# **Eniac Discount Pricing Strategy**

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#### Is Product Discount a Smart Choice?

#### **Marketing Team**

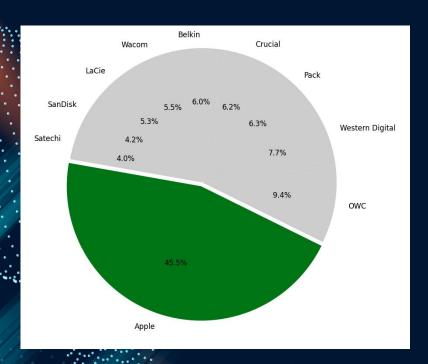
- Beneficial in the long run
- Improves customer satisfaction
- Increases the bottomline

#### <u>Investors</u>

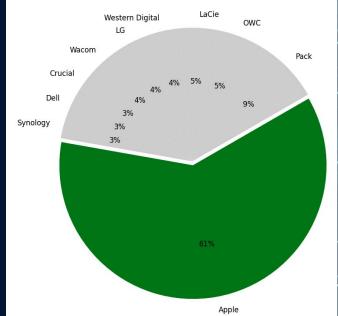
- Impact of aggressive discount
- Stick to quality segments

# **Outline** Most sold brands Most revenue generation Relationship between discount and product sale Conclusion and recommendations

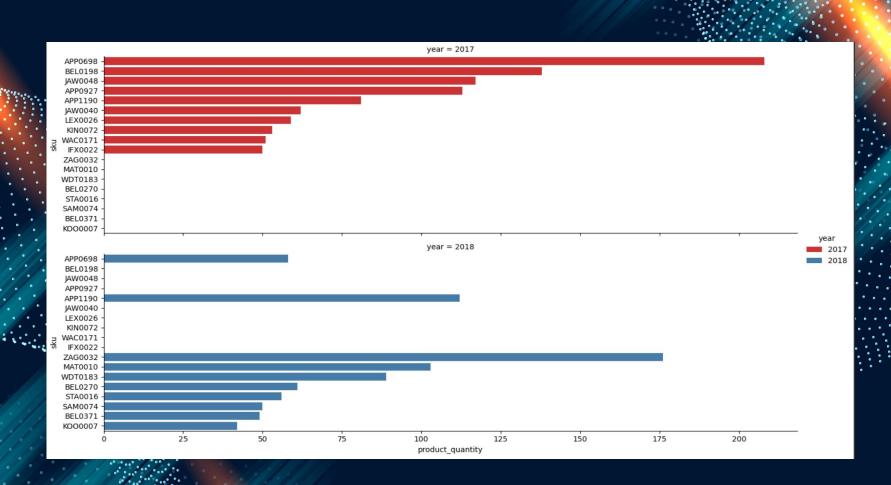
## Percentage Product Distribution



# Percentage Revenue by Brands

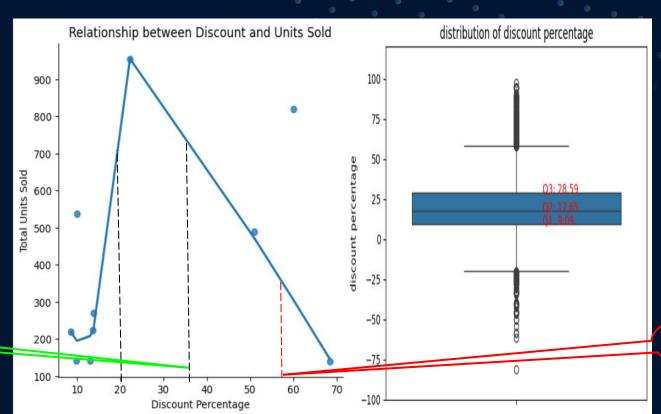


#### How Selling Behavior changes from 2017 to 2018:



## The Three Quartiles and Outliers of The Discount Percentage

The Best **Discount** Rang is between 20% and 35%, with that we can say safely the outliers start from 35%



