

Energy costs concerns move down the scale

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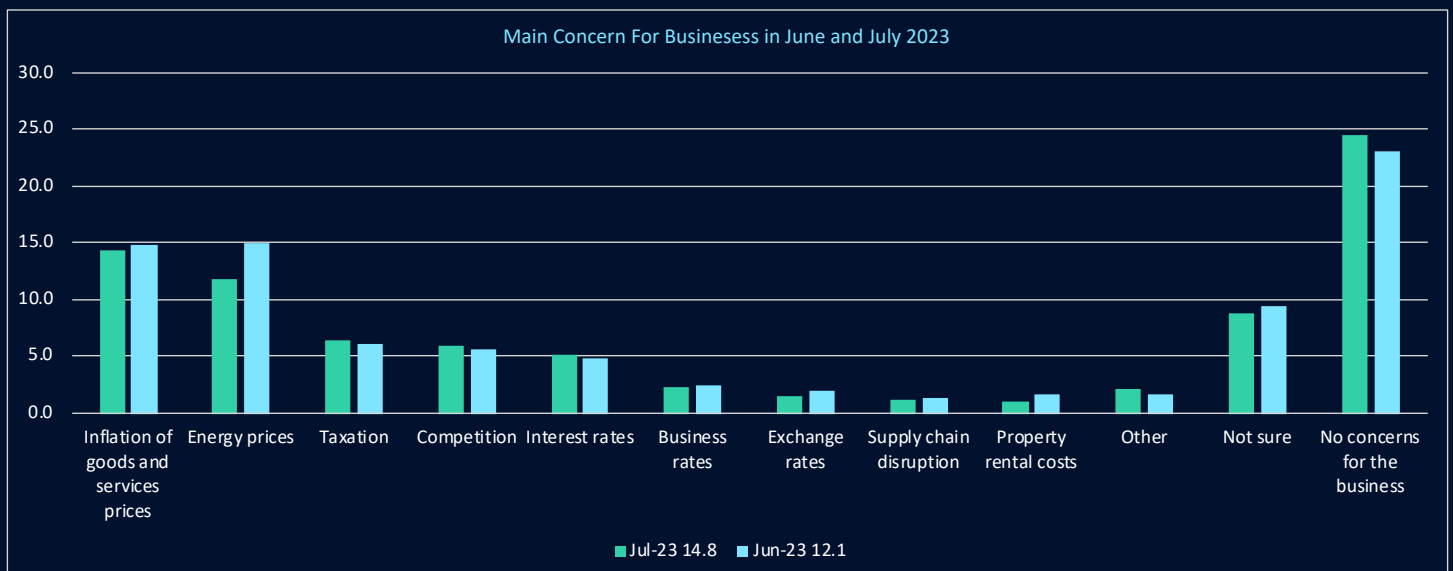
“As part of the Business Insights and Conditions Survey (BICS), businesses were asked about their main concern for the next month, July 2023”.

“For the first time this year, energy prices were not the top reported concern”.

ONS July 2023

According to the ONS, in July, energy prices were reported as a main concern by 12% of businesses, down by 15% from June.

The percentage of businesses reporting no concerns in June, increased from 23%, to 25% in July.



When businesses face lower demand for their products and services, there are several strategies they can employ to overcome this challenge. Here are some actions that businesses can take:

- **Market Research and Customer Insights:** Conduct market research to understand changes in consumer behaviour, preferences, and needs. Identify emerging trends, shifts in demand, and adapt your products or services accordingly
- **Diversification:** Explore new market segments or expand into related product/service lines to tap into different customer bases and increase revenue streams. This could involve developing new offerings, targeting new geographic markets, or exploring partnerships and collaborations
- **Marketing and Promotion:** Enhance your marketing efforts to raise awareness and attract customers. Develop targeted marketing campaigns, leverage digital channels, offer promotional discounts or incentives, and highlight the unique value proposition of your products or services

- **Customer Retention and Loyalty Programs:** Focus on nurturing existing customer relationships and encouraging repeat business. Implement loyalty programs, personalised offers, and exceptional customer service to retain and incentivise existing customers
- **Cost Optimisation:** Review and optimise your business costs to maintain profitability during periods of lower demand. Analyse and reduce non-essential expenses, negotiate better terms with suppliers, and explore opportunities for operational efficiency
- **Strategic Pricing:** Adjust your pricing strategy to remain competitive without compromising profitability. Consider flexible pricing models, discounts, bundling options, or value-added services to attract customers and drive sales
- **Innovation and Product Development:** Continuously innovate and improve your products or services to meet evolving customer needs. Seek feedback, invest in research and development, and stay ahead of industry trends to offer differentiated and compelling offerings

- **Collaboration and Partnerships:** Explore collaborations with complementary businesses or strategic partnerships to expand your customer reach, share resources, and jointly market your products or services

- **Customer Experience Enhancement:** Focus on delivering exceptional customer experiences to differentiate yourself from competitors. Enhance the convenience, quality, and overall satisfaction customers derive from your products or services

- **Agile Decision-Making:** Stay agile and responsive to changing market dynamics. Continuously monitor market conditions, gather data, and adapt your strategies and operations accordingly



It's important to note that the appropriate actions may vary depending on the specific industry, market conditions, and individual business circumstances.

Conducting a thorough analysis of your business and market context will help you identify the most suitable strategies to overcome lower demand and position your business for growth.

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