



Preparing For Tariffs, 2025

Insights from Price
Management Experts

How the economy, digital transformation,
and generational shifts in the workforce are
impacting the insurance industry...



Tariffs create unpredictable cost increases that force companies to adjust pricing quickly—or risk lost profit and market share. Without an efficient system, businesses face slow responses, pricing errors, and unhappy customers.



For industries relying on raw materials like aluminum and steel, or imported parts from foreign countries tariffs can immediately increase costs.

Pricing teams, focused on long-term strategy, are suddenly forced to make rapid, tactical updates to thousands of SKUs. Many struggle because they rely on spreadsheets or outdated ERP tools, slowing the process, increasing mistakes, and jeopardizing customer trust.

Tariff unpredictability compounds the problem. When tariffs are rolled out, rescinded, or modified without warning, pricing teams must recalculate repeatedly—draining time and resources while risking revenue losses.

Tariffs' unpredictability poses a major challenge. You will need to constantly adjust pricing to account for shifting production costs. Without an efficient system in place, you risk delayed responses, eroded profit margins, and lost market share.

Here's a deeper look into these issues and how to solve them:





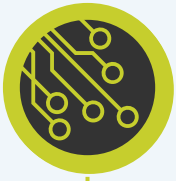
How to Prepare: Automate Your Pricing Process

To weather the upcoming tariffs, your pricing department needs to be more efficient. The quickest way to increase the speed and accuracy of your existing pricing team is to introduce automation. They need a tool to take care of the repetitive, time-consuming, and error-prone processes that slow down their responsiveness to market changes.

In other words, **pricing software solutions are vital for companies facing these hurdles.** You can use these tools to automate the pricing process, apply strategic increases proportionally based on raw material costs, and adjust prices in real-time as tariffs fluctuate. With a robust pricing platform, you can:

- Instantly update prices across all product lines without manual intervention.
- Model different tariff scenarios to anticipate and plan for changes.
- Ensure accurate pricing adjustments that reflect the true impact of tariffs.
- Maintain customer trust by avoiding inconsistent pricing and long delays.





The Cost of Manual Calculations

Tariffs often take effect with little warning, sometimes within just a few days of being announced. This leaves pricing departments scrambling to estimate the new costs and determine the appropriate price adjustments.

Many companies rely on **spreadsheets, requiring anywhere from two to four weeks to update their prices. In contrast, pricing software can complete these updates in as little as two to four days**, allowing your pricing department to react almost immediately and [protect your profitability](#).

The Risks of Outdated Pricing Methods:

- **Delayed Quotes:** When pricing updates take weeks, customers seeking immediate pricing may turn to competitors who can provide faster responses.
- **Contract Disruptions:** Special pricing agreements and contracts that need revisions can become bottlenecks, slowing down business operations.
- **Lost Market Share:** Customers will always choose the supplier who provides the best price and fastest response.
- **Operational Bottlenecks:** Pricing departments stuck in reactive mode cannot focus on long-term strategic initiatives.





The Overlooked Risk: Exchange Rates

Exchange rates fluctuate regularly, and when they do, international price lists can quickly become outdated, exacerbating the complexity of rapid tariff-based pricing calculations. Failure to track and adjust for exchange rates can result in prices that are no longer competitive or, worse, create unintended losses.

The Risks of Improper and Inefficient Exchange Rate Calculations:

- Revenue loss from prices set too low, cutting margins and profitability, or prices set too high, making products uncompetitive internationally.
- Manual, non-automated price updates increase human error and operational inefficiencies.
- Delays and inconsistencies in pricing hurt market positioning.
- Possible financial instability, supply chain disruptions, and lost market share as agile competitors adjust prices in real-time.

Pricing software can differentiate between independent and dependent price lists—allowing companies to set a primary price (e.g., U.S.) and then have all dependent regional prices automatically updated based on the latest exchange rate data.





How to Improve Margins in 2025 Despite Economic Challenges

The unpredictable nature of tariff implementations and reversals, coupled with fluctuating exchange rates, makes manual pricing updates inefficient and error-prone. **If your company relies on outdated tools like spreadsheets or rigid ERP systems, you will struggle to keep up with fast-moving market changes.**

Without automation, businesses risk selling at non-competitive prices, whether too high or too low. Alternatively, **by leveraging pricing software, companies can maintain a real-time, optimized pricing strategy that accounts for currency fluctuations and tariffs without constant manual oversight.**

Ready to begin your pricing system upgrade? **Reach out to our pricing solution implementation experts for a free consultation.**

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