

Majority of UK SME online retailers are confident sales will increase in 2018

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The main concerns for UK SME online retailers in 2018 are the ability to make a profit (27%), increase sales (26%) and reduce costs (23%). 69% of retailers expect costs to be higher in 2018 and the biggest costs expected are purchasing (34%), logistics/delivery (32%) and advertising (27%).

The study also found 68% of UK SME online retailers currently sell overseas. 80% of these retailers sell to Europe, followed by USA (35%), Canada (31%) and Asia (17%). In the fashion sector, 88% sell to Europe, 53% to USA, 28% to Canada, and 25% to Asia. 78% in the electronics sector sell internationally, followed by 72% of health and beauty and 67% of fashion retailers.

USA is the country where retailers sell the most to, followed by France and Germany. The most popular European destinations to sell to are France, Germany and Spain.

In 2018, 64% of UK SME online retailers intend to increase their international sales revenue. In the electronics sector the percentage is higher at 78%. In health and beauty it is 69% and in fashion 68%. Key ways of increasing international sales revenue will be by simplifying the sales/ordering/delivery and payment process (45%), selling more to the markets they already sell to (28%) and targeting new markets and countries (20%).

Nick Landon, Managing Director of Royal Mail Parcels, said "It's great to see the level of business confidence from UK SME online retailers at the start of 2018. Although obvious challenges exist, retailers are grasping the available opportunities for growth and have a clear view of the actions they need to take to win new customers at home and abroad. At Royal Mail, we already support many retail businesses in delivering against exactly these opportunities and we look forward to working with even more of these great businesses this year.

UK SME online retailers are planning to target Europe (50%), USA (34%) and Canada (28%)

in 2018 due to demand, good ecommerce structure and the ease of shipping and delivery. Europe holds the greatest

opportunity, according to UK SME online retailers.

Source: [Royal Mail Group](#)

