

13 Strategies To Shield Your Customers From The Increased Cost Of Doing Business



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Rising costs of business can sometimes be unavoidable, whether due to inflation, supply and demand or another outside force. For customers, this often means rising price tags on the end product, and some of them may not stick around if prices rise too much.

Fortunately, there are steps business leaders can take to prepare for these extra expenses without passing too much of the cost to their customers. If you're looking to keep your product or service prices intact despite your increased cost of operations, follow these tips from the members of [Forbes Business Council](#).



Members of Forbes Business Council offer advice on how businesses can get around increasing prices for customers. PHOTOS COURTESY OF THE INDIVIDUAL MEMBERS.

1. Get Customers To Increase The Average Basket Size

Figuring out how to deliver more value to the customers through non-tangible methods is a good way to help to provide value without having to raise costs. For example, you could bundle your products and offer an e-book to showcase value and increase the average basket size at checkout. Getting the same customers to buy more is a time-tested business strategy that works in almost every business. - [Anne-Marie Faiola, Bramble Berry Inc.](#)

2. Unsubscribe To Underutilized Assets

Look into underutilized assets in running the business. Like if a marketing app isn't frequently used, it may be better to hold off or stop the subscription for some time and observe. If there's no untoward effect on the business, then totally let go of it. Looking for ways to reduce business expenses without sacrificing the current quality is the goal. - [Lane Kawaoka, SimplePassiveCashflow.com](#)

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3. Add New Revenue Streams

We stretch excess from emergency resources and add brand-new streams of revenue that will not cause more overhead or require more staff. For example, when running our transport divisions, we partnered with a sign company and added vehicle-top ads, which in turn, ushered additional revenue to local business by driving the city on main thoroughways day and night with their messages or ads. It’s a win-win. - [Olivia Friedman, Institute of Higher Global Studies | Digital, Social Media, and Broadcast Marketer](#)

4. Automate Where Possible

A business can optimize its operations, automating where possible and keeping the organization lean. By doing so, it not only spares the customer increased costs, but also simplifies how it works and makes it more nimble in the event of further disruptions. - [Matthew Ramirez, Paraphrase](#)

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5. Make Purchases In Bulk

We purchase in bulk from distributors to get a lower price on boxes, tape and shipping supplies. This gives us a 35 to 50% discount and allows us to cushion price increases to our customers. This also allows us to save more money by not losing customers over price increases. - [Tammy Sons, Tn Nursery](#)

6. Minimize Office Space

Blockbuster was a global company, and then Netflix, an innovative streaming company, changed the way we all watch movies. Business leaders can look at innovative and tactical ways to cut costs on their products or services in a variety of ways. Perhaps you can minimize your office space to save on costs. Rethink and implement new ways to cut back on other fees that your company may not really need. - [Lisa Caprelli, Unicorn Jazz](#)

7. Evaluate Systems Used

Taking the time to evaluate the processes and systems being leveraged is the first step in cutting costs. Often, companies don't realize how much they're spending on applications the teams may not even use with the shift to remote work. This action can result in large cost savings. If you do pass the costs on to customers, be sure to give them a 45-day notice. The client will appreciate it. - [Emilia D'Anzica, Growth Molecules](#)

8. Put Efforts Toward Marketing

Leverage social media as a primary tool to reach potential customers, connect with them and showcase your value. Consumers demand connection and authenticity via brands they trust. Putting our marketing efforts towards social media needs to be prioritized. If business leaders don't make an effort to adapt to how consumers make purchasing decisions, your competitors will eat your profit margins. - [Libby Rothschild, Dietitian Boss](#)

9. Strive To Improve

Successful businesses are focused on providing high-quality service and products to clients. This means part of the success is focusing on relentless improvement. A high-performing team that is efficient, productive and innovative will help mitigate rising business costs being passed to customers. - [Natalie Lowe, The Orangeblowfish](#)

10. Pay Attention To Finances

The solution is not necessarily in cutting costs, but rather in getting the best value and results. Knowing your P&Ls will help you spend in places where you'll get the best ROI, so pay attention to your finances and log everything to make sure you're staying in the black. - [Ibrahim Ibrahim, Override](#)

11. Look For New Ways To Generate ROI

Diversify your streams of revenue. Look for natural pivots that will generate an ROI on investments you've already made. Getting creative by finding an exportable service or product based on existing IP that is locked up in a narrow area can unleash your opportunity to receive untapped ROI on your existing IP. - [Christopher White, Eques, Inc.](#)

12. Lower Your Turnover Rate

Direct costs like materials and shipping have risen sharply. Yet they pale in comparison to indirect costs that a negative employee experience can have on an organization's retention. Even a modest turnover rate can drive dizzying costs into a company's ability to deliver to customers. Devoting time, energy and resources to improving an organization's retention will lower costs dramatically. - [Dustin Snyder, Wayforward Associates](#)

13. Reallocate Company Resources

Net operating income (NOI) needs to be a business leader's operative metric. On all things, the return matters more than the investment. NOI helps owners track costs and investments to see which fuel growth and which are low-returning. Reallocating resources within the company accordingly will prevent creeping costs from being passed on to a loyal consumer base. - [Zain Jaffer, Zain Ventures](#)

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