they make a purchase, aligning themselves with brands that are compatible with their values and priorities. Such stats will demonstrate to your stakeholders the importance of your business having a clear and dedicated sustainability policy.

*McKinsey, February 2023

Overcoming challenges to your sustainability goals

“ We are very small and cannot really afford to do more than we already are. ”
(Automotive SME, Australia)

Many SMEs highlighted not knowing where to begin on their sustainability journeys. Bettina Paschke, VP ESG Accounting, Reporting & Controlling at DHL Express advises:

“ If a company would like to consider sustainability in their business, first they should think about where they have the most and the biggest impact. ”

Switching to sustainable logistics processes may require some initial investment but can save your business money in the long-term due to waste reduction and an increase in customer acquisition rate. And remember, you can start small – something like introducing a recycling program in your office or warehouse requires minimal investment.

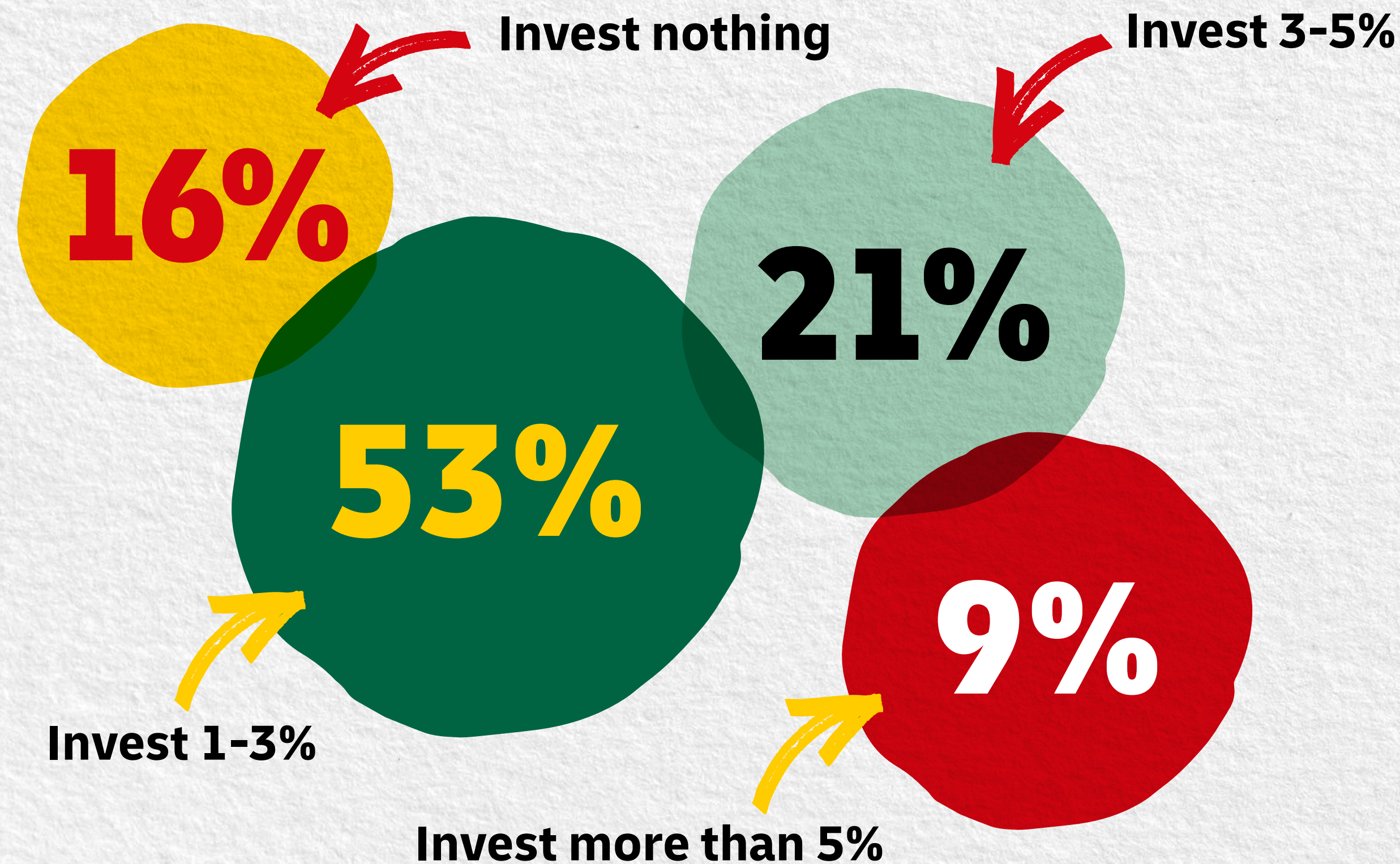


Implementing sustainable practices doesn't have to be complex. Here are some quick tips:

- **Reduce your energy consumption.** Turn off lights, computers and machinery when not in use. A utilities management system can help you track and reduce your usage.
- **Install recycling stations** around your office and within your warehouse.
- **Educate your staff.** Make “reduce, reuse, recycle” your workplace mantra.
- **Invite feedback from customers** about changes they'd like to see from your brand.