Discount percentage

**Q1** 9.09

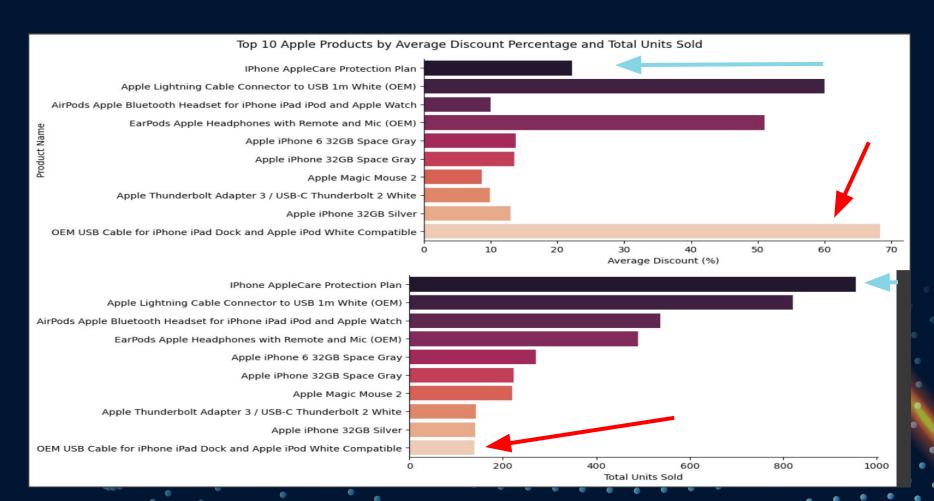
**Q2** 17.65

**Q3** 28.59

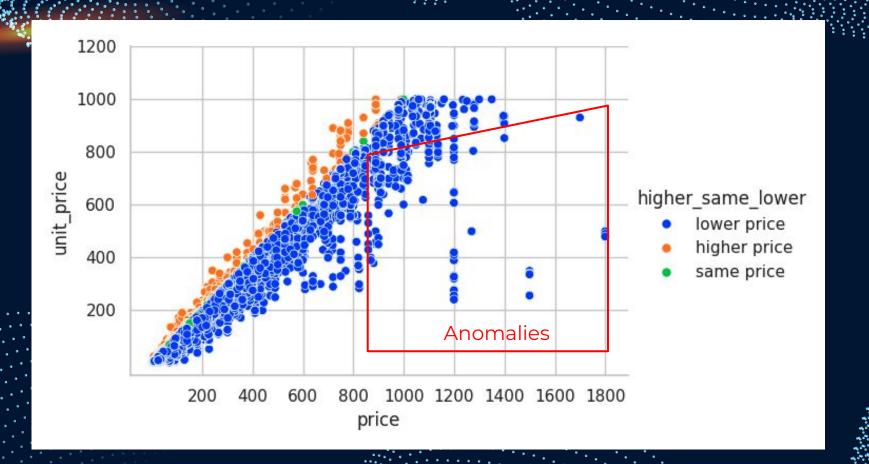
IQR = Q3 - Q1 = 19.5

Q3 + 1.5 \* IQR = 57.84 %

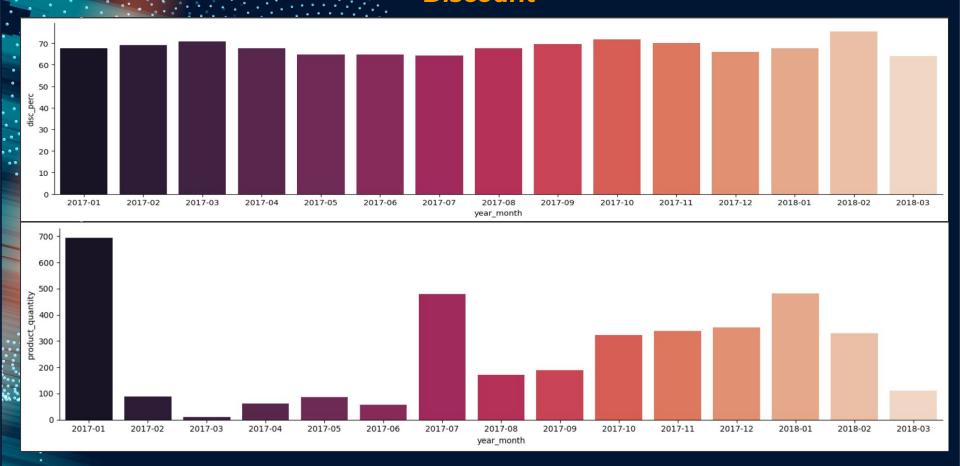
#### Average Discount and Total Units sold of The Top 10 Apple Product



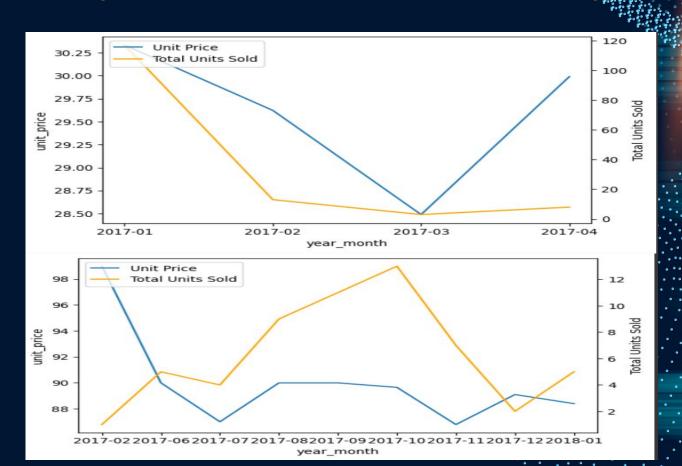
#### The Relationship Between The actual Price and The Selling Price



