

## **Despite challenges, SMEs optimistic about e-commerce growth for rest of 2024**

In the face of economic challenges, such as inflation, global conflict and uncertainties surrounding the upcoming election, small and medium-sized enterprises (SMEs) are increasingly turning to e-commerce to sustain and grow their businesses. The agility of e-commerce platforms allows SMEs to quickly adapt to market changes, manage costs more effectively and reach a broader, global customer base, all without the overhead costs associated with traditional brick-and-mortar operations. As inflation continues to drive up the cost of goods and services, e-commerce provides SMEs with tools to optimize pricing strategies and streamline supply chains.

To gain insight into the varying ways in which SMEs prioritize e-commerce today, and their plans for the rest of 2024, DHL Express surveyed its U.S. SME customers. Here are the key findings, compiled from the over 1,000 responses:

### **Despite economic challenges, e-commerce business outlook is optimistic.**

The outlook for e-commerce sales in 2024 remains optimistic among SMEs. According to the survey, a significant 65% of respondents anticipate that their e-commerce sales will increase year-over-year (2023 vs. 2024), with 24% expecting a significant increase and 41% predicting a slight increase. This positive sentiment highlights the resilience and growth potential within the e-commerce sector, as businesses continue to adapt and find new ways to thrive in the fluctuating environment. Only 6% of respondents foresee a decrease year-over-year, indicating a strong overall confidence in the continued expansion of online sales.

### **Inflation and shipping costs remain a strong concern.**

Inflation and shipping costs are prominent concerns for e-commerce businesses today. The survey reveals that 40% of respondents view shipping costs as the biggest threat to their business, while 38% identify inflation as their primary challenge. Likewise, 60% of respondents note that inflation is the top issue they will be following for the rest of the year, compared to



other subjects like the presidential election, AI regulation and ESG regulation. These concerns overshadow other issues, like cybersecurity and global conflicts. The rising costs of goods and supply chain needs are putting pressure on profit margins, forcing businesses to find innovative solutions to manage expenses and maintain competitiveness in the market.

### **International business growth is a top priority for SMEs.**

International expansion is a key focus for SMEs in 2024. Over half of the survey respondents (53%) see international growth as the biggest opportunity for their e-commerce business. This is further supported by their priority markets for expansion, with 43% targeting the EU and UK, and 29% looking towards Mexico and Canada. This emphasis on international growth reflects a business desire to diversify markets and tap into new customer bases, leveraging global e-commerce trends to drive future success. Likewise, 43% of respondents share that international delivery speed is the most important service benefit DHL offers, followed by flexible delivery options (24%.) As businesses look to expand globally, customs compliance also remains top of mind, with multiple SMEs noting that compliance with destination customs to streamline clearance will be key to market growth.

### **International trade views will affect the way businesses vote in the 2024 U.S. presidential election.**

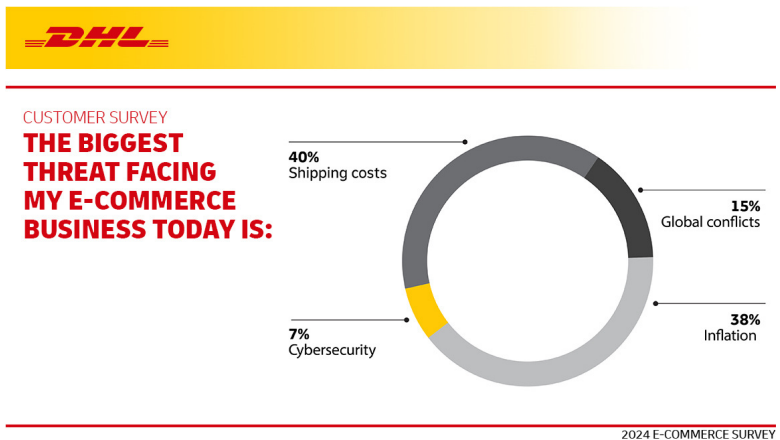
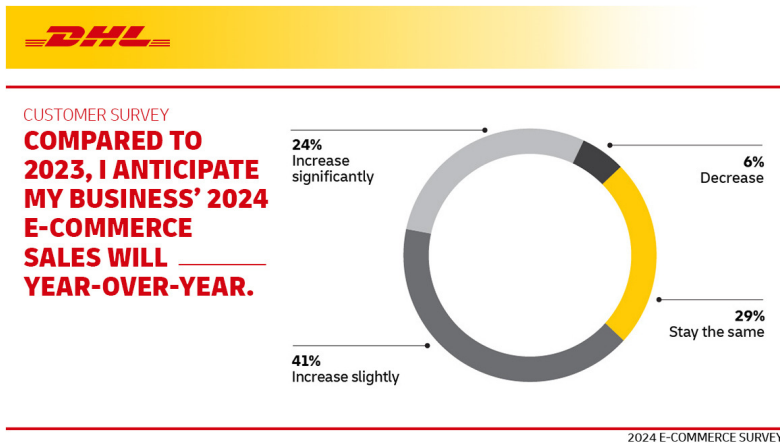
The views of U.S. presidential candidates on international trade are poised to significantly influence voting decisions among business owners. According to the survey, 65% of respondents agree that the candidates' stances on international trade will affect their vote, with 23% strongly agreeing. This underscores the importance of international trade policies in shaping the business environment, as e-commerce businesses seek to navigate and capitalize on global market opportunities. The focus on trade views highlights the interconnectedness of politics and business strategies in the current economic climate.

