

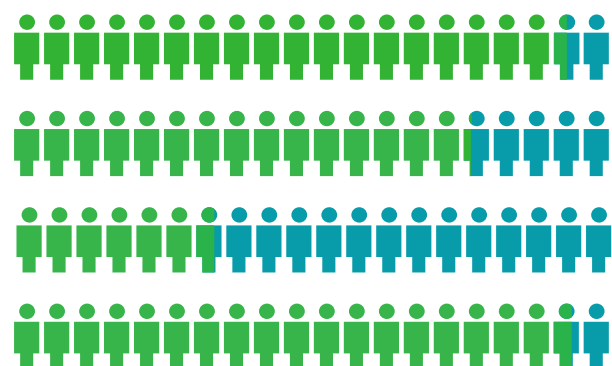
TARIFF IMPACT REPORT

Understanding and
Tackling Pricing Pressures

Executive Summary

Tariff volatility has emerged as a defining economic pressure for global businesses, challenging traditional cost structures, compressing margins, and destabilizing go-to-market strategies. Supply chains span regions where trade rules are changing more rapidly than most businesses can adapt to. In response, business leaders are increasingly turning to pricing, not just as a commercial lever, but as a core strategic discipline. Research among 1,500 senior pricing decision-

makers across retail, consumer goods, manufacturing, and wholesale distribution reveals that 91% are concerned about the volatility of global tariffs, and 76% have already seen margin erosion as a result. On average, 34% of the cost base is exposed to tariffs, and 93% say their current pricing responsiveness risks further profit loss.