Most SMEs are still reluctant to allocate any substantial budget to sustainability

Average operating budget SMEs across all sectors are willing to invest in sustainability practices:



Despite many respondents indicating sustainability as a growing priority to their business, they are reluctant to invest any serious money towards making changes. The majority (53%) said they would only invest 1-3% of their operating budget in sustainability practices, whilst 16% said they were unwilling to invest anything.

When reviewing the data geographically, 51% of global SMEs, on average, said they were willing to invest 1-3% of their operating budget into sustainable practices. Only 11% were willing to invest more than 5%, whilst 19% said they were unwilling to invest anything.

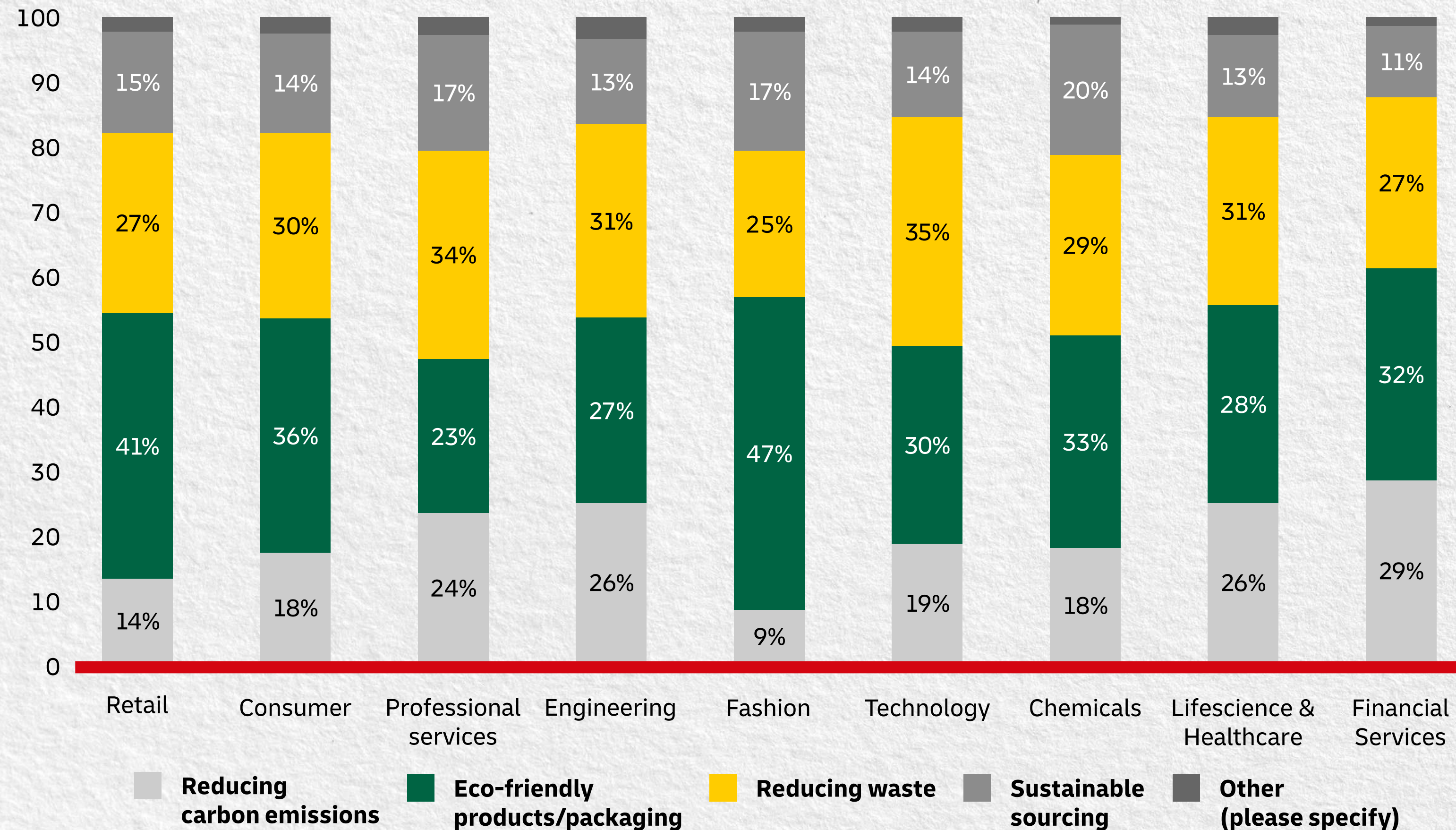
“ We do a cost/benefit analysis, then decide. ”
(SME, Canada)



Many governments across the world offer tax breaks, grants and other financial incentives to encourage businesses to adopt more eco-friendly practices, so do your research about what benefits are available to your SME.

