International Post Corporation

Overseas sales remain important as online retailers express confidence for 2019, says Royal Mail

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Almost seven in ten (69 per cent) UK SME online retailers are confident that their sales will increase in 2019, according to a study commissioned by Royal Mail. With global reach and the leading enabler of ecommerce in the UK, Royal Mail is well placed to observe trends across the industry. The biggest perceived challenges for UK SME online retailers in 2019 are economic instability in the UK, pricing goods competitively, attracting new customers and growing competition in the online space. 68 per cent of retailers experienced an uplift in sales last year, compared to the previous year. However, 73 per cent of online retailers expect costs to be higher in 2019.

The study also found 70 per cent of UK SME online retailers currently sell overseas. These retailers sell the most to Europe, USA and Asia.

UK retailers are looking overseas to increase their sales. In 2019, 68 per cent of UK SME online retailers intend to increase their international sales revenue. This is up from 64 per cent this time last year. Key plans for increasing international sales revenue include: simplifying the sales/ordering/delivery and payment process (46 per cent), selling more to the markets they already sell to (31 per cent) and targeting new markets and countries (25 per cent).

When asked which destinations they intend to start selling to in 2019, Europe, USA and Canada came out on top for UK SME online retailers. In terms of prospects, Europe is perceived to hold the greatest opportunity for overseas sales, followed by USA and Asia.

A spokesperson from Royal Mail said "Although obvious challenges exist in 2019, it's promising to see the level of business confidence from UK SME online retailers. Retailers are focusing on the opportunities they have for growth and are looking at how to be successful both in the UK and abroad. At Royal Mail, we already support many retail businesses in delivering against these opportunities. We make exporting as simple as possible by giving UK SME online retailers the tools they need and we look forward to working with even more of these great businesses this year."

Source: Royal Mail