

Mid-2022 State of U.S. SMEs and International Trade

It's not surprising that global issues are having a large impact on small and medium-sized enterprises (SMEs) so far in 2022. To gain insight into the current SME challenges and opportunities and how they are informing business planning and operations for the rest of the year, DHL Express conducted a survey of U.S. SMEs, including its customers. Here are the key findings, compiled from the over 4,000 responses:

COVID is no longer a major concern for most businesses: Only 12% said they expect COVID-19 would be their biggest business challenge for the rest of 2022.

Supply chain challenges aren't going away: A large majority (61%) said supply chain delays will be their biggest challenge for the rest of the year. That is an increase from the 54% that said supply chain delays were their biggest business challenge in 2021.

- When asked about what is causing supply chain challenges this year, 42% said logistics costs, 32% said product availability, 15% said Customs compliance and 11% said varying laws in international markets. To overcome these challenges, many businesses (37%) have prioritized making new international business contacts (whether new manufacturers, distributors, etc.), which can help them conduct business and ship more efficiently.

A large majority (65%) of respondents are planning earlier for the holidays this year because of expected supply chain delays.

- 31% are planning 1-3 months earlier than they would in a typical year without supply chain concerns
- 23% are planning 4-7 months earlier
- 11% are planning 8-12 months earlier

Employers are making plans to account for talent shortage: In last year's survey, 50% of the respondents said staffing was not a challenge. This year, more companies are feeling the impact of



the “Great Resignation”, with just 38% saying they are not impacted by the talent shortage. To address the talent shortage, nearly one-third of respondents have invested in employee perks/bonuses, 18% are investing in robotics and new tech, and 17% are investing in an online presence vs. brick & mortar.

Inflation is making international waves: 42% have experienced changes in their international sales due to inflation; 26% have seen a decrease in international sales as a result of inflation and 16% have seen an increase. However, 30% of respondents said they are unaffected by inflation.

Digital currency is not money in the bank...yet: Despite digital currency gaining popularity, 42% of respondents said their business will never accept it as payment. Still, a majority of respondents are either already accepting (11%) digital currencies, plan to accept it in 2022 (24%) or plan to accept it in the next 2-5 years (23%).

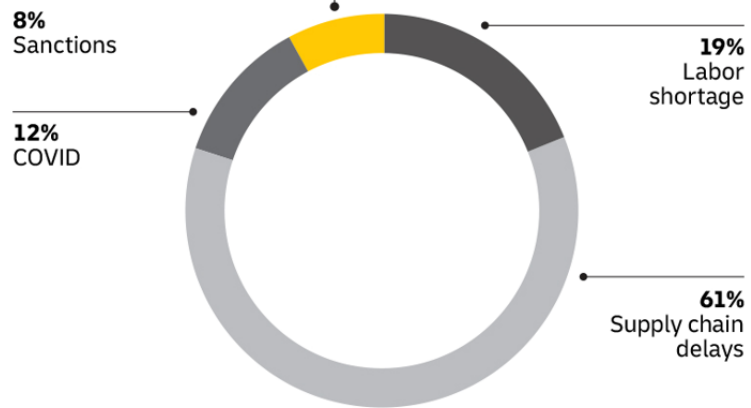
Overall, the survey findings suggest that while the worst of COVID-19 is (hopefully) behind us, issues caused by the pandemic, such as the supply chain delays, talent shortage and inflation are having a lasting effect on U.S. SMEs. Working with an experienced logistics partner like DHL, can help businesses navigate these challenges and capitalize on opportunities. DHL is dedicated to working closely with companies, and to creating custom-shipping solutions so they can begin, or continue to, expand their businesses beyond the U.S. borders.

See below for the full survey results. Follow @DHLUS on Twitter and Instagram for timely information and updates.

