

Up Your Margin

Increasing your margin is something that every company strives for. It means more money for the company to use in the business or pay to the owners. If you are looking for some ways to increase your profitability, consider these ideas:

Niche markets. Going after a smaller, specific market allows you to change your offering to better meet what the customer is looking for. When this happens, you give the customer more of what they are looking for and become better than the competition. This allows you to charge more and increase your margin.

Working on healthier customers means going after customers who can afford the higher price point and are likely to pay. Customers with cash flow are less price sensitive, plus your ability to collect this money is higher. Sometimes this is a good solution for a higher margin.

Customization is changing an offering for a specific customer. There is additional work that increases your price. You never would offer this until you could make more margin on doing so.

Lower your cost also increases your margin. You can do this by learning how to do something quicker or better. You could also go back to your suppliers and negotiate, especially as you grow and buy more from them.



TIP: Higher margin tomorrow means that you need less sales for the same net income you are getting today

Business Solver Modules:

- ❖ Increasing Your Price
 - ❖ Full Offering
- ❖ Choosing Revenue Streams

Business solutions at your fingertips

Starting a small business isn't easy but with business solutions right at your fingertips, you don't have to worry about missing any steps.

