

Three in ten UK SME online retailers don't export goods

22-02-2018

One in ten (11%) UK SME online retailers don't import or export goods, according to a study commissioned by Royal Mail, the number one facilitator of ecommerce in the UK.

- Two in ten UK SME online retailers don't import goods and one in ten don't import or export
- Almost two thirds of UK SME online retailers are aiming to increase international sales revenues in 2018
- For December 2017, the value of UK exports and imports was £29.6 billion and £39.1 billion, respectively. This suggests a huge opportunity for UK SME online retailers
- Four in ten UK SME online retailers have a physical store as well as an online presence and 14% sell via a catalogue
- Eight in ten sell via their own website and over half sell on a marketplace

One in ten (11%) UK SME online retailers don't import or export goods, according to a study commissioned by Royal Mail, the number one facilitator of ecommerce in the UK. One in four (23%) don't import any goods and 30% don't export. Despite this, there is a keen appetite for exporting with almost two thirds (64%) aiming to increase international sales revenues in 2018. In December 2017 alone, the value of UK exports and imports was £29.6 billion and £39.1 billion, respectively, according to HM Revenue & Customs. Targeting overseas customers presents a huge opportunity for UK SME online retailers.

The study also found that eight in ten (38%) UK SME online retailers have a physical store as well as a presence online. However, there are additional popular ways to sell goods

including via a catalogue (14%), over the telephone (21%) and via exhibitions (12%).

When it comes to how UK SME online retailers sell their products, eight in ten (78%) sell via their own website and over half (54%) sell on a marketplace. Looking to the year ahead, over half (52%) are planning to sell through new channels. In 2018, 15% intend to list products on a marketplace while 18% will use additional marketplace sites.

A spokesperson for Royal Mail Parcels said "The ecommerce sector is becoming increasingly globalised and SME online retailers especially should look at opportunities to expand the international side of their business. There are currently more than two billion internet users in 200 countries, with nearly 100 million of them in English speaking countries. It is a particularly good time for UK businesses to explore exporting options, given the current state of the pound. At Royal Mail, we already support many retail businesses and we look forward to working with even more of them in the future".

If you are looking to start targeting international customers or to increase your visibility overseas, follow these simple tips from Royal Mail:

Make your delivery charges affordable
 Retailers should offer affordable
 delivery to overseas customers,
 otherwise they won't buy. The cost of
 carriage should not exceed one third of



the price of the goods and free delivery is an attractive option for many customers.

- Be clear about customs charges
 Most non-EU shoppers are concerned about customs charges many websites have intimidating warnings, suggesting that customs charges can often be prohibitive. However, sales within the EU incur no customs charges at present.
- Make sure international payment works
 Most international buyers use
 MasterCard or Visa and Maestro is
 becoming increasingly popular. Also consider offering Paypal.
- Translate your website
 If you have identified a target market overseas that is non-English speaking, then translate your website and make sure it is searchable in the target language.
- Convert prices
 Create a tool that will translate your

- prices into euros, dollars or the currency of your target markets.
- Provide customer support
 Unless targeting a country where a majority of the population can speak English (e.g. Sweden, Netherlands), it is important to offer some degree of support in the local language. Offer an email, phone number or live chat support and remember to consider time differences.
- Check out the local competition
 Make sure you understand the local pricing structures, service expectations and nuances of your target country.

Royal Mail has helped many businesses to sell overseas, including Biscuiteers. Royal Mail enables the company to sell handmade biscuits, chocolates and macaroons all over the world. See more information here.

Source: Royal Mail Group