91% concerned about volatility from tariffs

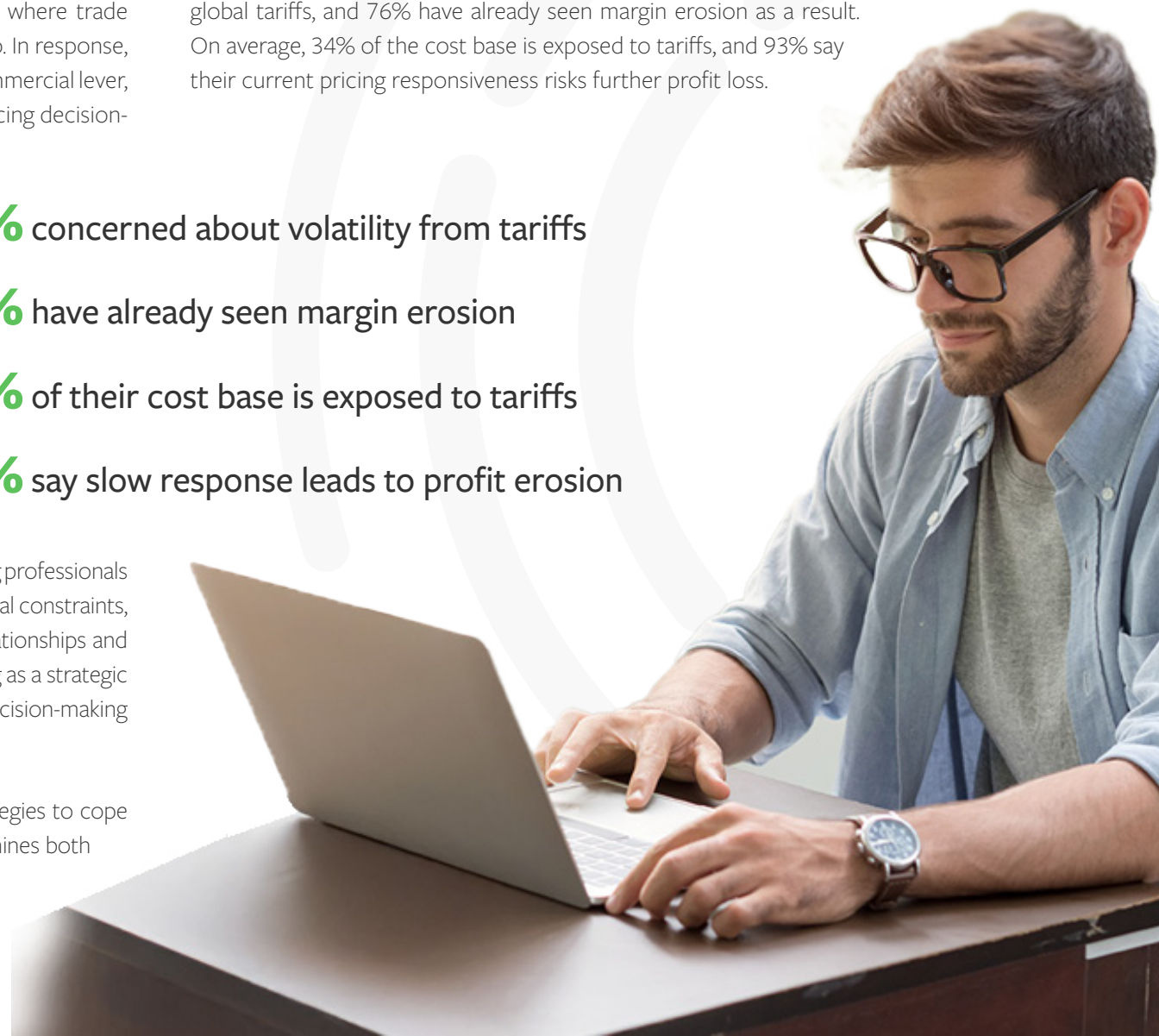
76% have already seen margin erosion

34% of their cost base is exposed to tariffs

93% say slow response leads to profit erosion

Pricing agility is no longer optional, but the challenge is complex. Pricing professionals are grappling with customer sensitivity, internal silos, and technological constraints, all while trying to stay competitive in markets where reputation, relationships and rapid response are paramount. While nearly all businesses see pricing as a strategic lever, many admit they're still adapting their infrastructure and decision-making processes to meet the moment.

This report explores how companies are evolving their pricing strategies to cope with external tariff shocks. Drawing on exclusive market data, it examines both the urgency and complexity of the response and offers a roadmap to build smarter, more resilient pricing capabilities.





The Tariff Shockwave

The perfect storm of tariffs and uncertainty

In a matter of months, tariffs have moved from a technical trade consideration to a boardroom priority. Escalating global trade tensions, policy unpredictability, and the return of protectionist politics have introduced cost volatility on a scale most businesses are unprepared to manage. What was once a background variable is now a central commercial threat.

The complexity of today's tariff landscape defies traditional business planning. A universal 10% baseline tariff may appear manageable until layered with product-specific duties, retaliatory measures, and country-of-origin requirements. The cumulative effect creates not only highly complex cost structures but ones that could shift any day depending on the political wind.

What we're seeing now is the most expansive and aggressive use of tariffs in U.S. history. You can pay a tariff if you have the money, but if the raw material, the input, is disrupted, you're shut down. This is the new reality: you now need to know who owns the vessel, who built it, and who operates it — just to know the tariff. Whatever you build today, be flexible for tomorrow.

Omar Nashashibi - Founder - Inside Beltway



Our research reveals that 91% of businesses are concerned about tariff impacts over the next 12 months, with 33% expressing extreme concern. This anxiety isn't driven by news headlines; it reflects the tangible reality that 34% of the average company's cost base sits exposed to tariff fluctuations.

91%

**concerned about
tariff impacts**

91%

**concerned about
inflation**

89%

**concerned about
energy costs**



The wider consequences of tariffs and global instability are cause for concern too, with 91% worried about inflation and 89% about energy costs. This creates a compounding effect where traditional risk management approaches, designed for isolated challenges, prove inadequate for addressing interconnected volatilities.

The frequency of change in global tariffs has fundamentally altered the competitive landscape. Where businesses once adapted to periodic trade policy adjustments, they now face scenarios where tariffs on electronics can swing from 5% to 25% between shipments. This turbulence has accelerated the need for more sophisticated pricing capabilities and much faster response times.

34%

**average cost
base exposure
to tariffs**



Time is Money

Why traditional pricing approaches fail in volatile markets

The danger isn't just tariff impacts; it's the lag between impact and response. Traditional pricing infrastructure, designed for stable environments, creates high-risk gaps in volatile markets. When tariffs shift rapidly, every day of delayed response compounds margin erosion.

When a 15% tariff hits a product category, organizations averaging 30 days to implement pricing changes face a brutal competitive reality. While they spend time calculating and rolling out adjustments, faster competitors have already adjusted prices and protected margins. Each day of delay represents direct margin loss on every transaction, creating a profitability gap that can take months to recover.



