Expenses Management

Identifying and control costs across all aspect of handicraft business are:

1. Production cost

The production cost will be affordable considering the high quality materials. Negotiating with suppliers and building good relationship with suppliers and negotiating for better prices on materials. By monitoring or keeping track of inventory levels to avoid overstocking or shortage.

1. Marketing cost

The marketing cost for this business could be costly but utilizing low cost marketing channel such as focusing on digital marketing through social media, email marketing, and our own website to minimize advertising cost. Also encouraging the satisfied customer to spread the word about our product through referrals and reviews. Collaborating with influencer or bloggers who align with our brand values for cost effective promotion.

1. Operational cost

Implementing energy saving measures in workspace to reduce utility bills. Also considering outsource non-core activities like shipping or customer service to reduce overhead costs.

1. Administrative cost

Implementing cost tracking system by using accounting software or spreadsheets to monitor expenses and identify areas for cost saving. Negotiating with service providers to secure favorable terms and rates for services like insurance or office supplies.

Regularly reviewing the costs and adjusting the strategies accordingly to ensure the sustainability and the growth of handicraft business.

Some of the strategies to optimize efficiency and minimize waste are as follows:

1. Lean Manufacturing Technique

It is the method for minimizing waste while maximizing productivity in manufacturing processes. It focus on creating more values for customers with fewer resources by eliminating activities that do not add value such as overproduction, waiting time, transportation, inventory, motion, defects etc.