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## How to help manage inflation in your small business



**While inflation may have peaked, Australian businesses of all stripes are feeling the pinch, and there may be a long road ahead.**

Wages, energy, raw materials and services have all become more expensive. So has the cost of servicing debt for small business owners who have borrowed to buy assets or expand their operations.

Consumers, meanwhile, are pulling in their belts as they struggle to contend with the cost-of-living crisis. Some are delaying non-essential purchases and businesses are starting to feel the effects of that slowing demand.

While turnover may be static or shrinking, many overheads, such as rent, utilities and wages, are fixed. As a result, profits are being squeezed.

### Negotiating with suppliers

It's a tricky situation for business owners, but there are things you can do to help keep your costs as low as possible, according to Helen Barker, Licensed Financial Adviser and Founder of On Your Two Feet.

Revisiting your supplier arrangements is one of them. While some contracts may be locked in, other services and supplies can be renegotiated.

"Many businesses are pushing back by asking for better rates and it's working," Barker says. "If you don't challenge the quotes you receive, there won't be a reduction."

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"This is a good opportunity to demonstrate what it means to be a great business that really cares about its customers"

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Scanning for savings