BREXIT AND ONLINE RETAIL

What do we know so far?

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ecommerce WORLDWIDE

WORD OF THE YEAR?

Every year the Oxford Dictionaries announce their word of the year. Previous esteemed winners include 'selfie', 'omnishambles' and, in 2015, they even broke with tradition and elevated an emoji to the top spot.

For 2016 'Brexit' must surely be among the frontrunners, but in truth it would arguably be more accurate to award the accolade to a term that may not be entirely new or imaginative, but is heavily associated with it nonetheless – 'uncertainty'.

Before, during and after the Brexit vote, uncertainty has been the term popping up most frequently in any discussion on the potential implications of the UK's decision to leave the EU. Much was said during the political campaigns – some saying it would be economic Armageddon, others that Britain would thrive under its new-found freedom – but mostly people admit that they don't actually know what is going to happen now, as the UK is by far the largest (in both population and economic terms) and most influential nation to have withdrawn from the EU. There is no directly comparable precedent on which to base forecasts and expectations – we simply don't know what trade framework will be put in place, and probably won't do for some time yet.

So what have we learnt so far from the available indicators?

Well, from the sales revenue side[1], it's actually been a pretty positive picture. Online sales revenue was up +17% in June (which included a week of post-Brexit sales) and +19% in July – which was the highest growth since November 2014 – with August up +18% (on the back of low growth in 2015, it's worth noting). While we may have expected people to take a more cautious approach to spending due to (yes) uncertainty, we can't consider anything in isolation. Summer was slow to start, but we experienced some hot and sustained periods of weather following the Brexit vote (in fact, just after the result was when the weather turned) – could that have added a feel-good factor and stimulated summer-wear purchases? Could the performance of Team GB in the Olympics and Paralympics (where we finished second in both) have boosted a sense of confidence? There has been a lot of discounting too – the average selling price per item reached a 3-year low in Q2[2] – which may have been in response to Amazon's Prime Day in July in order to engage bargain-hunting shoppers.

Thoughts from a retail member (early Sep 2016):

"After the initial turbulence of the week post-Brexit, things have been 'back to normal'. We are not seeing huge swings positively or negatively and performance is in line with our original expectations (before the Brexit vote)."

We also saw record highs for the percentage of orders going cross-border in June and July (27% of total volume for both months)[3] and, while the average order value dropped sharply month-on-month going into June (after the pound dropped substantially against the euro and dollar) it rose again moving into July – although it was still down compared to July 2015. We can interpret from this that shoppers in other markets were actively taking advantage of the deals on UK retail sites (note – that means .co.uk sites rather than their local domain alternative if available, so they could pay in sterling) – which are basically available at discounted rates due to the relative strength of their currencies.

1 *IMRG Capgemini Sales Index*
2 *IMRG Capgemini Quarterly Benchmark*
3 *IMRG MetaPack UK Delivery Index*

In addition to this, we recorded an impact on the average order value (AOV) for cross-border parcels. Following a trend for rising AOVs throughout 2016, in June it reversed with the order value for EU and non-EU destinations falling -13% compared with May. While this probably reflects the fall in sterling, in July we saw a recovery – as cross-border shoppers perhaps added more items to their baskets before checking out – although the AOV was still below where we would have expected it to be.

And what of confidence more widely? The August results from the YouGov / Cebr Consumer Confidence Index found that confidence rose 3.2 points on July, the biggest increase since February 2013. A temporary impact of the Olympic success permeating our view of our place in the world perhaps, or suggestive of something of wider significance?

And so, to date, currency volatility to one side, we haven't really recorded a great deal of evidence of economic crisis. But – Brexit was not a short-term decision that will be settled quickly; it is a long-term decision that will play out over many months, years and decades as not only the UK but other countries and the EU itself adapt to the new reality.

There's really only word for it – the future is *uncertain*.

And yet – there are certain certainties that we do know will need to be addressed as a consequence of the UK's break from the EU. For example – at present our legislation is derived from EU regulations and directives, so those relevant to cross-border and online retail generally will need to be at minimum reviewed and at maximum redrawn entirely. These might become very different, or change very little indeed – it's hard to say at present. It will also have some impact on how various elements are handled when trading across borders – such as any additional documentation required or rates of duty and tax due.

