



The Revenue Advantage

Strategies to get ahead - and stay ahead - for Black Friday 2025



Table of contents

- 3 Black Friday is a race for attention
- 3 What's holding SMEs back?
- 4 Retail
- 4 Automotive & mechanical services
- 5 Hospitality
- 5 Health & Beauty
- 5 Food & drink producers
- 6 Tech & professional services
- 6 Biggest rising costs
- 7 Your Q4 plan



Forget discounts – Black Friday is a race for attention.

Billions in sales. Weeks of opportunity. And a small window to stand out. For UK small businesses ready to act early, this season isn't a risk – it's a runway. Time to go big.

£7.1 billion – UK Black Friday spending (2024, Statista)

25%+ of UK shoppers start Black Friday browsing in October (2024 Statista)

3%–39% increase in Q4 2024 ad costs (skai.io) (skai.io)

66% spike in social media ad costs during peak season (Gupta Media)



What's holding SMEs back?

Black Friday is a huge opportunity – but many SMEs miss out, held back by tight cash flow, rising costs, or simply not enough time to prepare.

The pressure's building

Up to **37%** of UK SMEs have no cash reserves
(Enterprise Research Centre, 2024)

80% + say rising costs are their top worry
(FSB Q1 2024)

52% rate access to finance as “poor”
(FSB Q4 2023)

Pressure points for small businesses



Stock inflation and shortages



Paid marketing cost surges



Seasonal staffing demands



Global shipping delays

Tariff watch: UK

UK SMEs are feeling the squeeze from both directions – exporters in food, drink, and metals face rising trade costs, while importers are hit by pricier US goods and materials. Many are pivoting to new markets or innovating to stay competitive, but overall, growth is likely to slow.

“Black Friday’s no longer a day – it’s a month-long marathon.”



Retail and e-Commerce

- ➡ **New tariff barriers:** Loss of the US “de minimis” threshold means nearly all UK parcels now attract 10–15% tariffs.
- ➡ **Export competitiveness eroded:** UK goods in competitive categories (fashion, electronics) now face higher landed costs—12% of firms foresee price hikes.
- ➡ **Logistics & compliance turmoil:** Sellers are dealing with customs delays, renegotiating shipping contracts, and exploring US-based warehousing.

Impact:

Lower margins, higher shipping/admin burdens, and need to rethink sourcing or US operations.

Strategy:

US-based logistics, diversify sourcing, sharpen margins.

Source: (thetimes.com) (theguardian.com)
(flowinventory.com)

Automotive & mechanical services

- ➡ **Import costs rising:** Independent garages and custom shops importing aftermarket parts from the US now face a 10% tariff, pushing up repair and servicing costs.
- ➡ **Tighter margins:** With labour and materials already up, these added costs are squeezing profitability for small auto businesses.
- ➡ **No volume advantage:** Unlike large manufacturers, smaller firms can’t offset tariffs through bulk deals or lobbying.

Impact:

Small auto businesses face rising part costs and limited pricing power – making it harder to stay competitive without passing costs to customers.

Strategy:

Stockpile key parts, assess import vs domestic sourcing.

Source: (Simply Business) (Vena Solutions) (IntroCar)
(Forvis Mazars) (Marsh Commercial) (reuters.com)

Hospitality

- ➔ **Imported food & drink costs spike:** A flat 10% tariff (with limited US UK deal exceptions) is driving up prices for wines, olive oils, seafood, coffee.
- ➔ **Tourist spending dampened:** Higher US consumer prices, combined with the end of UK tax-free shopping, are pushing US visitors to shop in the EU instead.

Impact:

Rising input costs + weaker US tourist demand = tighter margins and slower seasonal recovery.

Strategy:

Shift to EU-sourced goods, optimise pricing tiers.

Source: (thetimes.com) (brownejacobson.com)
(Marsh Commercial) (flowinventory.com) (finance.yahoo.com)

“60% of Black Friday shoppers start browsing by October.”

