



**Retail Excellence urge Government to introduce retail focused solutions
With two thirds of online spend leaving Ireland this is impacting retail, town centres
and the Exchequer**

Retail Excellence, Ireland's largest retail representative body has today called on Government to prioritise introducing retail focused solutions in Budget 2019 in order to protect the industry.

Retail Excellence were reacting to the Consumer Market Monitor, published today by the Marketing Institute of Ireland and UCD Michael Smurfit Graduate Business School whose figures show that Irish consumers spent around €5 billion online last year, but almost two thirds of that - about €3 billion - went to retailers outside of the country.

Deputy CEO of Retail Excellence, Lorraine Higgins said "Retail is evolving to the extent it is now boundary-less and that is precisely what we are seeing with the figures pertaining to online spend. We need to get up to speed as a country to counteract this through progressive, retail focused measures and Budget 2019 presents an opportunity".

"Currently three-quarters of Irish websites are not e-commerce enabled which means retailers cannot process payments on their sites so hence why they are missing out on online spend. With over e600 billion estimated to be spent by European consumers over 2018 it is clear that further steps need to be taken to increase funding to get businesses online. Moreover, we have been long calling for State supports for retailers who are seeking to internationalise their operations like linguistic, logistic and network supports in new markets. With the advent of Brexit this need is increasingly acute".

"With the huge leak in spend out of the country and, plausibly outside the EU, it is virtually impossible for the authorities to intercept all parcels coming in from the various jurisdictions so this leads to unfair price disparity where VAT and duties have not been applied. This clearly comes at a cost to the Irish retail industry but also to the Exchequer in lost VAT receipts".

"Hence why we need to take progressive action and make those online platforms who are advertising such products jointly and severally liable for the collection of VAT and duties. This would not only ensure tax fairness but would also help with extra revenue collection for the State".

"We cannot ignore the evolution of consumer spending habits. If we do, we risk the 282,000 jobs dependent on the industry and retail failure which will rip the heart and soul out of town centres" Lorraine Higgins concluded.

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About Retail Excellence

Established in 1995, Retail Excellence is owned by the members, for the members. We are an organisation which invests in innovative and exciting learning, market intelligence, human resources services, Government representation and member networking initiatives. Retail Excellence represents almost 2,000 leading retail companies in Ireland. Our members are the most progressive and innovative retailers. Retail Excellence is by far the largest retail industry body in Ireland.