Eco-friendly products and packaging are big priorities for B2C sectors

Biggest sustainability priority, by industry



Understandably, priorities differ by industry. For the consumer-facing fashion and retail sectors, “eco-friendly products and packaging” is the biggest priority – perhaps unsurprising given the current trend for more conscious consumption.

“Producing a durable product that outlasts other products in the field reduces ALL production waste – labor, raw goods, infrastructure and shipping.”

(Retail SME, Canada)

Reducing waste is the leading priority for the technology (35%) and professional services (34%) sectors. Regarding the former, research from Statista* reveals the challenge facing the industry. In 2023, tech giant Apple was responsible for over 19 thousand metric tons of waste disposal at landfill, whilst Intel contributed over 17 thousand tons.


Yet, there are some positive changes happening. The Statista report highlights the growth of the refurbished consumer tech market, and several technologies that have been developed to optimize energy consumption within the sector.


*Statista, 2024

Three quick tips for eco-friendly products & packaging

Many of the survey respondents said eco-friendly products and packaging are big priorities for their business. Indeed, for SMEs, these initiatives are great first steps on a more environmentally-friendly path, whilst helping to enhance their brand reputation amongst customers.

1  Work with manufacturers and suppliers who have committed to eco-friendly production techniques.

2  Prioritize durable, long-lasting materials for your products, and recyclable, biodegradable materials for your packaging.

3  Source locally; choose suppliers near your facilities to reduce transportation emissions.

“ *At DHL, we have seen an increase in the number of customers enquiring about our eco-friendly packaging solutions. SMEs recognize it is something that their customers are paying close attention to.* **”**
Leendert van Delft, VP Global Sales Programs, (Digital) Marketing & Global E-commerce at DHL Express



Fashion shakes off its stereotypes

The fashion industry has historically received bad press around the environmental impact of its manufacturing and logistics processes, but results from our survey suggest many SMEs within the sector are now aware of consumer demand for more responsible practices:

75%

think their customers would be willing to pay more for sustainable products

78%

believe offering sustainable delivery options will improve their brand image “to some/to a large/to a very large” extent

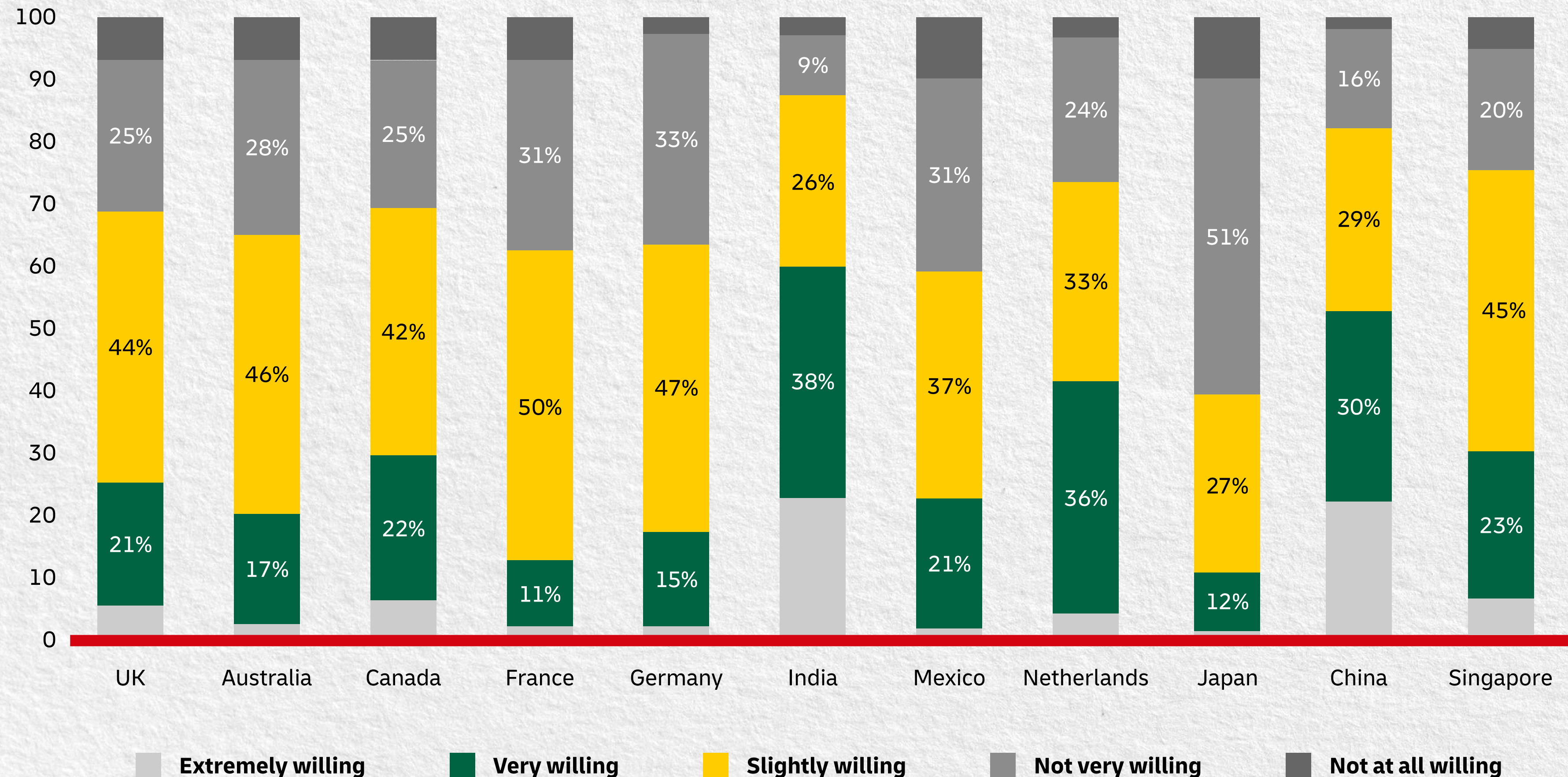
“**[Customers] expect a level of sustainability ‘built in’ and may be prepared to pay more for higher levels of sustainability if it is clear how it will be achieved, e.g. carbon offsets.**”
(Fashion SME, UK)

