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Welcome to your February 2013 newsletter. This month, we look at the growth of internet retail and provide some tips for setting up online. Adverse weather has affected most of the UK recently - there's some advice for businesses on dealing with the effects. In marketing, industry experts outline the keys to marketing success in 2013. And we look at Government plans for a shake-up of the state pension; what will it mean for you in retirement?

Online retail enjoys a strong end to 2012

Boxing Day 2012 saw a record-breaking 24 hours for online retail in the UK. A staggering 113 million visits were made to retail websites on 26 December; £400 million was spent. Online sales in December 2012 were up 17.8 per cent on the previous year.

The British Retail Consortium (BRC) director-general Helen Dickinson said of the Christmas period: "Online was the stand-out performer, showing its highest rate of growth this year. Shoppers are increasingly taking advantage of the convenience that online shopping offers at every stage of the customer journey, from comparing prices to reserving and collecting in-store."

Successful e-retailers have credited online-only promotions and increased investment in their websites - particularly around security - for these encouraging figures.

The picture on the high street

Small retailers up and down the country endured a difficult time in 2012, with various factors giving rise to a 'trend of decline' on the high street. The Keep Trade Local campaign from

the Federation of Small Businesses cites increasing competition from supermarkets and out of town developments as one of the major challenges facing local retailers.

The Freeze Business Rates campaign, backed by the BRC, and the Forum of Private Business have also listed rising business rates as a major pressure on small business owners. They're calling for a freeze on the 2.6 per cent rise planned for April 2013.

Analysts have warned of further store closures in 2013, saying that changing consumer behaviours - many now use local stores as showrooms or collection points for online orders - have left some larger retailers with too many physical stores. Footfall in December 2012 was down by 1.2 per cent on the previous year.

A number of established high street names were forced into administration in 2012, with electrical goods chain Comet among the most notable. HMV, Jessops and Blockbuster all fell into administration at the start of this year, putting thousands of jobs at risk.

Setting up online: top tips

An online store can help you take full advantage of the retail opportunities that the internet offers. Here are some of the key points to consider if you're thinking about setting up online:

Understand your legal obligations

Certain regulations and legislation on online and distance selling - such as the E-Commerce Regulations and EU Distance Selling Directive - must be adhered to by internet retailers. There are rules around clearly identifying your business, processing and acknowledging orders and data storage. You must also ensure that your business is registered appropriately with HMRC and that you understand and follow the rules around charging VAT, particularly if you plan to sell to overseas customers.

Find providers to build and host your site

Depending on your budget, you will need to think about providers who can design, build and host your website, as well as finding an appropriate payment solution that will enable you to process

credit and debit card transactions. Businesses with smaller budgets can choose from a range of 'off-the-shelf' online stores with built-in, secure payment solutions.

Make it as clear as possible

Design your store and the ordering process with ease of use in mind. Think about what you have to sell and why your customers are interested in your goods. Make it as easy as possible for your customers to find, view and purchase your products. Be transparent about your delivery charges and terms and conditions.

Spread the word

Think about how you will market your online store and encourage visitors to your site. Intelligent use

of search engine marketing and optimisation can improve your website's ranking for relevant search terms. You might also want to consider more traditional forms of marketing and advertising in order to raise your site's profile.

Keep it up to date

Make sure you have the time and expertise to manage your website on an ongoing basis. Keep your stock listings up to date and deal quickly with any technical problems that affect site performance. Think about seasonal offers and promotions that you can use to build a loyal online customer base.

Marketing experts reveal goals and challenges for 2013

Focussing on the customer and getting the basics right will be key to successful marketing in 2013, according to experts at a recent event where the panel included speakers from YouGov and Marketing Week magazine.

Simple strategies were considered the most effective, while long-running campaigns were felt to show consistency and attract mass audiences. Demonstrating the value of a brand, as well as communicating its brand values, is also considered a major factor for gaining consumer trust.

Looking forward, tightening budgets was considered the major challenge facing marketers in 2013, with marketing often seen as an overhead rather than a revenue-generating function. Gathering evidence and measuring performance are vital to the success of any marketing strategy.

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Beat the cold snap - prepare a bad-weather plan

Business groups have advised businesses to do all they can to mitigate the impact of bad weather, which can disrupt deliveries, cause heating and power failures and make it difficult for employees to get to work.

Advice includes:

- Allowing staff to work from home - this could include providing computers and setting up remote
- access to servers and company emails
- Weatherproofing businesses - this may include lagging water pipes to prevent them from bursting
- Insurance - this should cover both property damage and any drop in turnover that could occur as a result.

The advice comes after a cold snap swept across the UK and extreme weather events - such as flooding - occur more frequently. YouGov figures showed that snowy conditions have impacted 37 per cent of small and medium sized businesses at some point.

YOUR MONEY

Single-tier state pension - what is the Government proposing?

The Government has released further detail of plans to replace the £107.45 a week basic pension and various top-ups worth up to £142.70, with a flat rate of £144.

A single-tier system would replace the more complex arrangement of add-ons and means testing currently in place, providing greater certainty about the money individuals receive and a better platform for people to save for their retirement.

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The plans are currently at the white paper stage only and any changes would not take effect until April 2017 at the earliest. Those retiring before this date would not be affected by the proposals.

February's Money Facts

Current bank rate	0.5%
Quantitative Easing total	£375 billion
Current inflation	2.7%