Overall, SMEs remain optimistic about the potential for e-commerce growth despite the economic hurdles. A combination of international delivery speed, flexibility and customs expertise form the backbone of DHL's reliable delivery services for SMEs, all of which are fundamental in supporting e-commerce growth. DHL is dedicated to adeptly navigating hot



spots and exhibiting flexibility to re-route shipments when necessary, ensuring that deliveries are made precisely when and where customers require them. Furthermore, DHL's expertise in handling customs complexities helps businesses avoid delays and smoothly navigate regulations, facilitating seamless international expansion. These elements collectively enable SMEs to thrive in a dynamic e-commerce landscape.

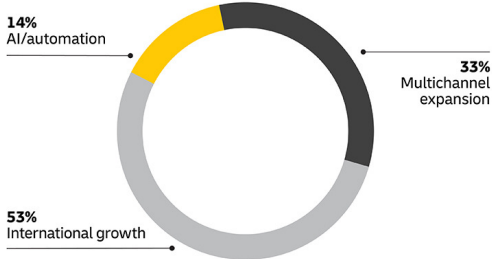
## Survey Questions





CUSTOMER SURVEY

**THE BIGGEST  
OPPORTUNITY FOR  
MY E-COMMERCE  
BUSINESS IS:**

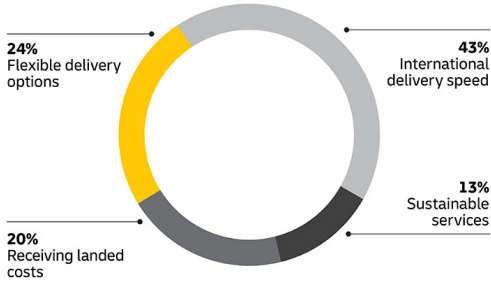


2024 E-COMMERCE SURVEY



CUSTOMER SURVEY

**WHAT DELIVERY  
SERVICE BENEFITS  
ARE MOST  
IMPORTANT TO YOU?**



2024 E-COMMERCE SURVEY



CUSTOMER SURVEY

**THIS YEAR,  
A PRIORITY  
MARKET FOR  
INTERNATIONAL  
E-COMMERCE  
EXPANSION FOR  
MY BUSINESS IS:**

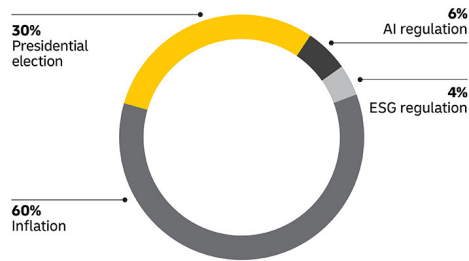


2024 E-COMMERCE SURVEY



CUSTOMER SURVEY

**WHAT IS THE  
TOP ISSUE YOU'RE  
WATCHING FOR  
THE REST  
OF THE YEAR?**



2024 E-COMMERCE SURVEY



CUSTOMER SURVEY

**THE U.S.  
PRESIDENTIAL  
CANDIDATE'S VIEW  
ON INTERNATIONAL  
TRADE WILL  
AFFECT THE WAY  
I VOTE THIS  
ELECTION YEAR.**



2024 E-COMMERCE SURVEY