

UK SME Exports Show Marked Growth, Up 30 Per Cent Since 2016

04-09-2018

UK SMEs have made significant inroads to increase their exports since 2016, according to new research from Royal Mail released today to support Small Business Advice Week. Over half (52 per cent) of UK SMEs sell to customers outside the UK, up from 40 per cent in 2016.

However, this means that just under half of UK SMEs are limiting growth opportunities by continuing to focus on domestic sales alone. Cost and complexity of getting through customs (34 per cent), knowledge of the market (20 per cent) and risk associated with currency conversion (19 per cent) are some of the factors putting off UK SMEs selling to customers outside of the UK.

Europe is currently the most popular region for UK SME exports. A quarter (25 per cent) of these businesses already sell within the EU and would like to seek opportunities to sell outside the EU. Thirteen per cent already sell outside the EU and will be seeking more opportunities to do so. Over the next five years, UK SMEs would like to export 20 per cent of their goods.

While domestic online marketplaces are popular among SMEs looking to grow their UK customer base, only four in ten (37 per cent) sell products on international marketplaces. While this represents a 60 per cent increase from 2016, the figures suggest that many are missing out on the huge sales potential such marketplaces offer.

Exporting UK SMEs expect almost a fifth (17 per cent) of their sales to come from outside the UK this Christmas. This peak sales period is increasingly viewed as an opportunity to drive further growth through international

sales, as well as to take advantage of changes in currency rates.

A spokesperson for Royal Mail said: "Expanding your business overseas might seem like a daunting prospect. But, the reality is that ecommerce is driving global trade. If UK SMEs want to benefit as a result, they need to expand into international markets. Many of the perceived barriers our research has identified can be easily addressed. As the proud delivery partner of the UK's small businesses, we have pulled together some key hints and tips to help business owners who want to take the leap."

If you are looking to start targeting international customers or to increase your visibility overseas, follow these simple tips from our experts at 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, if it makes sense.

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 your prices

Create a simple to use tool that will translate your prices into euros, dollars or the currency of your target markets.

Provide customer support

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.

Wherever you want to send a letter or a parcel, at Royal Mail we can deliver. Our outlook and our networks are international. We provide letter and parcel services to and from countries around the world and have established global reach with all postal authorities.

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.

Source: [Royal Mail](#)