Businesses within this sector will need to invest in a sustainability strategy – and communicate it clearly to customers – if they are to remain competitive. They must be prepared to verify their sustainability claims if they are to avoid accusations of “greenwashing” from consumers.



SMEs unconvinced about customer demand for sustainable shipping

Willingness to pay more for sustainable shipping, by country

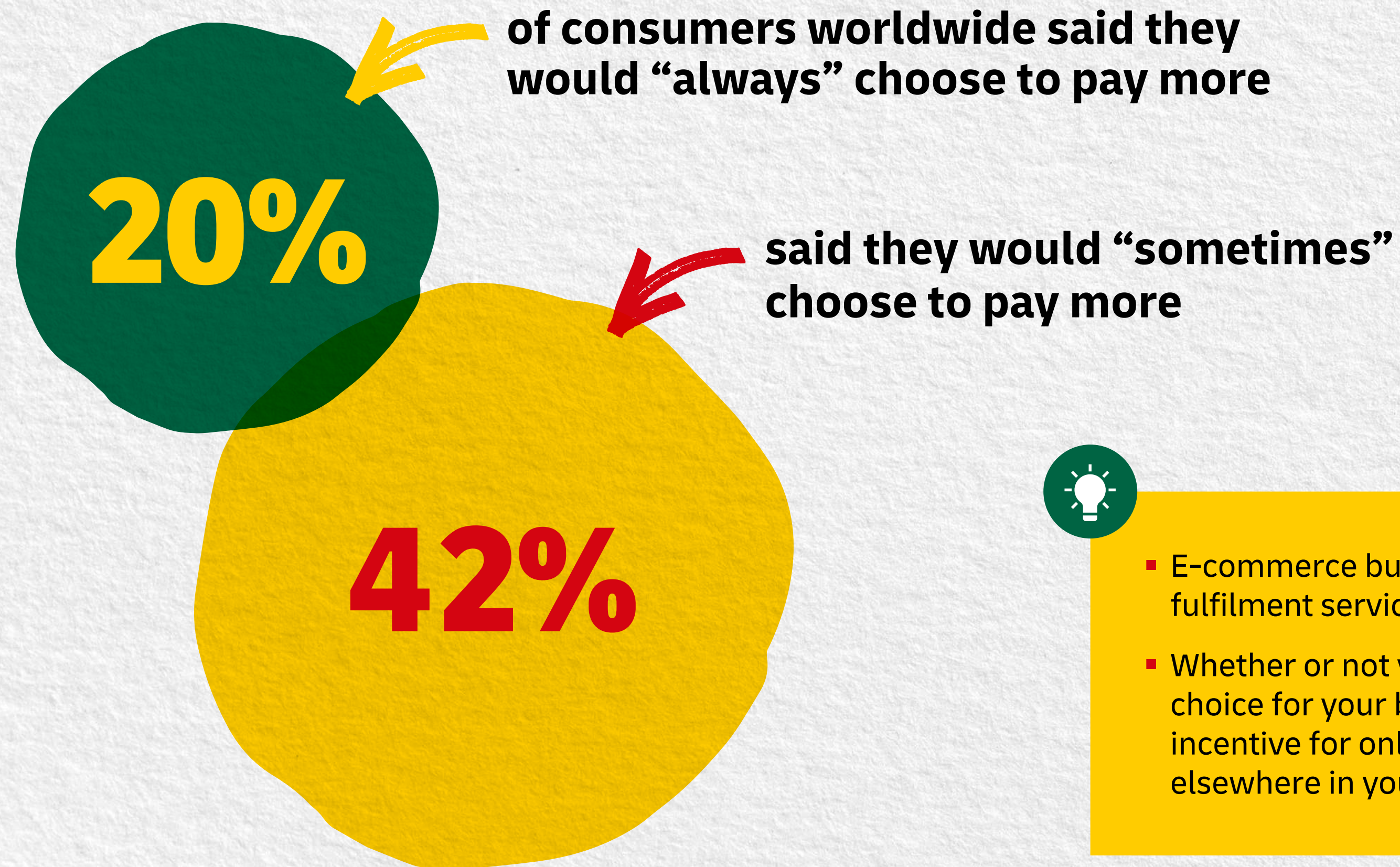


Globally, SMEs are not confident their customers are on board with paying extra for sustainable shipping options: **across all countries, most SMEs said their customers would only be “slightly willing” to pay.** (This was also a top answer when reviewing the data by sector.)