The damage extends beyond immediate margin erosion. In the event of a tariff reduction, organizations that responded slowly face a perception trap. Having finally implemented their price increases, they must now reduce prices quickly to avoid appearing to profiteer from the situation. Meanwhile, competitors who responded rapidly to both the initial tariff and its removal appear transparent and customer-focused.

Already, 76% of organizations report experiencing margin compression due to tariffs, while 93% believe their current pricing responsiveness will lead to profit erosion as tariff changes take effect.

Traditional quarterly or annual pricing cycles, still used by 61% of companies, prove as outdated as paper maps in a GPS world. These approaches assume stability that no longer exists.

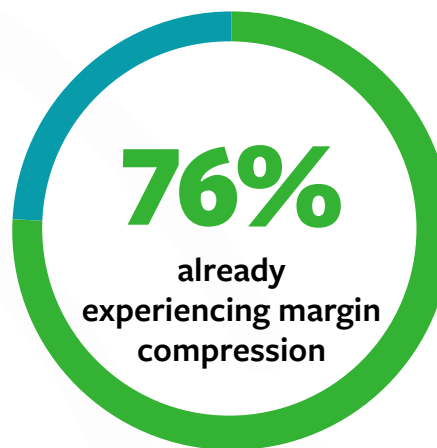
Meanwhile, 59% of organizations require weeks or months to implement price changes. Spreadsheet-based pricing systems or sluggish ERPs can't match the pace of change in today's trade policy environment, resulting in competitors with faster response capabilities capturing significant market advantage.



61%
still use quarterly or
annual pricing cycles



59%
require weeks or months
to implement changes





Pricing As A Strategic Lever

Much of the public and political response to tariffs has centered on reshaping global supply chains: moving production out of high-tariff regions, shifting suppliers, or diversifying sourcing. These strategies are sound but slow.

That's why pricing is emerging as the most powerful and controllable lever available - allowing companies to respond in real time, protect profitability, and stay competitive.

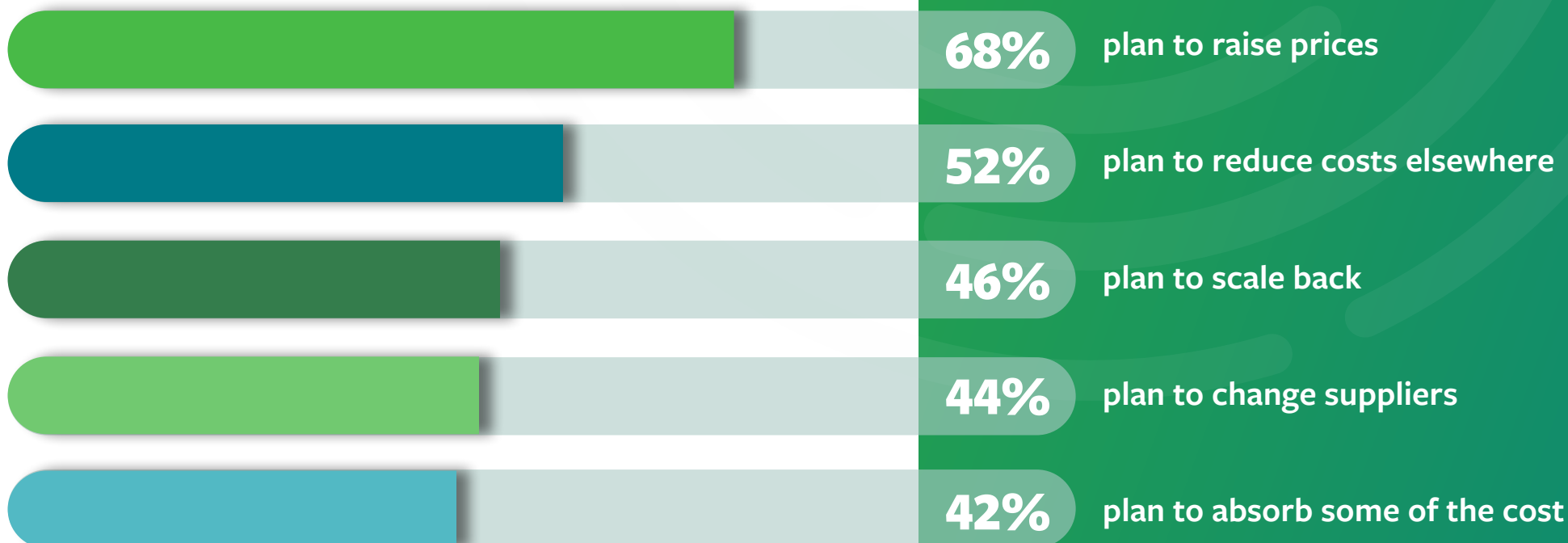
Establishing new manufacturing partnerships typically requires months or years. When tariffs take effect, these approaches simply can't deliver the immediate margin protection required. Pricing gives immediate profit protect and can be leveraged to develop short, mid and long-term growth strategies, even through volatile times.