There are a number of options for how the UK-EU relationship could be structured from a trade perspective. The UK may join an EU 'group' such as the European Economic Area (EEA) for example, which enables participation in the EU's internal market – although a condition is free movement of labour, which was one of the key drivers of the UK's decision to leave. Another option would be to look at trade agreements, but again it is dependent on the willingness of each side to compromise on the terms of the agreements. The default option if negotiations break down or are not concluded in time is to operate under the terms of the World Trade Organisation, although this is likely to be the option that provides the most generic – and therefore least favourable to the UK's unique circumstances – terms.

For this joint IMRG / eCommerce Worldwide paper, we invited insight and analysis from a number of subject experts in the membership to help you understand the potential short- and long-term impacts across a number of areas that make up the online retail experience.

Will Brexit actually change anything significantly?

Addressing this question in an Electio paper[4] looking at possible impacts for the logistics industry Michael Wood, former senior lecturer in economics at London South Bank University was doubtful:

> *"It really is impossible to tell, but the UK has always been a good place to invest because it has a good legal system and is relatively stable and secure. It is a hugely important region to many European and global organisations both as a market and for trade. I can't see this aspect changing significantly as a result of the vote."*

4 *Electio, Should we stay or should we go?, May 2016*

GENERAL POINTS FOR CONSIDERATION

Before getting into the specific detail on each area, there are a few general themes that have emerged from our research that bear consideration up front.

Real test to come?

The economic warnings (threats?) that emerged during the referendum were absolutely dire, but so far these have failed to materialise in any meaningful way. At best they remain ‘coulds’ and ‘maybes’. In fact, in some respects the reverse has happened – the huge pound devaluation to one side, many other indicators have been pretty positive.

However – thus far, nothing has actually *happened*. The decision to leave the EU has been made (notwithstanding continuing calls from some for a second referendum, though this seems extremely unlikely), but the process isn’t officially yet in train.

This means that the real test may be yet to come. We might identify four significant periods for the Brexit process that could lead to sudden shifts in confidence and other economic indicators:

- **The decision to leave** – already taken, and thus far things have held up well generally.
- **The countdown begins** – when Article 50 is triggered, and we get a timeframe for leaving the EU (maximum two years); the point at which it becomes a bit more ‘real’.
- **The negotiations** – this will likely be a long drawn-out process, but there will probably be some fairly ‘hard’ decisions reached (or enforced) depending on how they are progressing; such as one side drawing up absolute limits around how willing they are to compromise in certain areas (restricting free movement, access to the single market etc.).
- **The parting** – the actual point at which the UK officially leaves the EU.

The biggest impact so far has arguably been the fall in sterling. The government has been careful to not give too much away about their plans but clearly over time they have to take decisions and make announcements. In early October, Theresa May set out that they would look to trigger Article 50 in March 2017 – and sterling took a hit again. Will that happen every time there is an announcement?

It’s also worth keeping in mind that until we reach that final phase of parting, the UK will remain a full member of the EU.

Not high on the agenda yet?

IMRG ran a Brexit forum in September on many of the issues raised in this paper. We invited a number of senior retail members but the turnout was fairly low. Those we spoke to about why they wouldn’t be attending tended to answer along the same lines – that Brexit is not high on the agenda for their businesses yet, at least until they get some clarity around when Article 50 will be triggered. It may be that it starts to go up retailers’ agendas as we move into Q1 2017.

Currency volatility

As alluded to in the introduction, one of the most apparent shifts so far concerns the value of sterling, which dropped around 10% against the euro and dollar in the days following the referendum decision. While it was a very sharp and sudden drop, there is nothing irregular about currency fluctuations and in fact, following that initial tumble, it recovered some of its value during August. It does however seem likely that it will continue to show signs of volatility and a degree of sharp, sudden shifts (up as well as down) over the coming period is to be anticipated.