In contrast, 51% of SMEs in India and 47% of SMEs in China think their customers would be “extremely” or “very” willing to pay more for sustainable shipping – versus a global average of 29%. As exporting powerhouses, it is arguable that SMEs there are leaning into sustainable strategies in order to engage Western consumers.

Sustainable shipping: the path to cross-border success

Whilst SMEs are not convinced their customers would be willing to pay more for sustainable shipping, results from a key consumer survey suggest their concerns are unwarranted. DHL's [Global Shopper Survey](#) asked consumers if they would be willing to pay more for sustainable shipping.



- E-commerce businesses shipping internationally should be willing to adapt their fulfilment services depending on local preferences if they're to attract buyers.
- Whether or not you charge extra for sustainable shipping may be a personal choice for your business. But remember, free shipping has always been a big incentive for online shoppers so consider where you could absorb the cost elsewhere in your business.

Sustainable shipping with DHL's GoGreen Plus

DHL Express' GoGreen Plus is a dedicated solution to help businesses reduce the carbon emissions associated with their shipments using Sustainable Aviation Fuel.

This biofuel is produced from renewable sources such as vegetable oils, animal fats and waste products. SAF is specifically designed to be used as a substitute for traditional jet fuel and can reduce greenhouse gas emissions by up to 80% compared to fossil fuels.

Current GoGreen Plus customers include [Google](#) and [Mytheresa](#). Here, the DHL sustainability experts explain why it could be a great solution for *your* business.

