# How Businesses Waste Money & What Yours Can Do to Save

In business, every penny wasted on expenses is one more drop in the bucket working against your profits. That's why it's so important for businesses of all kinds to identify and eliminate sources of wasteful spending. If you're an entrepreneur or business owner, there are probably several areas of your day-to-day operations that are wasting money without you even realizing it. Here are four common ways most businesses waste money and how yours can avoid them.

## Continued Spending on Low-ROI Marketing

Most businesses establish and maintain multiple marketing channels. While diversity in marketing is good, this strategy can also lead to marketing channels that produce very low returns on investment being maintained over time. If you're spending money on pay-per-click ads or traditional marketing materials while social media, content or video marketing is producing a much higher return, your best bet is to reallocate that money to the marketing channels producing the better results.

## Outdated Energy Consumption

Far too many businesses pour over their operational expenses while ignoring their monthly bills as a source of wasteful spending. If your business is overspending on gas or electric bills, that expenditure will be reflected in your overall profit and loss statement. Consider updating your heating and cooling systems to more energy-efficient models. Your boiler, in particular, may be costing you money. Have a certified boiler expert, like those from [Nationwide Boiler](http://www.nationwideboiler.com), visit your facility to perform routine maintenance on your unit or to replace it with a newer one.

## Buying Materials in Small Quantities

An area of savings many smaller businesses miss out on is the discounted prices that can be had from buying materials in bulk. As a general rule, the more of a given supply or material you buy, the lower the per-unit price will be. Even though your out-of-pocket cost will be higher, your overall expense in the long run will be lower buying in bulk. If possible, explore placing larger orders for materials your business uses on a continual basis and find out if bulk ordering could be saving you more money.

## Failing to Outsource

Many businesses, especially smaller ones, are too reluctant to [outsource](https://www.forbes.com/forbes/welcome/?toURL=https://www.forbes.com/sites/chuckcohn/2015/03/19/strategic-ways-to-outsource-and-when-to-do-it/&refURL=https://intern.textbroker.com/client/orderadministration/getOrder/item_id:16602721&referrer=https://intern.textbroker.com/client/orderadministration/getOrder/item_id:16602721#47f9979b2fcb) parts of their operations to other businesses. Though you don't want to outsource the core elements of your service or product provision, things like accounting, marketing, supply management and other support activities can be easily outsourced. Not only will this save you money over time, but it will usually lead to those elements of your business being performed better and more efficiently by experts who specialize in that field.

Perhaps you recognize some of the items listed above as areas where your business could be overspending, or perhaps they've made you think of other places you could be wasting money. Whatever may be costing your business more than it absolutely needs to should be changed or eliminated. The more efficient you make your business spending, the better your profits will be at the end of the year.