Whether it will get back toward its pre-Brexit position relatively quickly or stay well below it for a sustained period remains to be seen, but the obvious result of its current low position at the moment essentially means exporting benefits as prices have become more attractive to overseas buyers, while conversely importing has become more expensive.

This is something Rob Smith at Blueleaf says they are seeing:

"As an agency our services have got a chunk cheaper for our Irish and Austrian clients which is welcome news. On the other hand, we're squeezed by another client who lost a chunk of margin as they buy in dollars but sell in pounds and at a fixed price for a bit because of retailer price lists."

The degree of uncertainty hanging over sterling led some retailers to peg their currency rate for a set period before the referendum vote. But even now, Luke Trayfoot from World First suggests it may be an option worth considering:

"Overall, the volatility in the currency markets has made it difficult for e-tailers to plan and budget effectively and now, more than ever, online sellers should look at fixing their currency strategies so as to minimise the impact of further volatility in the currency market."

Thoughts from a retail member (early Sep 2016):

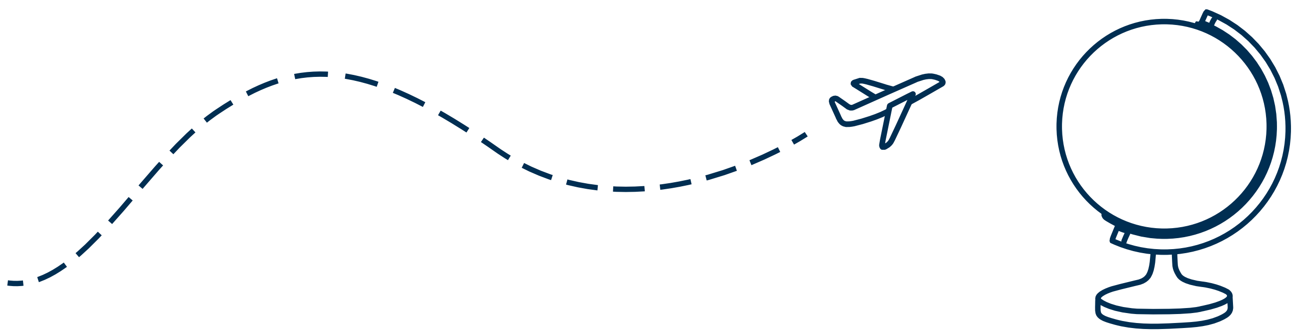
"We cannot identify anything that is specifically about Brexit, other than in relation to behaviour driven by low value sterling. Customers shopped late, conversion rates were tough, but nothing we can blame with certainty on the vote."

Digital geography

There has been a lot of light shone on clever and complex use of company structures recently (particularly following the revelations in the Panama Papers), with some registering a string of different companies in various countries that offer very low tax thresholds. This enables them to take advantage of these lower thresholds even when trading in countries with high tax rates (often referred to as 'off-shoring').

As we've seen with online businesses (which are virtual by definition rather than being geographically-restricted), it is possible to take advantage of more beneficial tax regimes by basing certain operations in such locations. The Channel Islands formerly offered such an option for UK retailers through low-value consignment relief (LVCR) – though this loophole was closed in 2012.

While we have no idea what trade deals and tariffs will be in place for UK businesses trading into the EU, will we see a move toward companies 'on-shoring' elements of their presence – physical or virtual – into EU countries in order to be able to claim to be technically trading within the EU?



Budgets

As mentioned in the introduction, thus far online sales have actually held up well post-referendum – but that doesn't mean that retailers aren't reviewing how they apply their budgets in this new climate.

Our latest quarterly benchmark report (for Q2 2016, covering May to July) tracked a record high for the active customer retention rate (36.4%)[5] – a full five percentage points up on the same quarter last year. This could suggest a general trend for retailers focusing on marketing to existing customers due to the lower costs involved than is typically the case for attracting new customers.

Dan Cohen from Tradedoubler also shared an interesting observation on how retailers are adjusting their budget strategies:

"There seems to be an emerging trend caused by rising inflation – we're seeing some retailers taking money from marketing and putting it into trading, to try to keep customer offers strong."