Survey Questions

CUSTOMER SURVEY

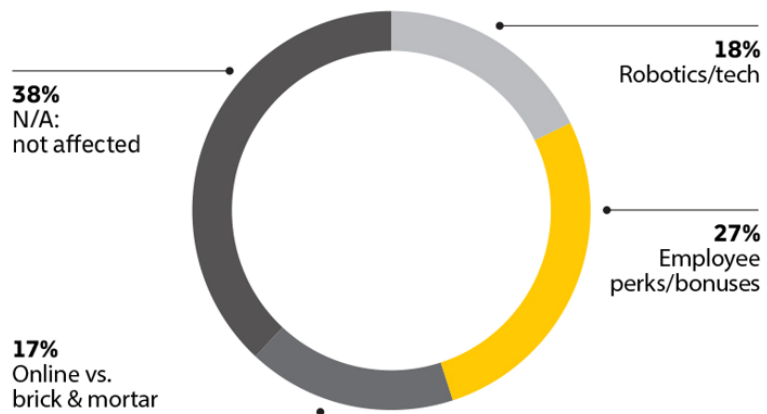
FOR THE REST OF 2022, I EXPECT MY BIGGEST BUSINESS CHALLENGE WILL BE _____.



Source: DHL Mid-Year Survey 2022

CUSTOMER SURVEY

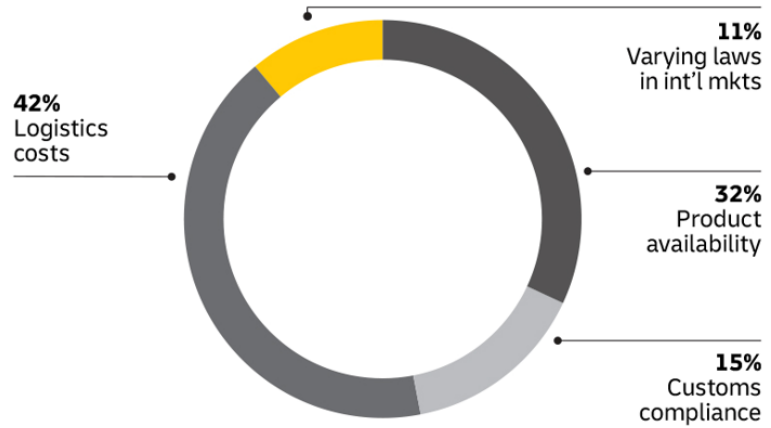
AS A RESULT OF LABOR SHORTAGES, MY BUSINESS HAS INVESTED IN _____?



Source: DHL Mid-Year Survey 2022

CUSTOMER SURVEY

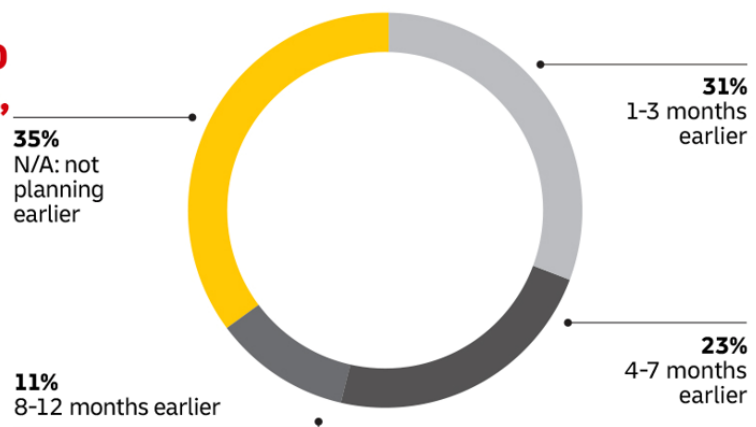
WHAT IS YOUR BIGGEST SUPPLY CHAIN CHALLENGE?



