

Marks Electricals sales on the up despite tough market

Sales of washing machines, tumble dryers and TVs have helped push revenues up at Marks Electricals over the last four months, despite what it describes as a “particularly challenging market back-drop”.

The [Leicester-based online retailer](#) brought in £27.6 million for the quarter, up almost 14 per cent on the same time last year.

At the same time the business grew its share of the white goods sector from 1.5 per cent to 2.1 per cent, with its share of the online part of the market up even more.

Products that saw strongest demand included televisions, vacuum cleaners, washers and dryers and air conditioning units.

Latest figures for the AIM-listed company – [started by chief executive Mark Smithson in 1987](#) – come on the back of £80.5 million sales in its last full trading year.

Mr Smithson, [who still owns 70 per cent of Marks](#), has said he would like to hit annual sales of £500 million in the next five years as he takes on the likes of AO and Currys.

He said they had started the year well despite a “very tough” market back-drop which had seen the general white goods and electronics markets across the UK down a fifth year-on-year.

He said: “We’ve seen strong competitive activity both in pricing and marketing, with heavy discounting of headline prices and higher cost per click marketing expenses.

“Despite this, we have maintained our tight control on inventory, cost management and disciplined capital allocation,

ensuring we are in a healthy cash position and remaining focused on profitable market share gains.

“Our differentiated operating model, leading customer service and free next day delivery provides a unique offering that sets us apart from the competition.

“I’m proud of the performance our team has delivered in a very challenging market. Whilst the remainder of the year is difficult to predict, our focus on maintaining a market leading customer proposition and healthy cash flow provides us with the best platform to generate continued profitable market share growth.”

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