36.4% record high for the active customer retention rate in Q2

POTENTIAL IMPACTS ON KEY AREAS

VAT compliance and payments

An obvious area of impact for online retailers will be managing all processes associated with taking payments from customers.

Andre Malinowski at Computop outlines some of the possible ramifications:

"Brexit presents challenges to payment processing and financial regulation which will impact cross-border commerce. For instance, there is potential for UK to go from being a rule-maker to a rule-taker in relation to Europe. It will have to comply with EU regulations like the rest of the world, with no say in how those regulations are developed. That could be tough."

"In relation to payment processing, one big likely change will be to licensing and passporting. Many UK acquirers rely on the FCA passporting regulatory license to support their local acquiring offers across the EU. Unless they already have licenses in other EU markets, acquirers will need to apply for new EU regulatory licenses to operate across the continent. This will increase both administration work and cost. They will need to hand out and sign new merchant contracts with new and existing merchants. It could go so far that the UK will be treated as an off-shore location for card and payment processing, inheriting the related fees."

5 *IMRG Capgemini Quarterly Benchmark, Q2 2016*

At present the UK is required to comply with the EU's VAT regime but this may change depending on negotiations, although there will be no sudden and sharp change to how things currently work. Irrespective of what happens, the UK is likely to operate a parallel VAT system for a period so companies don't become overburdened with implementing changes in what is a highly complex area.

According to Avalara:

"Whatever the final settlement is, it will likely result in more VAT compliance complexity for companies selling from or to the UK. This could include a non-tariff 'frontier burden' of €4bn for UK exporters. In addition, there is likely to be changes in customs costs for sellers / drop shipments into the UK as the country may have to leave the EU Customs Union."

As consistent with the general theme of Brexit, it's very difficult to know anything like the exact details of what will happen next and what will be agreed. There are many different ways in which this might impact VAT compliance when trading cross-border – one example from Avalara[6] relates to distance-selling thresholds:

"Following Brexit, small UK-based sellers of goods to EU consumers would lose the benefit of the EU distance-selling threshold relief. This relieves them of the obligation to VAT register in each country where they are selling until they hit the local VAT registration threshold. This change may well dissuade small ecommerce sellers from promoting EU sales – including geo-blocking on websites – because of the extra foreign VAT compliance burdens and costs."

Legal framework

Legal systems are by definition highly complex – built up over several hundred years and having to deal with material shifts in how things are defined (consider the way that content accessed on the web can span numerous territories with numerous different legal frameworks, for example). Brexit represents one of these material shifts, requiring decades of EU legislation to be reviewed and potentially adapted as the UK's current access to the EU single market as a member state ends.

6 *A blog post on Avalara's site gives a lot more useful detail on these potential areas of impact - http://www.vatlive.com/2015-moss/uk-leave-eu-vat-regime-brexit/*

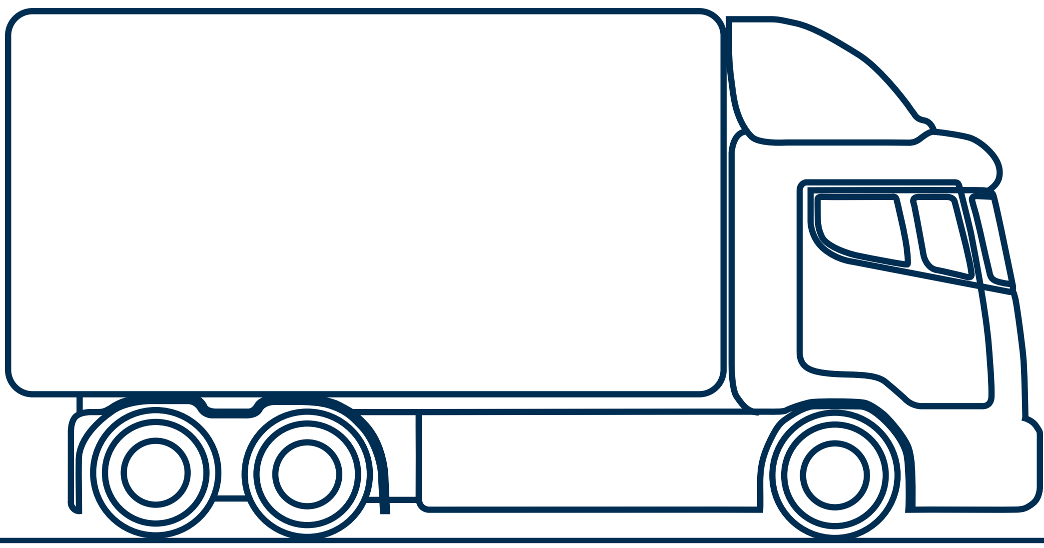
To give an idea of scale, there are over 3,000 EU regulations and directives that have been interpreted into UK law. The key enabling piece of legislation is the European Communities Act 1972, which gives effect to the EU treaties. One possible approach to officially leaving the EU could be by repealing this act – which would effectively remove the link that enables EU law to be adopted by the UK and make many trading, consumer protection and product safety laws void – or it may just become a redundant piece of legislation following the UK's official exit from the EU via other legal processes. The exact details of how Brexit will be enacted from a legal perspective remain to be confirmed.