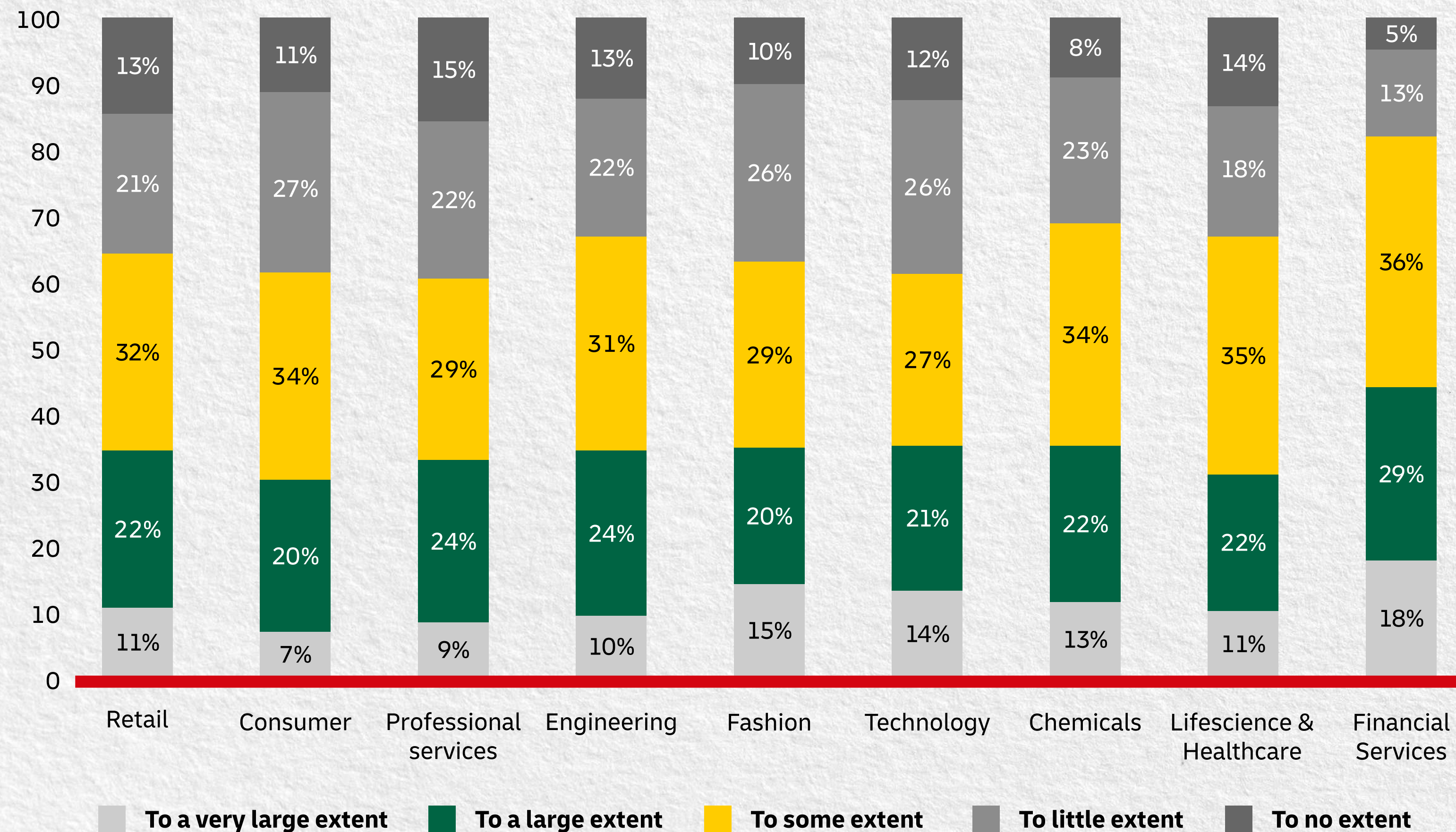
80%

Around 80% fewer emissions with DHL's GoGreen Plus



Financial services SMEs believe sustainable delivery options are a key driver for commercial success

Extent to which sustainable delivery options could lead to increased commercial success, by industry



Nearly half (47%) of SMEs in the financial services sector feel that offering customers sustainable delivery options could lead to increased commercial success “to a large extent” or “to a very large extent.” Despite this, we have seen that SMEs are not confident their customers would be willing to pay more for sustainable shipping. That leaves them with the question of where the costs could be absorbed within their business.

At country level, SMEs in India and China strongly believe that offering sustainable delivery options to their customers will lead to sales growth (68% and 61% respectively say this will increase their commercial success “to a large extent” or “to a very large extent”).

So, what are the commercial benefits of offering sustainable delivery options?



Attract more customers

Almost eight in ten global shoppers said they would be interested in a more sustainable delivery option for their online orders*. Offering a low-emissions shipping service at checkout will enhance your brand reputation and drive customer loyalty.



Cost savings

Sustainability focuses on reducing waste and enhancing efficiencies – both of which can lower your operating costs. Furthermore, switching from fossil fuels to more sustainable fuels will make your business more resilient against fluctuations in energy prices.