Andrew Butt, Enable CEO



An overwhelming 96% of respondents view pricing as strategic in their tariff response, with 90% prioritizing price adjustments as their primary defense mechanism. This represents a fundamental shift from viewing pricing as a periodic administrative task to treating it as a continuous competitive capability.

Companies with advanced pricing capabilities can assess tariff impacts, model response scenarios, and execute changes while competitors are still scheduling meetings to discuss their options. This speed differential creates opportunities to capture market share during periods of competitor uncertainty.

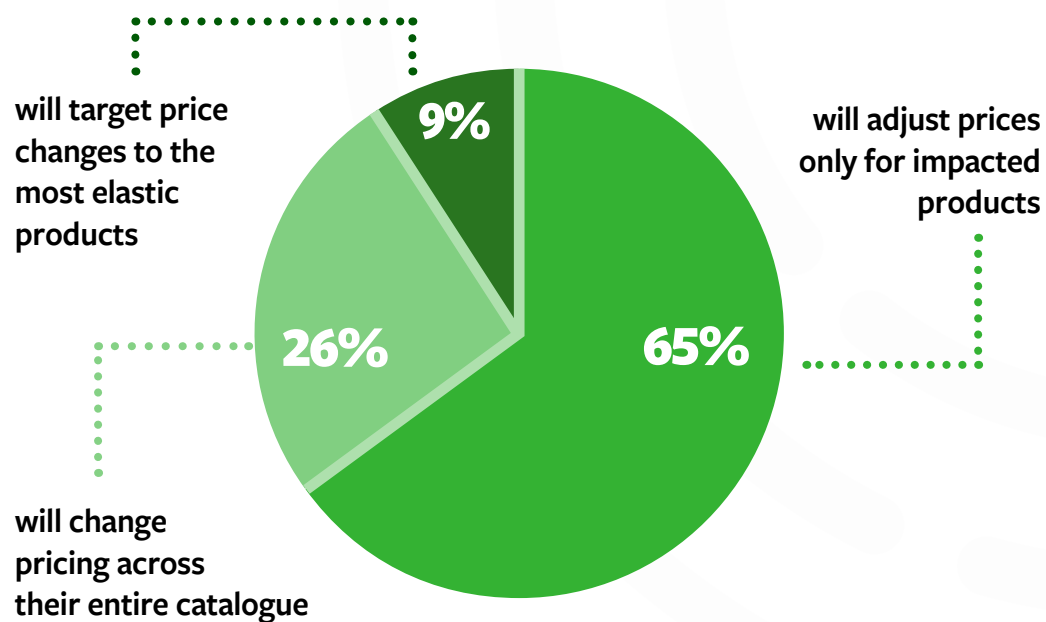


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Pricing Execution

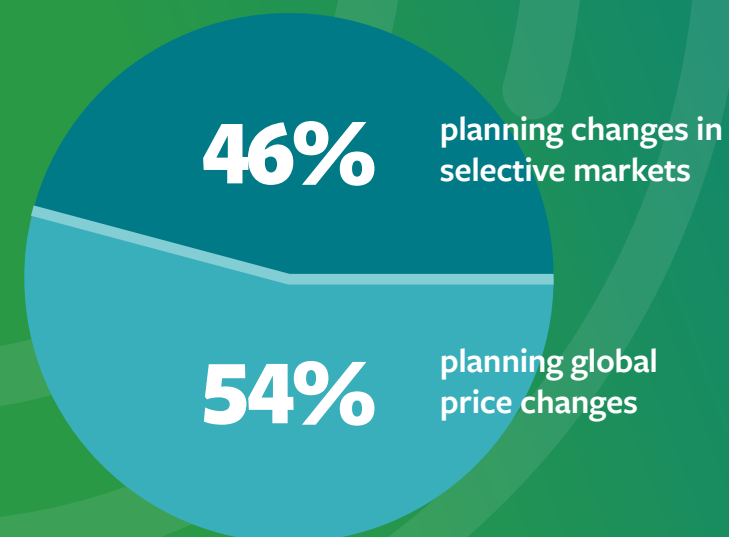
The art and science of nuanced pricing

While the threat and impact of tariffs require immediate pricing action, our research reveals a range of strategic responses among businesses. Despite the broad inclination to increase prices, few businesses are taking a blanket approach. Among those planning changes:



Market segmentation adds another layer of sophistication. 54% of businesses plan to change prices globally, while the remainder will restrict adjustments to tariff-affected regions.

This segmented approach shows a shift toward smarter, data-led pricing execution. Businesses recognize that pricing agility is not just about reaction, it's about precision. Making the right move at the right time, in the right segment.