This doesn't mean that all UK law has to be rewritten from scratch of course – 65% of UK law is influenced by EU law – and initially much will probably just be maintained within the UK's post-Brexit framework and revisited at a future date. Indeed, in early October Theresa May announced at the Conservative conference that they would 'copy' the framework across at first and repeal unwanted regulations afterwards. The timeframe for undertaking (and of course, completing) this subsequent repealing activity was not indicated.

Depending on what comes out of the negotiations, it's also likely that certain laws will have to remain fairly consistent to enable the UK to continue trading with EU citizens – the UK's obligation to implement EU directives may be approaching an end, but exports and services to the EU from the UK will still need to be compliant. Examples of this include legislation relating to product safety / labelling and data protection.

And so, while there may be some significant changes to come from a legal perspective (or not, of course), the general advice is to maintain a 'business as usual' approach in compliance with EU legislation. This obviously applies to those currently in force, but be aware that other laws will come into force before the UK officially leaves the EU, so UK businesses will still have obligations to comply just as is the case currently.

An example of this is the General Data Protection Regulation (GDPR) – due to be adopted by EU member states in May 2018. At present the UK government is saying they will trigger Article 50 in Q1 2017, so when GDPR comes into force this will still need to be adhered to until at least Q1 2019 and possibly longer. Any trade deal put in place – providing access to the EU's single market, either on some form of associate basis or as a member of the European Economic Area (EEA) or similar grouping – is likely to involve GDPR as data protection is something the EU have a specific focus on. This regulation will directly impact areas such as email marketing, personalisation services and behavioural advertising and one of its key measures is the introduction of much higher fines for those found in breach of its requirements.



For contracts that are currently in place between two or more parties, or that are put in place over the coming period during which the UK government will be negotiating trading terms (which may vary from expected outcomes), there may be contractual implications emanating from Brexit. For example, if one party argues that an impact of Brexit altered their capacity for meeting the terms of an agreement – particularly those negotiated after the announcement of the referendum result, or even arguably after the 2015 general election result as it was announced as a pledge in the Conservative manifesto – they may find it difficult to claim force majeure given they were aware at least of the *potential* for the UK to leave the EU.

It's important to remember that not being a member of the EU doesn't preclude the UK from trading into it – that option is open to any country in principle. The lingering question relates to the specific terms of that access for UK businesses and whether tariffs and other controls and restrictions will be put in place or relaxed to make cross-border trade as simple and attractive as possible.

Logistics

As per the four phases of Brexit we identified in an earlier section, the full impact is likely to become clearer over a period of several years with a considerable period of uncertainty to come. Yet there are a few areas specific to supply chain operations that we know will be impacted at least to some extent.

De-minimis thresholds

The key impact of Brexit for cross-border logistics may focus around 'de minimis' arrangements and thresholds relating to duty and tax. For the purposes of ecommerce, de minimis represents the value under which goods are exempted from tariffs and duties.

