

Pricing Analysis:

Strategic Insights for Optimized Revenue

Subtitle : A comprehensive study of product Performance positioning

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Analysis Objectives

Evaluate Product Performance:

- Identify top-performing and underperforming products in terms of revenue and quantity sold.

Compare Pricing Trends:

- Benchmark your company's prices against competitors.

Trends in Pricing, Sales, and Revenue :

- Analyze how pricing strategies influence sales volume and revenue trends over time, highlighting seasonal peaks and competitor comparisons.

Strategize Adjustments:

- Highlight actionable insights for pricing optimization.

Data Overview

Website : [Retail Price Optimization](#)

The dataset includes 676 records with 30 columns, covering aspects such as:

- **Product details** (ID, category, unit price).
- **Sales data** (quantity sold, total revenue).
- **Competitor pricing** (comp_1, comp_2, comp_3).
- **Temporal data** (month, year).
- **Freight and lag prices.**

key finding

Time Period: May 2017 to March 2018

approximately **11 months** of data for analysis.

- **Earliest Date:** May 2017 (01-05-2017)
- **Latest Date:** March 2018 (01-03-2018)

Summary statistics Examples:

- **Total revenue generated:** \$961,751.10.
- **Total quantity sold:** 9,799 units.



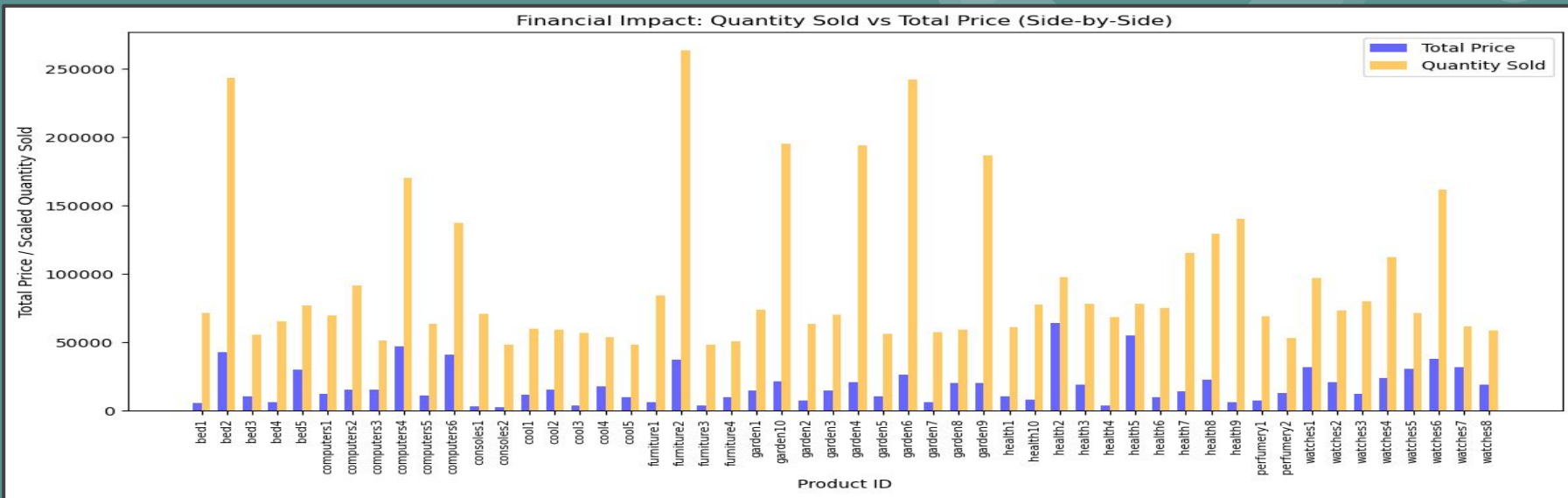
Product Performance

Top 3 Products

1. health2: \$63,885 revenue with 195 units sold.
2. health5: \$54,730 revenue with 156 units sold.
3. computers 4: \$46,916 revenue with 341 units sold.

Low 3 Products:

console2: \$2,384 revenue with 97 units sold.
console 1: \$3,416 revenue with 142 units sold.
furniture 3: \$3,507 revenue with 97 units sold.