Your competitors are getting hit with tariffs and may be forced to raise their prices. That gives you a unique opportunity. You could raise your prices too, knowing you likely won't be undercut. Or, counterintuitively, you might choose to lower your prices instead. If you do, while your competitors are increasing theirs, you can aggressively go after market share - and that's a powerful message for buyers.

..... James Lett, Chief Technology Officer, Enable



Despite this ambition, a quarter of organizations lack confidence in their pricing strategy. Precision requires clear margin visibility across channels, categories, or even SKUs, and the ability to model pricing changes and their margin impact. The lack of confidence is likely to stem from inadequate tools rather than strategic confusion.

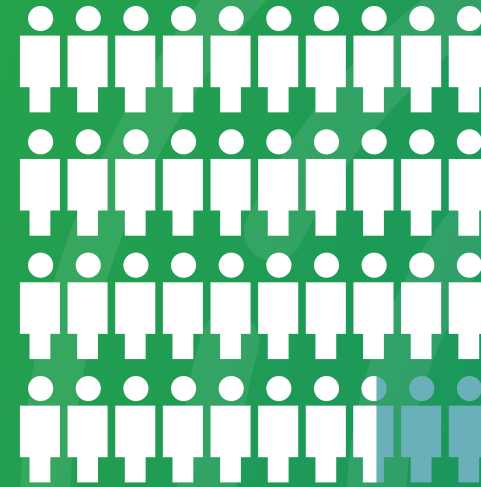


A Customer Relationship Balancing Act

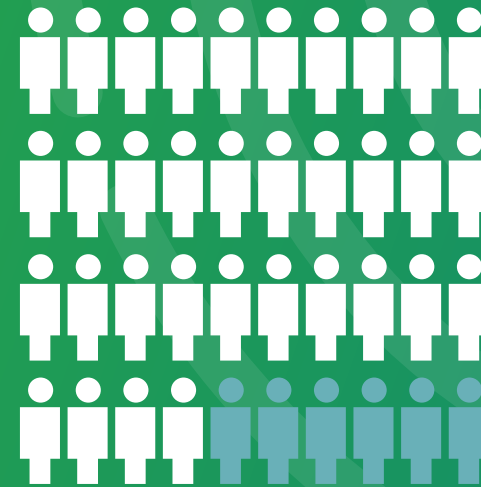
Managing price sensitivity whilst protecting margins

Customer relationships add complexity to tariff responses, but they also create opportunities for differentiation. Organizations that master transparent, value-based pricing discussions often strengthen customer loyalty even while implementing increases. The

research shows 85% of organizations believe customers are sensitive to tariff-related price changes, while 94% worry about relationship impacts from pricing adjustments. This creates tension between margin protection and relationship preservation.



94%
concerned about
relationship
impacts from
pricing changes



85%
report customers
are sensitive to
tariff-related
price changes

Competition amplifies the challenge. With 62% of organizations concerned about losing market share to price competition, the temptation exists to absorb tariff costs to maintain competitive positioning. However, this approach often proves unsustainable.