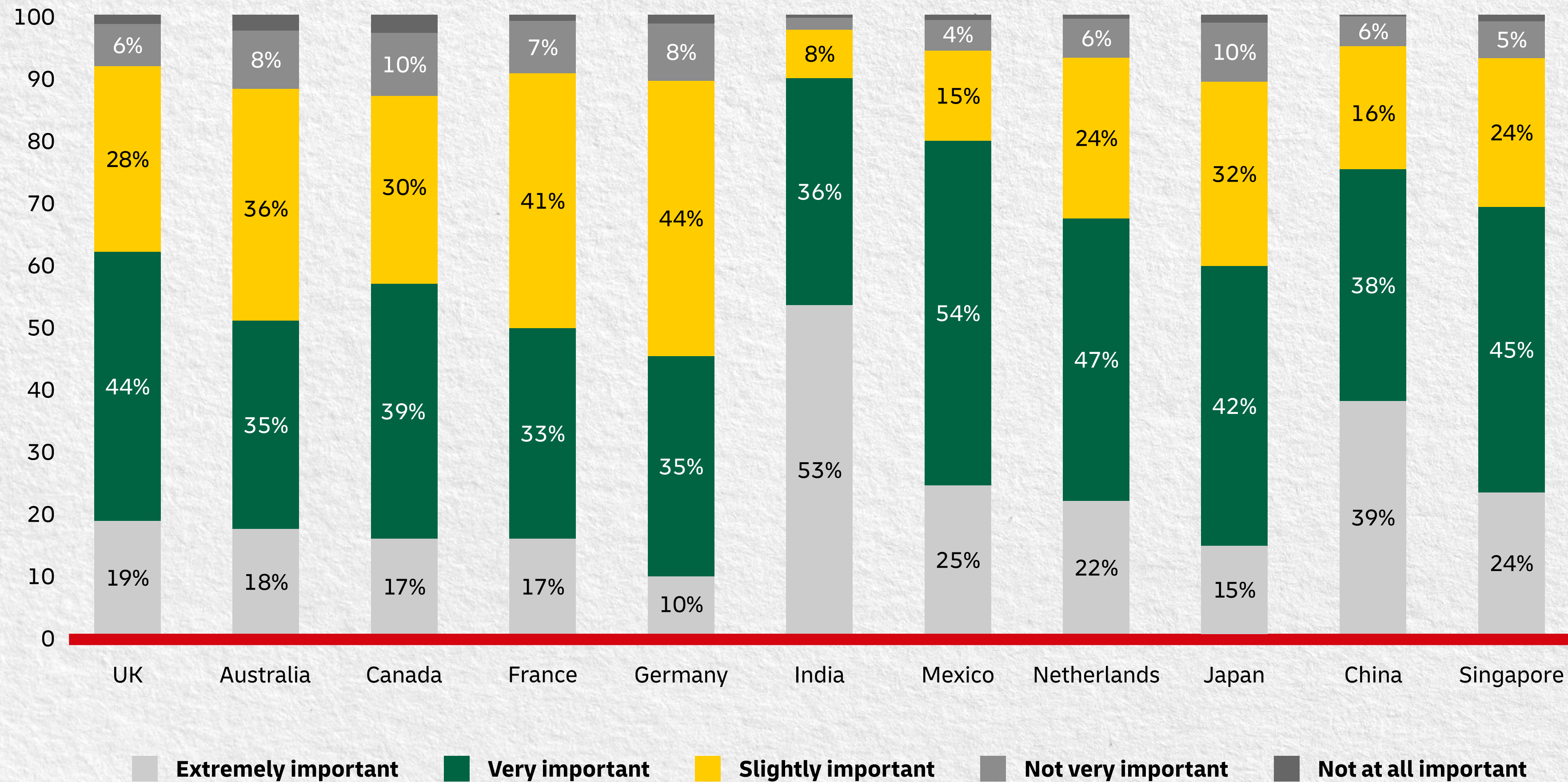
Attract investment

A strong sustainability strategy demonstrates your business' commitment to lowering its carbon emissions – adding value to it by making it more attractive to investors.

*Statista research; release date February 2023

India and Mexico prioritize a sustainable logistics partner

Importance of a logistics partner that prioritizes sustainability, by country



A third of SMEs in the financial services sector feel it is “extremely important” to have a logistics partner who prioritizes sustainable business practices, and a quarter of SMEs in the retail, professional services, fashion, engineering and technology sectors feel the same.

When reviewing the data by country, SMEs in India think it is crucial to work with a logistics partner that prioritizes sustainability (90% say it is “extremely” or “very” important). It is also a priority for SMEs in Mexico (79%) and China (77%).

How to improve the sustainability of your logistics: three tips from DHL Express

1 Switch to sustainable fuels

Sustainable Aviation Fuels are alternative liquid fuels that can be used in place of traditional jet fuel to power aircraft. Unlike traditional jet fuel, which is derived from petroleum, SAFs are biofuels made from sustainable and renewable resources (feedstock) such as used cooking oil, animal fats, and agricultural waste. In contrast to fossil fuels, which emit carbon that had been previously locked away in the ground, SAFs release the carbon that was absorbed by the feedstock during its lifecycle, making them carbon neutral.

65%

The International Air Transport Association (IATA) estimates that SAF could contribute around 65% of the reduction in emissions needed by aviation to reach net-zero in 2050.



DHL Express' GoGreen Plus is a dedicated solution to help businesses reduce the carbon emissions associated with their shipments through the use of Sustainable Aviation Fuel.

“ Our GoGreen Plus product enables our customers to decarbonize their shipments by using Sustainable Aviation Fuels. It's a great solution because it is made from renewable and waste materials, therefore can save a lot of emissions – around 80% emission reduction compared to fossil fuels. They can also be blended and mixed with fossil fuels, so they are easy to implement. ”

Noelle Froehlich, Senior Expert, Clean Operations at DHL Express

2

Reduce your failed delivery rate with DHL Express' On-Demand Delivery (ODD)

Every re-delivery attempt costs your business money and increases its transportation emissions. But with ODD, your customers will be able to choose from a wide range of flexible delivery options – including choosing a specific delivery time (when they know they will be home), or opting to have the package left with a neighbor or at a parcel locker. This means that whilst your customers enjoy a convenient experience, your business will increase its first-time delivery rate which will reduce its emissions.



3

Optimize last-mile deliveries with AI

If you're making several deliveries to customers a day, with your own fleet of vehicles, route planning software can help you plan the most efficient sequence, taking in factors such as distance, real-time traffic, vehicle capacity, and delivery time windows. All of which means goods get to customers quicker, and your business reduces its fuel consumption. In case you do not operate your own fleet of delivery vehicles, choose a logistics partner which makes use of this technology – like DHL Express.



Sustainability: your SME's key growth strategy

Sustainability is now at the forefront of many businesses' agendas in a way it has never been before. Yet, there is a discrepancy between awareness of the issue and “action” – with many SMEs reluctant to make any serious investment in sustainability practices. Furthermore, SMEs are not convinced of their customers' support for such initiatives – despite research showing to the contrary. This hesitancy to commit fully to a dedicated sustainability strategy risks leaving SMEs behind.

Earlier this year, the latest edition of the DHL Express Logistics Trend Radar highlighted the next-generation of sustainability trends set to transform logistics over the next decade, including sustainable fuels, vehicle electrification, and renewable energy infrastructure. It is clear that a sustainability strategy is no longer a “nice to have” for businesses; it has become a necessity to drive growth, attract customers, and secure long-term investment.