Source: DHL Mid-Year Survey 2022

CUSTOMER SURVEY

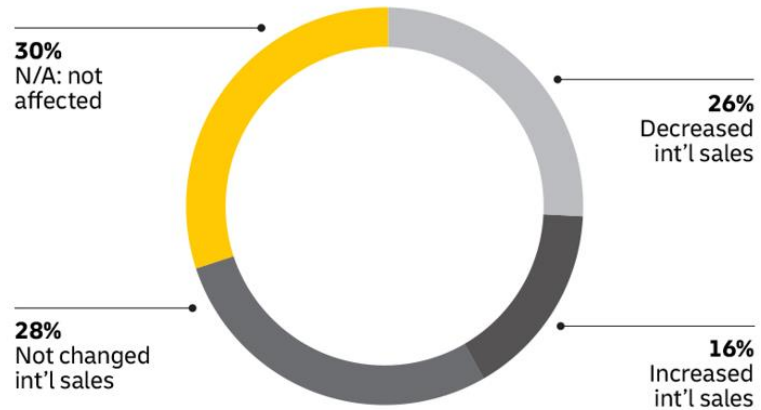
BECAUSE OF EXPECTED SUPPLY CHAIN DELAYS, HOW MUCH EARLIER IS YOUR BUSINESS PLANNING FOR THE HOLIDAYS THIS YEAR THAN YOU WOULD IN A TYPICAL YEAR WITHOUT SUPPLY CHAIN CONCERNS?



Source: DHL Mid-Year Survey 2022

CUSTOMER SURVEY

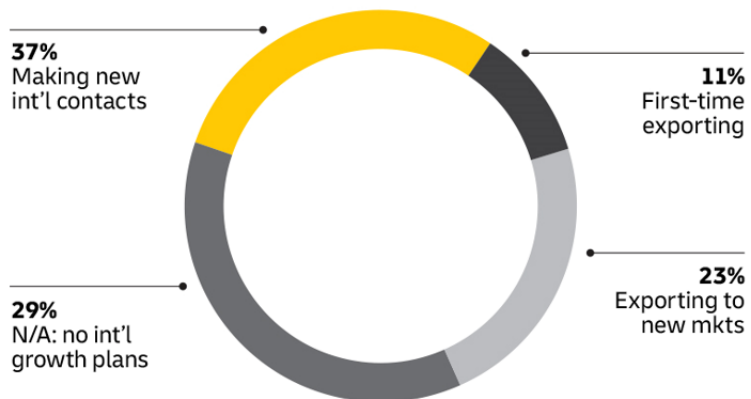
**AS A RESULT OF
INFLATION, MY
BUSINESS HAS**



Source: DHL Mid-Year Survey 2022

CUSTOMER SURVEY

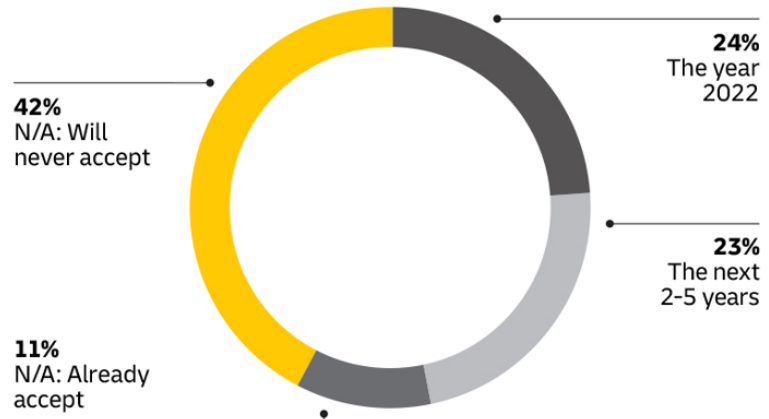
**IN THE COMING
YEAR, MY
BUSINESS PLANS
TO EXPAND
INTERNATIONALLY
BY _____?**



Source: DHL Mid-Year Survey 2022

CUSTOMER SURVEY

**MY BUSINESS
PLANS TO
ACCEPT DIGITAL
CURRENCIES
(I.E. BITCOIN,
LITECOIN) IN**



Source: DHL Mid-Year Survey 2022