The decision on whether to communicate price changes is a strategic one, but nine out of ten respondents intend to maintain some pricing transparency with customers.

Consumers and businesses are already familiar with deconstructed pricing models. Rather than simply increasing overall prices, organizations can itemize the tariff component, making it clear that

the increase is tied to specific government actions rather than opportunistic margin expansion.

Implementing tariff transparency requires margin visibility across a product portfolio and an understanding of precisely what increased costs will be as a result of tariffs. With this information organizations can make informed decisions about pass-through percentages.





The Tech Advantage

Why digitalization has become pricing imperative

When asked to identify their biggest barriers to pricing agility in the face of tariff changes, respondents cited system limitations, second only to customer pushback.

Pricing has suffered from a severe lack of investment and digitalization, leaving many businesses working with systems that can't keep pace with the needs of the times. According to the research, businesses recognize the limitations of their tools and 80% expect to invest in new pricing capabilities within the coming year.



80%

expect to invest in new pricing capabilities within the coming year

We're facing real challenges with tariffs, but we also have access to extraordinary technology and a chance to build something more scalable than ever before. This moment is ours to seize. It's your job to figure it out now, because the pace of innovation is so fast that waiting even three years means you're already behind.

**Aamir Paul, President of North America Operations,
Schneider Electric USA**



In response to the challenges faced by customers, Enable has launched the Tariff Price Planner, the first solution to combine granular HTS code cost analysis with dynamic pricing scenario modeling, providing clear visibility of landed costs and immediate decision support.

Businesses can simulate tariff impacts in real-time and execute pricing changes across entire catalogs instantly.

- Search tariffs by country and HTS code
- Compare product costs with and without tariffs
- Model full or partial absorption strategies
- Assess impacts across SKUs, regions & customer segments
- Plan price and margin changes across time periods

Intelligent and integrated pricing execution software gives businesses the ability to respond to market changes with speed and precision.

Margin impact modeling enables real-time visibility into how tariff changes affect profitability across products, regions, and customer segments. Rather than waiting for quarterly reviews to understand financial impacts, organizations can assess scenarios immediately and model response strategies before implementing changes.

Nuanced pricing adjustments allow surgical precision rather than blanket responses. This capability enables companies to maintain relationships in price-sensitive segments while protecting margins elsewhere.

Rapid execution capabilities close the loop. The ability to implement price changes across all channels within moments rather than weeks transforms competitive positioning. When tariffs shift, companies with these capabilities can respond while competitors are still assessing impacts.





Building Your Pricing Resilience Strategy

A key takeaway from this research is that few businesses are tackling tariff volatility with total confidence. Building pricing resilience is an urgent task but one that requires a strategic and methodical approach. Contact Enable today and our team will help you:

**1**

Evaluate the effectiveness, efficiency, and adaptability of existing systems for managing market volatility

**2**

Develop robust scenario planning processes for different tariff environments enabling you to model outcomes and assess risk exposure.

**3**

Implement a powerful solution that **seamlessly integrates with your ERP** and delivers real-time data visibility.

**4**

Manage hundreds of thousands of prices through infinite price rules across different channels and markets

**5**

Execute rapid price adjustments at scale to deliver the right price, at the right time in the right place

Conclusion

Transforming tariff challenges into strategic advantages

While today's tariff tensions demand immediate attention, the broader pattern of volatility looks likely to continue. Building the capabilities to rapidly assess and respond to cost volatility will remain valuable long after current headlines fade.

Organizations that master real-time pricing capabilities won't just survive volatile markets, they'll acquire a long-term ability to outmaneuver the market.

The transformation to strategic, technology-driven pricing management is already underway, with the vast majority of leaders recognizing pricing as a strategic lever and planning technology investments to strengthen their pricing powers. The most innovative businesses will focus that investment in both immediate response tools as well as long-term capability development, protecting today's margins while building tomorrow's advantages.

Experience the Power of Enable

Request a demo and experience the power of our platform for yourself. We are dedicated to your success and invested in

your future. For more information, visit our website or fill out the form on our demo page to speak with someone today.

[Request a demo today](#)

Explore more resources to navigate tariff turbulence with the Enable Tariff Toolkit, or find out more about Enable's Tariff Price Planner.