In a white paper[7] published shortly after the EU referendum decision, MetaPack explained what de minimis means in greater detail:

"A 'de minimis' is defined as "a valuation ceiling for goods, including documents and trade samples, below which no duty or tax is charged and clearance procedures, including data requirements, are minimal". These are commonly used around the world where the cost of collecting duty outweighs the benefits. Raising a de minimis enables customs administrations to reallocate resources towards higher priorities such as: the collection of higher revenues; anti-fraud activities; addressing product safety and intellectual property violations; and supply chain security."

At present, the de minimis for goods imported into the EU is relatively low (<€22). By way of comparison, the current duty threshold is USD $800 per consignment in the US and AUD $1,000 in Australia. The EU has held discussions on raising the de minimis for imports to €80. If the EU were to agree to a higher de minimis rate for exports as part of any trade deal, the UK would likely need to reciprocate with a similar rate for imports.

Value of the goods	Required to pay
Up to €22	Exempt from duty and VAT
Over €22 and under €150	Exempt from duty and VAT due
Over €150	Duty and VAT are due

Table 1 – EU de minimus rates[7]

7 *MetaPack, UK exit from the European Union and potential developments for eCommerce, June 2016*

Changes to the de minimis threshold may be viewed as a key factor in ensuring the appetite for cross-border selling between the EU and UK remains high. Should the UK look at a trade agreement with the EU, they will also likely specify as part of that process import tariffs (including tax specific to the product being imported) and any documentation required (commercial invoices, customs declaration etc).

A higher de minimis would certainly reduce the number of orders subject to the costs and complexities a low threshold entails. The barrier to this is that all governments (including the UK government) are under pressure to maximise tax revenues – hence the removal of LVCR from the Channel Islands, as mentioned previously.

The MetaPack paper further provides a useful list of the additional possible requirements that could be included under the terms of a trade agreement:

I. Rules of Origin. This requires the importer to confirm the proportion of a good that was produced in their country and if it is above a pre-agreed level then duty will be applied. (This avoids countries re-exporting goods they have purchased somewhere else)

II. Quotas limiting the volume (or value) of particular products that can be imported into the country

III. Adherence to product standards

IV. Requests for the individual being sent the item to present ID on receipt

Alongside changes to the technical framework that underpin trade, there is also the structure of businesses to consider. Lee Bucktrout from UK Worldwide says that a problem with the UK is that businesses do not export enough, which represents a particular challenge for SMEs:

"Some government organisations are very good at helping larger businesses export their goods but the same model just doesn't work for most SMEs in my opinion. Their main focus suggests you either need to be 'in country' to sell your goods or they suggest finding a distributor and sending pallets and pallets of stock overseas. This will work for some businesses but isn't necessarily the right approach for many SMEs based here in the UK selling their goods online via their website or through a marketplace."

"Why not sell directly from the UK using their existing or even a country-specific website? This allows merchants to stay in control of their brand, manage inventory from one central warehouse and increase margin, especially if exporting to non-EU countries."

There are obviously also various approaches that can be taken to how the flow of stock is managed. According to Dan Burnham at Volo Commerce, one option could be to use drop-ship arrangements:

"Doing this means that you can avoid importing and holding stock in your own warehouse. This de-risks your operations to a degree, since you can simply fulfil your orders on an 'on-demand' basis. This way you're only paying for the stock you're selling and – depending on your contractual relationships – when you're selling it."

Summary of impacts

The impact of Brexit has potential to be felt in a number of areas relevant to supply chain operations. They are likely to be front-loaded – as industry and authorities learn to adapt to new requirements which are often more stringently observed and enforced in the early days of their coming into force. In time however, things tend to feel a bit more like 'business as usual', supported by the development of new specially-developed systems, processes and solutions.