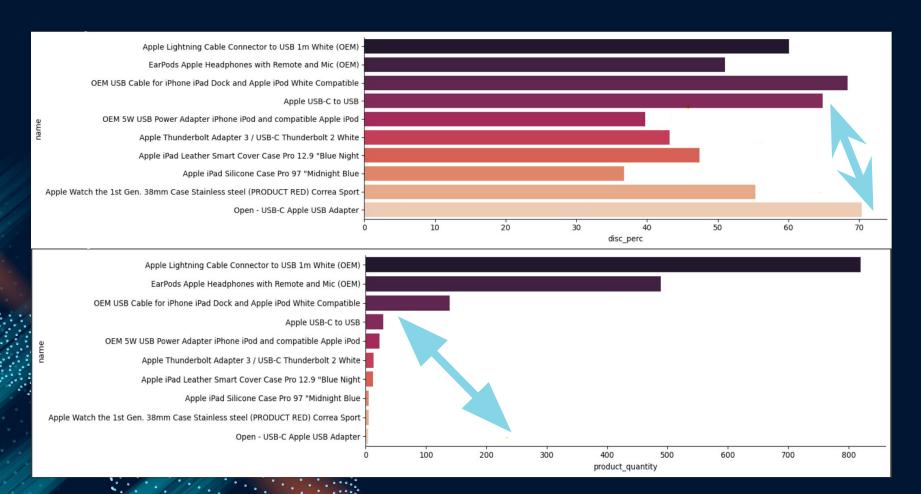
## Percentage and The Amount being Sold of Product With Aggressive Discount



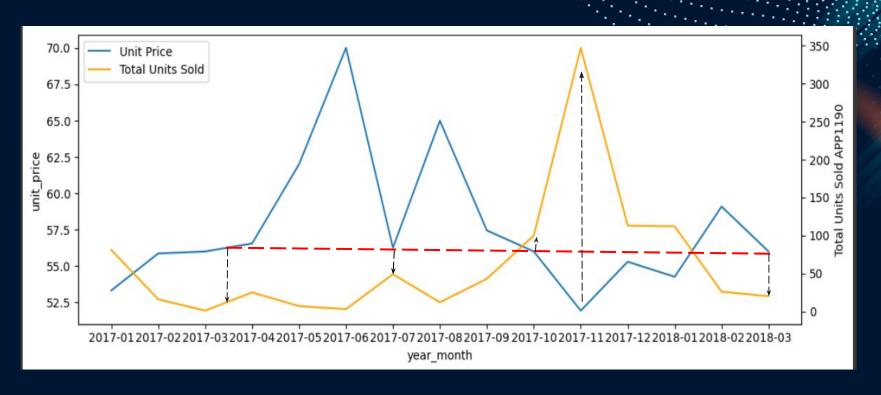
## Two Examples from The Best Sold two items in The Time Range. Top: Activity Monitor Band Bottom: DLink Baby Monitor.



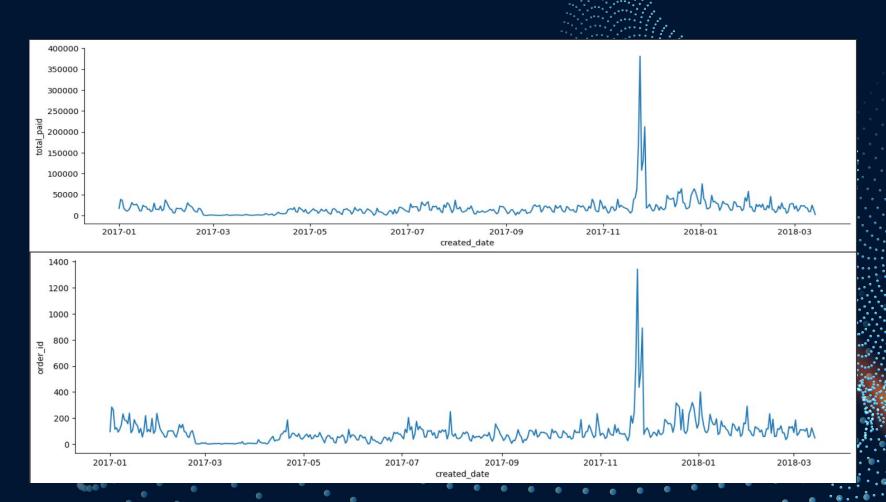
#### Top 10 Apple best sold Products with Aggressive Discounts



