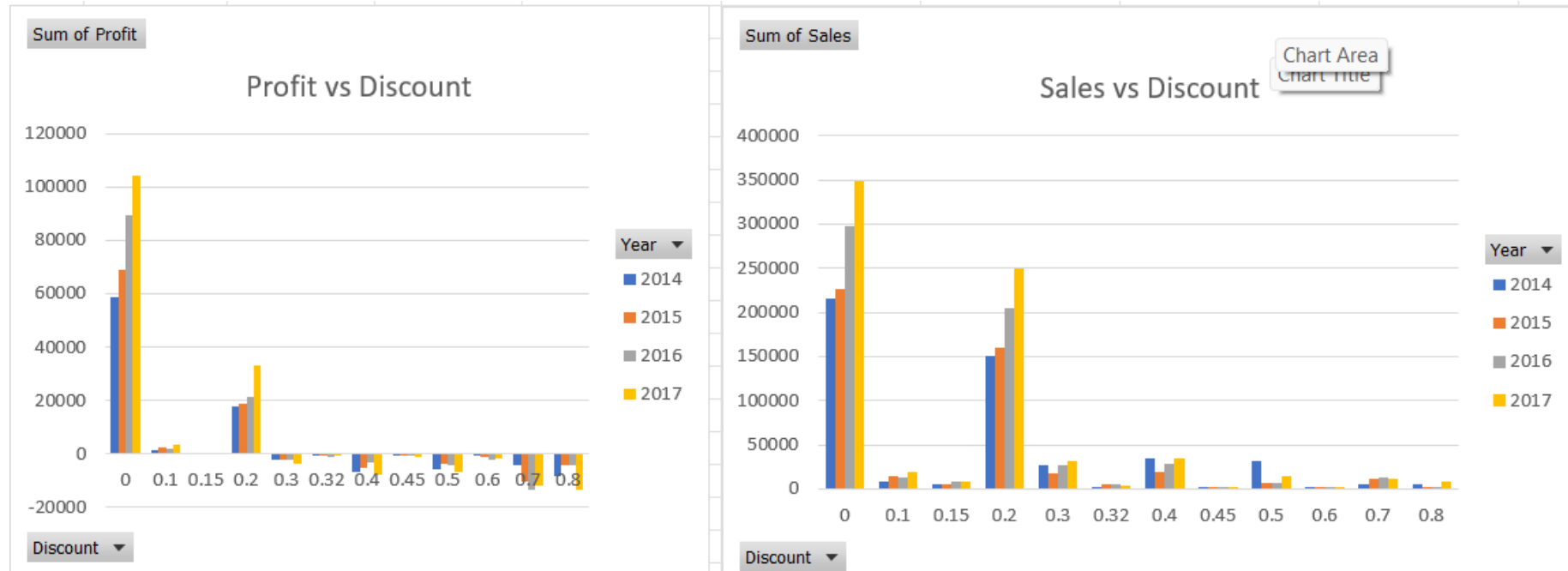


**Maximize Profit of the Superstore**

# Problem with Discount

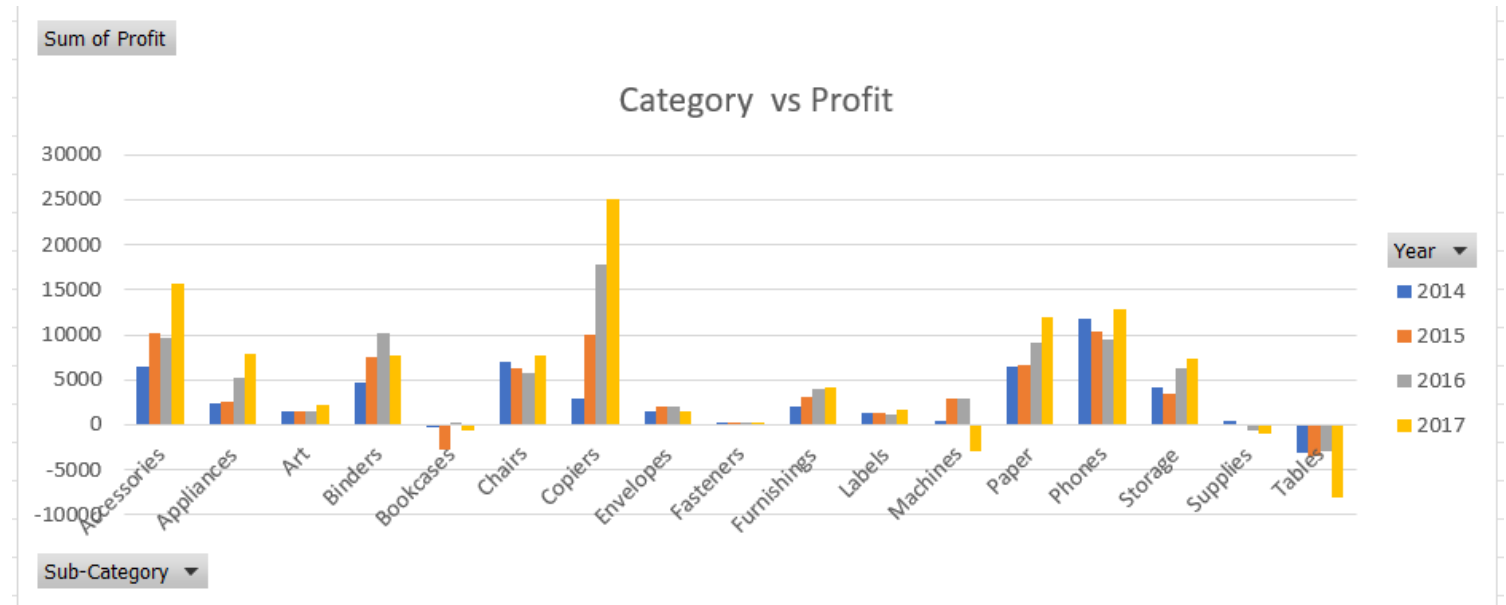


After a **0.2 discount**, there's no significant spike in sales, and profits turn negative. Higher discounts only increase losses without boosting sales, so keeping discounts below or equal to **0.2** is the best strategy. If we do this, there is a chance of decrease in sales, but our profit will increase.

After removing high discounts, there is a chance of losing customers who usually buy products at those discounts. Retaining these customers is important.

some sub-categories causing losses:

- Tables
- Bookcases
- Supplies
- Machines



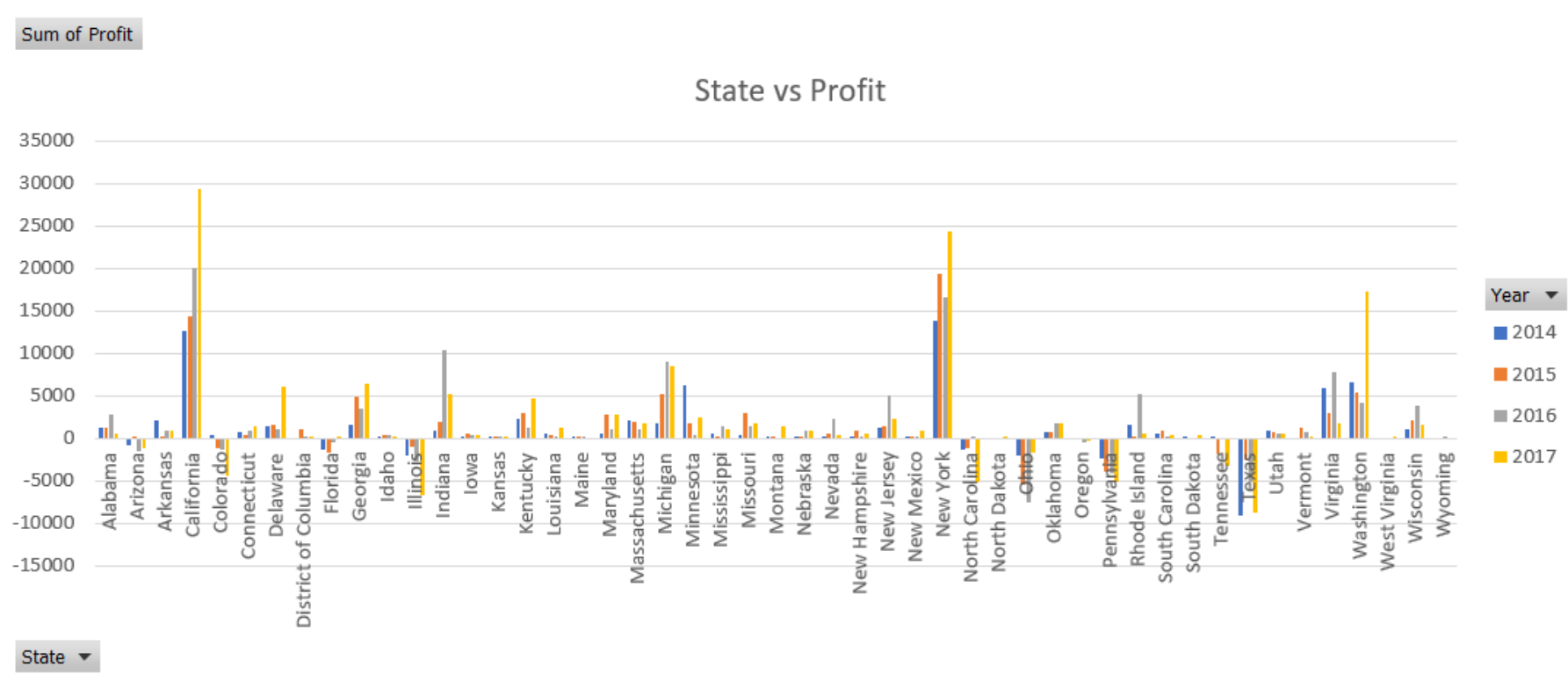
These sub-categories are making losses. To fix this, we can give discounts to improve sales or stop selling the products that keep losing money. This will help us focus on the ones that make profit.



If we decrease the discount to under 20% for Tables and Machines, there's a good chance of turning them profitable, since our data shows that lower discount regions (0–0.2) are already generating good profits. However, Bookcases, and Supplies already have discounts in this profitable range, so reducing discounts further may not help much. For these categories, we either need to discontinue them or explore other strategies to improve profitability.

Machine make loose in only 2017.

## Some Loose Making State



- Some states like Texas, Illinois, and Pennsylvania show negative profit in multiple years.



Our data shows we make the most profit when discounts are **below 20%**. Some states, like **Texas**, give very high discounts (around 40%) but still lose money.

This means big discounts are not helping in these places. If we **reduce discounts** in such loss-making states to around **15–20%**, there's a good chance we can make them profitable.