Below follows a summary of where the impact of Brexit may be felt by supply chain operations:

Increase in complexity

- More documentation requirements
- VAT management and reporting
- Duty management

Delivery lead-times extended

- Customs clearance and processing

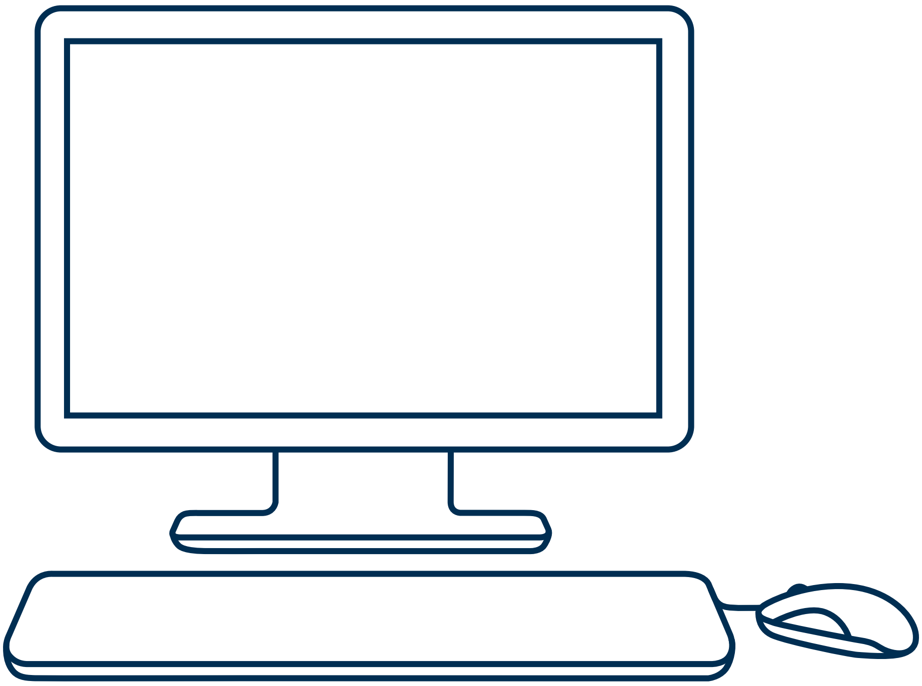
Increased costs

- From all the above points
- Foreign exchange impact on relative cost of buying overseas services

Customer experience

- Showing the full cost of the sale at checkout will become harder
- Extended lead-times may reduce demand
- Increased processing costs, customs and duty costs and delivery costs may make UK goods less competitive

These points are of course entirely hypothetical at the moment, as we simply don't know what new requirements businesses will need to comply with and how much of a change it will represent from how things are structured now.



MARKETING STRATEGIES

Running successful marketing campaigns in cross-border markets always presents a challenge, but the fall in sterling (not to mention potential for it to demonstrate further volatility over the next few years as detail emerges on what Brexit actually 'looks like') has increased interest from shoppers in other markets where they suddenly find that their money goes a lot further than it did on UK websites.

Nir Debbi at Global-e explains:

"Consumers are opportunistic and seek best value for money. Having access to high quality British products at a significantly lower price point following the Brexit decision makes it even more appealing to consumers. Buying from UK retailers is becoming more attractive for consumers based in EU countries and rest of world (RoW) countries as the products become cheaper in real terms with the decreasing value of sterling."

"To exploit the opportunity created by the weakening of the pound, and increase their sales in the short term, UK retailers should consider expanding their marketing efforts in supported markets. It is a good time now for UK retailers who already have a localised shopping offer for EU customers to capitalise on the attractive prices they can offer and to step up their marketing campaign volumes in EU and RoW countries."

A weakened pound isn't universally good news for those running marketing campaigns targeting shoppers in other markets however, as Adam Rose at Croud states:

"It's possible advertisers could see an impact on CPCs and their ad-rank, especially in situations where you're in competition with advertisers who's bidding and billing is in a currency which has become stronger since Brexit was announced… If the pound suffers against currencies like the US dollar then we will have to bid more to maintain our position as Google will translate the auction into one single currency when assessing as-rank / advertiser positions."

"Advertising budgets are likely to shift to the most effective / DR-focused / measurable channels, particularly when squeezed and under scrutiny – good news for those in digital!"

