# Moonpig back to basics as greetings card business takes priority

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oonpig has “prioritised” its greetings card offer in a strategy to fall back on a part of the business that has a “demonstratable track record of being resilient” during difficult economic times.

In an update ahead of its Annual General Meeting today (Tuesday) the online greeting card and gifts platform founded by former ‘Dragons’ Den’ entrepreneur Nick Jenkins said its trading performance was in line with expectations and it was to reiterate existing guidance for the full financial year.

The retailer said: “In the current economic environment, we have prioritised greeting card sales, which have a demonstrable track record of being resilient across the cycle, and we intend to continue this focus for the remainder of the full year for 2023.”

Moonpig added that it also expected its business to return to “pre-Covid seasonality”.

Nickyl Raithatha, boss of Moonpig, said: “Moonpig Group’s trading remains resilient and we are confident that full year revenue will be approximately double the level achieved three years ago. The group continues to offer a powerful and unique combination of leading market positions, strong customer retention, high profit margins and robust cash generation.

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“Against the current macroeconomic backdrop, our continued performance reflects the strength of our data-led business model and the long term opportunities in our markets.”

The business, which has faced increased competition from bricks and mortar retailers since customers returned to stores after the easing of the Covid  pandemic, bought Smartbox Group that trades under the Red Letter Days and Buyagift brands for £124 million in May this year and Dutch online cards and gifting retailer Greetz in 2018.

Reported in June this year, the company’s annual results to 30 April, showed a drop in year on year revenues by 17.3% from £368.2 million to £304.3 million, while adjusted profit before tax fell from £74.6 million to £51.5 million, a drop of around 30%.