Revenue per unit

Insights on Revenue Per Unit

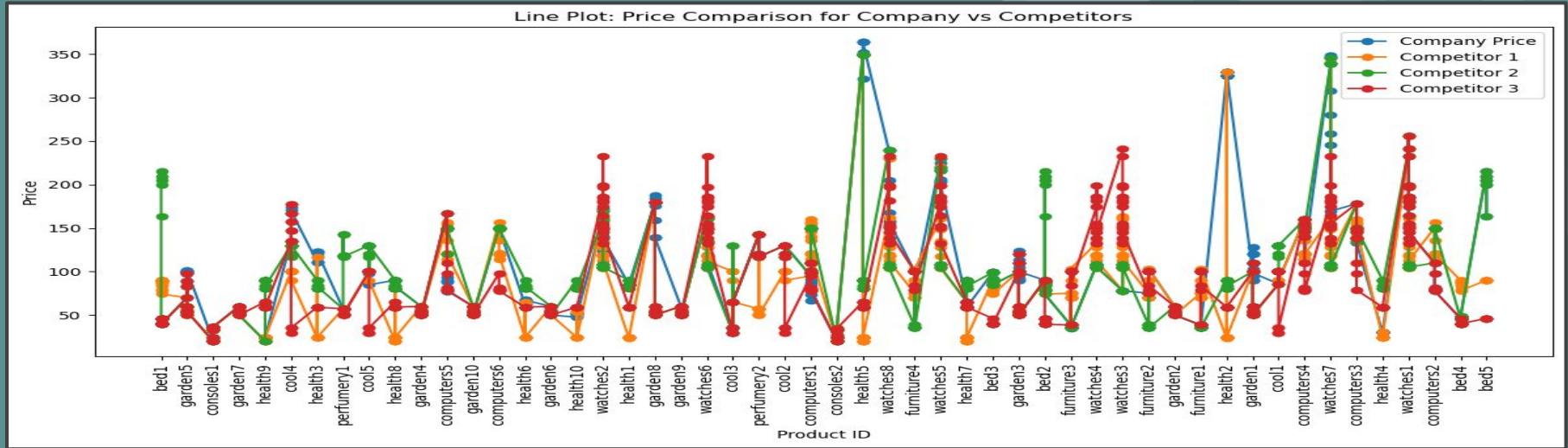
Top 3 Products by Revenue Per Unit:

1. **health5**: \$350.83 per unit.
2. **health2**: \$327.61 per unit.
3. **watches7**: \$257.10 per unit.

Low 3 Products by Revenue Per Unit:

1. **health9**: \$22.51 per unit.
2. **console 1**: \$24.06 per unit.
3. **console2**: \$24.57 per unit.

Price Competitiveness



- **Key Observations:**

- My pricing is consistently higher than competitors (average company price: \$106.50).
- Competitor 1 maintains the lowest prices (average: \$79.45).
- Competitors 2 and 3 are moderately competitive (averages: \$92.93 and \$84.18).

- **Insights:**

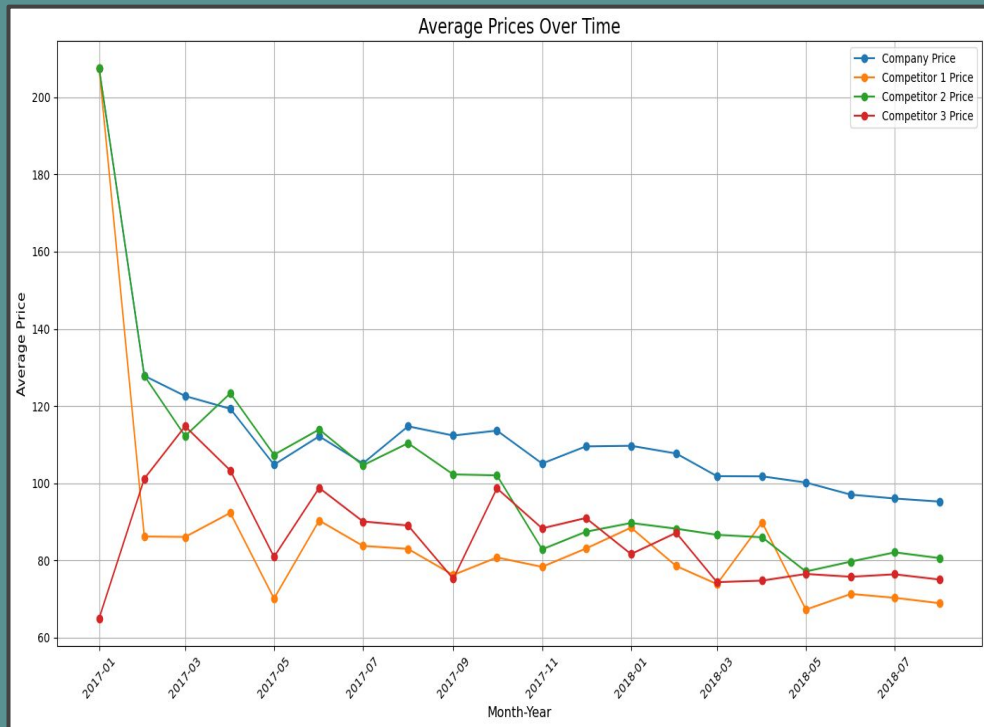
- Competitor 1 follows a cost-leadership strategy.
- Significant price deviations may impact competitiveness for certain products.



