

Rising Small Business Costs Make Contract Clarity Critical

As inflation, tariffs, and increasing labor expenses maintain a stronghold on small businesses, funding contracts see additional scrutiny.

EL PASO, TX, UNITED STATES,
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EINPresswire.com/ -- Leading [invoice funding company Viva Capital](#) says that rising costs are prompting more small businesses to scrutinize their funding agreements and ask harder questions before signing contracts. Full coverage of the topic is available in "[Factoring FAQs and Key Questions to Ask Before Signing a Contract](#)," now live on VivaCF.net.



MULTIPLE FACTORS CONTRIBUTING TO RISING SMALL BUSINESS COSTS AND STRAIN

Nearly 60 percent of small businesses say price changes have had a more negative impact on them this year. Common pain points mentioned include:

- > Inflation: While inflation has cooled somewhat, prices have not, resulting in higher costs for materials and supplies.
- > Tariffs: Ongoing trade policy uncertainty has led to rising costs and supply chain challenges.
- > Economic Uncertainty: Economic concerns are causing weaker consumer spending and making business planning more challenging.
- > Labor Costs: Continued increases in labor costs are further adding to business overhead.

"Even though the country is seeing relief in some of the aspects that have increased costs, small businesses are not seeing reductions yet, and in many cases, are still facing overnight increases in the cost of critical supplies," explains Greg DiDonna, President and Partner of Viva Capital.

SMALL BUSINESS FUNDING CHALLENGES PERSIST

Economic shifts have also affected access to funding and how businesses leverage capital.



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Greg DiDonna, President and Partner of Viva Capital

- > Limited Options: 57 percent of small businesses say it's hard to obtain necessary financing.
- > Survival Mentality: Just 16 percent say they're using funding for long-term growth, showing a massive increase in those using it to cover daily expenses.

"This shift from borrowing to fund growth to needing capital to stay afloat provides a clearer picture of what we're seeing every day," DiDonna adds. "Small businesses, unsure of whether they'll see a return on the funds they obtain, are especially wary of contract terms in spite of the overall limited access to funding."

While he contends that the conditions that have led to this approach are disheartening, he says that renewed interest in the fine print will serve small businesses well in the long run.

DiDonna notes that factoring, which is a more accessible form of funding than traditional loans, can help fill the gap, and many factoring companies, including Viva Capital, offer transparent terms to make it easier for businesses to make informed decisions.

Those interested in learning more about factoring or who want to request a complimentary factoring quote from Viva Capital may do so by visiting VivaCF.net.

ABOUT VIVA

Founded in 1999, Viva helps B2B businesses of all types accelerate cash flow through specialized funding solutions like factoring, accounts receivable financing, and asset-based lending. Their simple qualification process makes it easy for small and mid-sized companies to get vital funding despite a lack of credit or time in business. [Additional information is available at VivaCF.net.](http://VivaCF.net)

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