Health & Beauty

- ➔ **Tariffs on imported products:** Consumables like beauty products, towels, equipment face the universal 10% import duty.
- ➔ **Consumer price sensitivity:** US shopper cutbacks ripple back via lower tourist footfall and reduced demand for premium services.

Impact:

Rising supply costs + blunted international customer demand = profitability squeeze for these SMEs.

Strategy:

Bulk orders, local product line, flexible service pricing.

Source: (Marsh Commercial) (styleandassociates.co.uk)
(beautybacked.com)

Food & drink producers

- ➔ **Broad 10% tariff applies:** Tea, biscuits, whisky, dairy, etc. costlier into the US, repeating past export losses.
- ➔ **Offsetting denied:** UK tax free shopping removal deepens losses as US visitors shift spend abroad.

Impact:

Input cost rises + drop in US demand reduce revenues; SMEs need supply chain agility and support.

Strategy:

Bundle products, target new markets, lobby grants.

Source: (bdo.co.uk) (thetimes.com) (brownejacobson.com) (Marsh Commercial)

Tech & professional services

- ➡ **Cross-border complexity up:** TechUK highlights that supply chain and origin verification errors are increasing admin pressures.
- ➡ **Financial uncertainty:** BoE and FSB flag the unpredictability as hampering investment and cautious F&P decisions in SMEs.

Impact:

UK-based consultants, accountants, and small tech service firms face more supply chain checks and cautious client behaviour.

Strategy:

Offer tariff advisory, scenario planning tools.

Source: (theguardian.com) (techuk.org) (Marsh Commercial)

Biggest rising costs

(FSB, 2024)

Operational cost spikes are draining working capital – making it harder for small businesses to invest in stock, marketing, or staff ahead of Black Friday.

For those that could grow fast, this is a missed opportunity. Rising costs mean retailers and e-commerce sellers are forced to play it safe – or sit out the sales rush entirely.



What are the biggest costs for small businesses



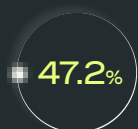
Utilities

Energy costs are hitting hard – especially for retail, hospitality and online sellers with warehouses or pop-ups.



Labour costs

Wage pressure is rising, hiring's tougher, and many are pausing recruitment.



Taxes

Tax hikes and policy uncertainty are making it harder to plan or invest confidently.



But it's more than a squeeze on spend

Even profitable businesses struggle to act in time.

Rigid & slow

Many small firms say traditional loans can't keep up with seasonal demands.

58%

of SMBs say their funding needs go unmet

(Asset Finance Connect, November 2023)

£65bn

UK SME lending gap

(thetimes.com 2024)

30%

of SMEs paused operations due to lack of finance

(Manx Financial Group, 2025)



Cash flow gaps

Revenue often arrives after expenses hit – especially in Q4

47% of UK SMEs say cash flow issues hold back growth

(Accountancy Age, June 2025)

Late payments and rising costs are the main culprits

Traditional finance is falling short

Uncertain demand

- ➡ Changing customer habits make forecasting harder
- ➡ Many hesitate to stock up or market early – and miss out

Time and team limitations

- ➡ Small businesses are lean – and Q4 prep can overwhelm
- ➡ Planning campaigns, staff rotas and inventory orders takes time most don't have

Lost in the ad maze

- ➡ Q4 is competitive, fast-moving, and expensive
- ➡ SMEs often lack the skills or confidence to make the most of it

SMEs aren't short on ambition. They're short on time, resource and capital – especially in Q4



The diagram illustrates a timeline for a campaign, starting with a horizontal line and several circular icons above it. The timeline is divided into two main phases: 'Sep/Oct: Launch' and 'Nov: Operate'. The 'Nov: Operate' phase is further detailed with specific dates and tasks.

Sep/Oct: Launch

- Run early campaigns
- Retarget shoppers
- Monitor stock and ad spend

Nov: Operate

- Extend opening hours
- Manage stock levels
- Schedule and support staff

28th Nov: Black Friday

1st Dec: Cyber Monday

[illegible]