Financial Impact Over Time:

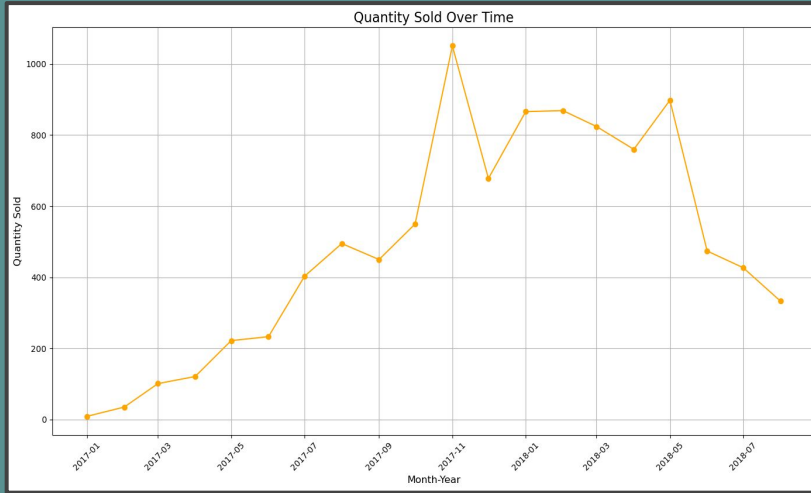
Trends in Pricing, Sales, and Revenue

Average price over time

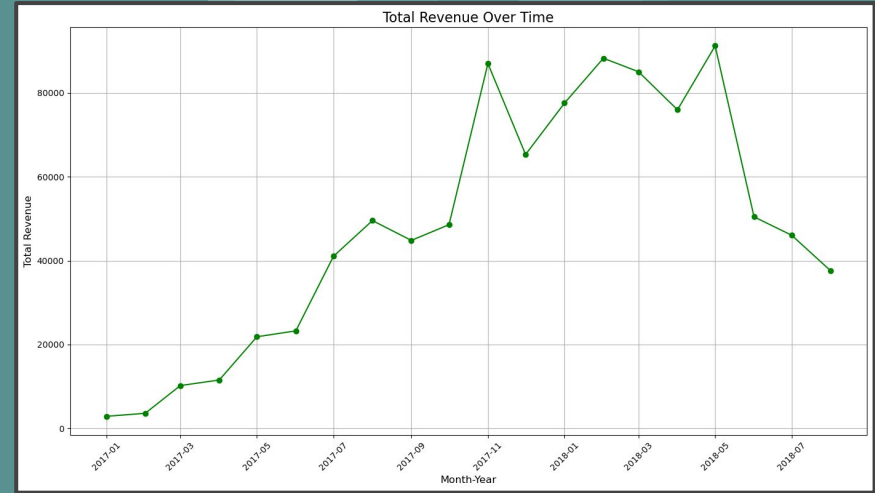


- Your company maintains higher prices, reflecting a premium strategy.
- **Example:** In May 2017, your price was **\$45.95**, lower than Competitor 1's **\$89.90**, highlighting a competitive advantage.

Revenue and Sales Volume Trends Over Time



- Sales fluctuate with price changes and seasonal trends.
- **Example:** **December 2017**, price reduction to **\$39.99** boosted sales volume.
- **Insight:** Aligning prices with competitors increases sales.



- Revenue is stable, with peaks during high-demand months.
- **Example:** In **November 2017**, reduced prices led to a revenue spike.
- **Insight:** Discounts during peak months drive higher sales and revenue.

Implications and Recommendations

Market Positioning

Premium Pricing: Your higher prices reflect superior quality and value.

Competitor Differentiation: Emphasize unique features to stand out.

Customer Targeting: Focus on quality-conscious and loyal customers.

Example:
Position health5 (\$350/unit) as a premium product through campaigns showcasing its durability and long-term value.

Opportunities for Adjustments

Price Adjustments: Lower prices for price-sensitive products like health9 (\$22/unit).

Seasonal Promotions: Offer discounts during peak seasons like November-December. like 10% discount on health2

Product Bundling: Combine low performers (e.g., consoles2) with high-sellers (e.g., health2) to boost sales.

Focus Areas

Maximize Revenue from Top-Performing Products

Monitor Competitor 1: Risk of losing price-sensitive customers.

Emphasize Value Proposition:
Highlight premium quality for high-revenue products (e.g., health2, \$327.61/unit)

Inventory Optimization: Stock up on high-demand products during seasonal peaks.

Use email marketing to offer personalized discounts for repeat purchases.

Q&A

THANK YOU









