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Opening Remarks: Renzo Bravo

SME e-commerce Whitepaper

Given Dubai's reputation as a global trading hub, most people would find it surprising that less than 1% of companies in Dubai are registered as large businesses - a majority of the businesses are micro, small and medium-sized enterprises. When you consider that SMEs now generate over half of the UAE's gross domestic product, you quickly understand UPS's goals in gaining insight on how to better serve their growth needs with a smart global logistics network that moves 3% of the world's GDP daily. And that is precisely why we are excited to share the latest learnings that come from the results of our very first SME e-commerce survey launched in partnership with SME10X.

While some of the data may seem to speak for itself, we have taken a closer look at the results to make better sense of how we can help what we see as a growth vector for Dubai and the many small businesses who can stand to benefit from better positioning themselves for future growth. The importance of small and medium enterprises (SMEs) to Dubai's economy is on a continued growth trajectory with SMEs having contributed 40% to the emirate's GDP in 2009, and reaching an estimate of 53 percent in 2019.

Small business growth is a country-wide impetus. The federal government aims to increase the growth of this vital part of the economy to around 60 per cent by 2021¹. But a growth goal like this needs support. With a rising number of small businesses entering the e-commerce space, there is a continuing need to work with logistics providers who are able to keep pace with the technological requirements and demands of a fast-changing online world.

We sought to understand sentiments and small business outlook as regards e-commerce. SME10X helped us cover a representative sample of more than 5,000 SMBs in the GCC across key sectors including manufacturing, services and trading, and analyzed the results based on the participation of 1,153 respondents. The survey findings captures current shipping behaviors and trends among small and medium businesses in the UAE and across the GCC.

As a global leader in supply chain, package delivery and logistics services that serves more than 220 countries and territories, UPS acts as an international growth partner for SMEs across a world that is being shrunk daily thanks to ever-increasing levels of connectivity enabled by technology. We are committed to helping SMEs grow and scale their operations while ensuring they meet customer needs - it's a companywide strategic imperative for UPS because we recognize the great growth opportunities for small businesses, especially those eyeing new customers in untapped markets across borders.

Growth is good. But scaling a business brings exponential growth - and with only incremental cost. How can small companies scale quickly? We hope that our findings can help you find your way on the path to growth.

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¹ Federal Competitiveness and Statistics Authority's report