For SMEs, the challenge of developing and implementing one can often seem overwhelming – with many survey respondents highlighting not knowing where to start on the journey. **Yet by partnering with an established logistics leader with a dedicated portfolio of low-emissions shipping solutions – like DHL Express – SMEs can position themselves to remain viable, competitive, and ensure their long-term growth.**

DHL Express: the sustainable logistics partner of choice

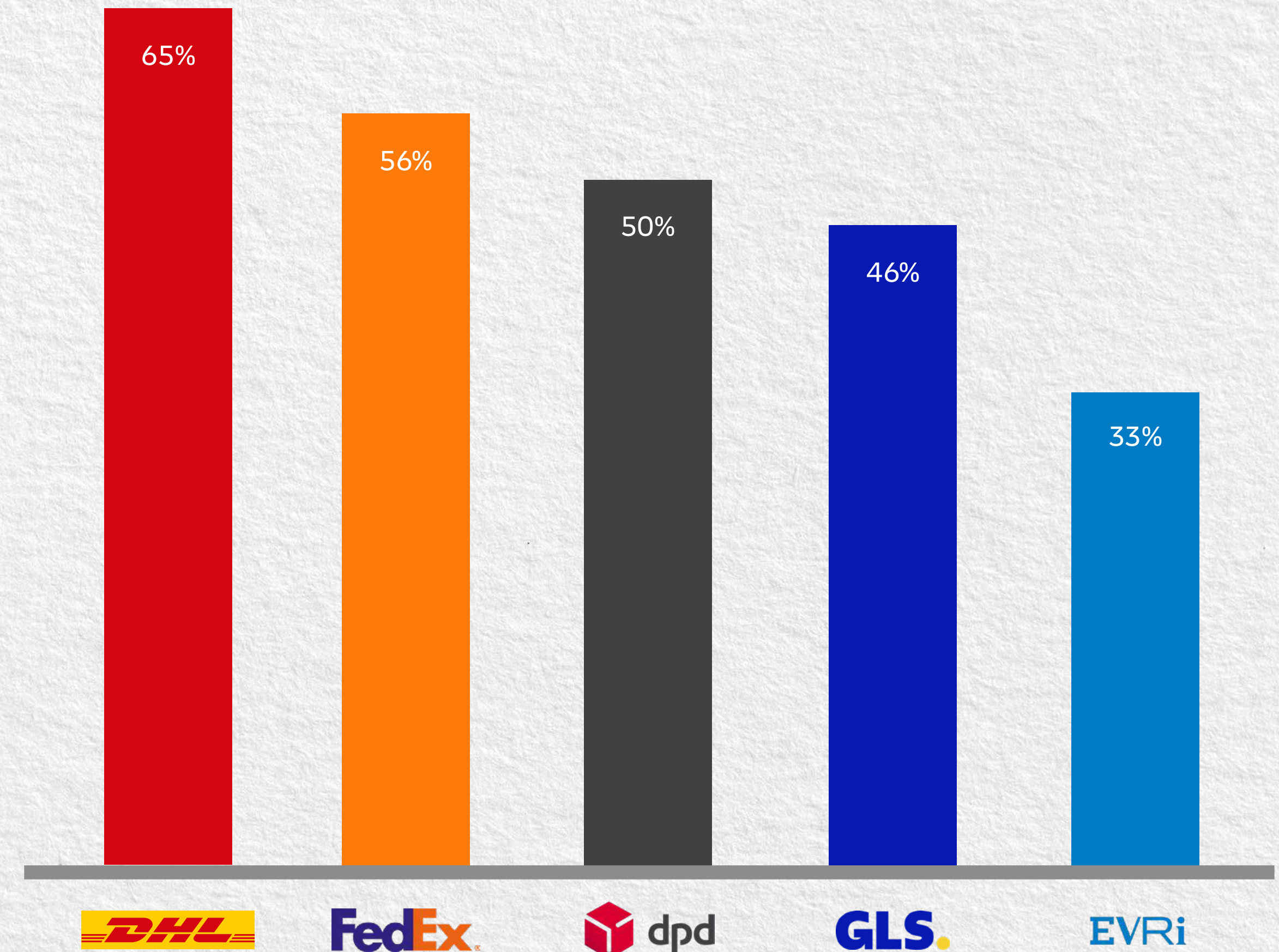
Research from DHL's Global Shopper Survey 2023 found 65% of consumers believe DHL is "quite" or "very" sustainable.

“ We take pride in maintaining the largest fleet of electric vehicles in the logistics industry and in achieving the highest share of Sustainable Aviation Fuel among all airlines globally in 2023. Investing in low-emission logistics, which anticipate future market demand, will materialize into a competitive advantage as these transport solutions are becoming increasingly important to our customers. ”

Tobias Meyer, CEO of DHL Group



Which companies do global shoppers trust to make deliveries in a sustainable way?



Grow your business with the power of sustainability

To discover more about how DHL's GoGreen Plus could benefit your business on its path to sustainability, **apply for an account** or speak to your DHL account manager.

And be sure to check out **Discover**, a dedicated hub of small business insights, tips and advice from the DHL experts – including how to implement sustainable logistics.

[dhl.com](https://www.dhl.com)

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