Of course, while periods of sharp currency volatility present a challenge to retail businesses, it will still be possible to remain profitable through taking a strategic approach to pricing and stock. According to Dan Burnham at Volo Commerce:

"There's never a bad time to get friendly with your data. Review your low margin items and sales forecasts to make sure you understand the short-term financial impact. Look at your pricing and see if you can raise prices in some areas while remaining competitive. Check your competitors' responses to the current squeeze on profitability, either by manually sampling or using automated 'repricers'."

"This is when you really need good visibility into your stock levels, and the different speeds your stock is moving at, as it informs you on how muck stock you need to re-order. This is probably not the time to be securing marginal discounts by ordering larger volumes. The less you can re-order, without selling out, the better your cash flow. The less dead or slow-moving stock you can be stuck with, the better."

WHAT'S GOING TO HAPPEN NEXT?

While no-one is claiming to have a crystal ball, there are already some things that are becoming apparent around what Brexit will entail – which may have an impact on retailers and cross-border selling.

Perhaps the most obvious one relates to immigration – increasing control of which formed the central part of the Leave group's campaign – which will now need to be addressed in some way. Whether that means a points system, work permits, quota or some other approach remains to be seen, but from a political perspective it has to be tackled and this may impact upon business' ability to attract talent from other countries.

Thinking about supply chain continuity in a post-Brexit climate, below we provide a few thoughts around how we might see things evolve.

- With the potential for currently fluctuations whenever a politician makes an announcement on Brexit plans, some may look at short – medium-term currency hedging
- There is an opportunity for aggregators and integrators to innovate to help retailers manage complexity and absorb resulting costs
- Warehouse and content management software providers will need to anticipate the potential for more complex processing at point of despatch – documentation, labelling and manifesting
- Some may look to relocate elements of their operations to the continent to serve EU shoppers from within the EU – which may include an increase in outsourcing and in-country returns processing
- The appeal of marketplaces may receive a boost as SMEs come to rely further on massive international resellers who possess the resources and scale to accommodate increases in cross-border complexity

In terms of the negotiations themselves, there are a few apparent areas in which industry may look to petition the government (note – this is not to say that the below list forms some kind of 'official' IMRG lobbying priorities; these are simply the areas that would seem most applicable to supporting cross-border trade through these times of change):

- Raising the de minimis threshold to mitigate any increases in duties, VAT and customs impact
- Rolling out of incentive schemes for SMEs to encourage them to continue trading cross-border
- Support for aggregators, integrators, warehouse management and content management software providers to encourage innovation
- Simplifying UK rules wherever possible and limiting any additional complexity

Perhaps the most important consideration concerns ensuring that businesses don't assume the whole Brexit issue starts and ends with the EU. Even in the best-case scenario, getting a more settled infrastructure for UK-EU trade in place is likely to still take somewhere in the region of 2–4 years. In the meantime it's a wide world, and there are many other markets that have already signalled a willingness to improve trading relations with us.

After all, as with anything in business – every challenge also brings about new opportunities.

Written by Andy Mulcahy
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ABOUT IMRG

IMRG is the UK's online retail association – a membership community offering neutral and unique resources for online retailers.

We help our members understand and improve their online retail performance through a busy programme of performance benchmarking, data analysis, insight, best practice-sharing and events.

We have been tracking online sales since 2000 – and now measure over 120 individual metrics in a series of indexes, providing in-depth intelligence on online and mobile sales, delivery trends, marketing ROI and channel performance.

Our membership community is comprised of businesses of all sizes – multichannel and pureplay retailers, multinationals, SMEs and micro retailers, as well as a wide range of solution providers to industry.

For more information please visit

www.imrg.com

ABOUT ECOMMERCE WORLDWIDE

Set up in association with IMRG, eCommerce Worldwide provides online retailers with all the information, and resources, they need to develop cross-border strategies for entering new markets around the world.

Our dedicated Cross-Border Trading Passports constitute invaluable A-Z guides for retailers looking to set up and run successful ecommerce channels abroad (and potentially at home, too). All this is backed up by our annual Summit.

eCommerce Worldwide is the one stop shop, to help you trade successfully across borders.

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