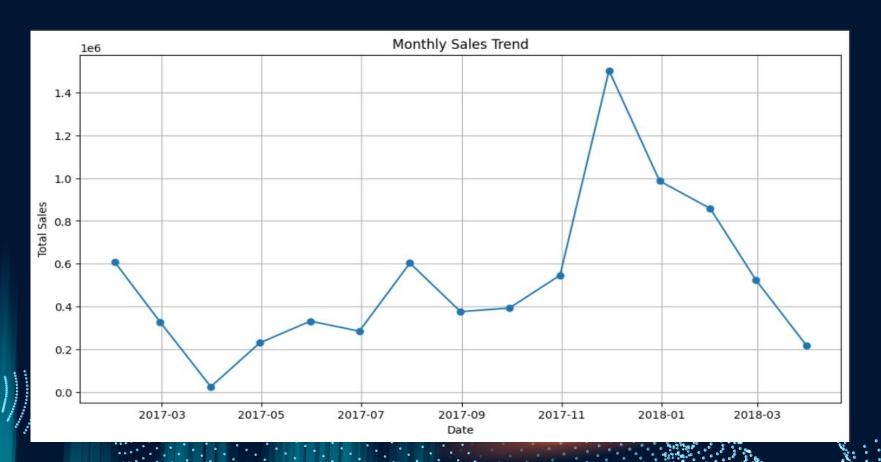
# Best sold Apple Product(priced more than 50€) The relationship between the number of sold items and the discount over time



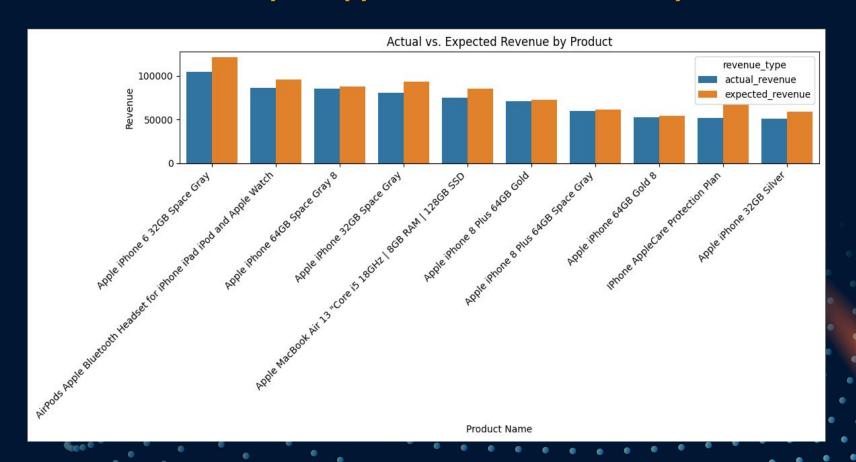
#### Total Paid and Number of Orders over Time



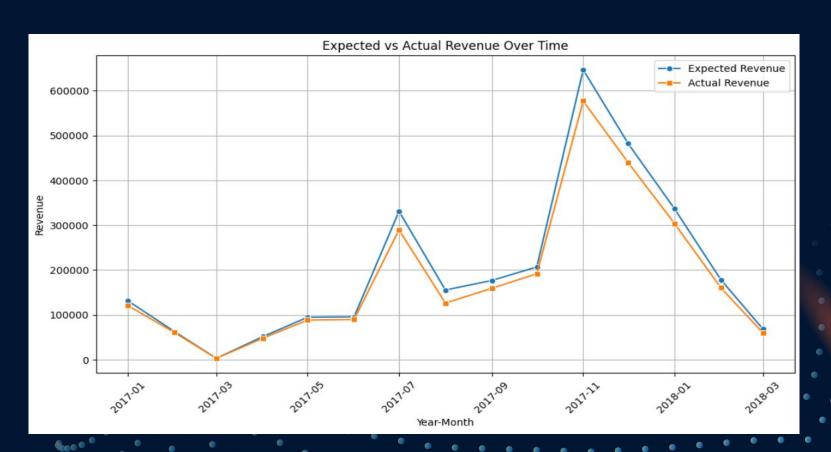
#### The general Trend in The Total Sales over Time



#### A Comparison between Actual Revenue and Expected Revenue Of The Top 10 Apple best Actual Revenue products



### Expected Vs. Actual Revenue of The Apple Products over Time



As a result of our analysis, we found that we cannot forgo price reductions, even significant ones, as they are essential for clearing out outdated stock and products that did not sell well in the market. However, these discounts must be strategically implemented:

- I. The discounts should not exceed 35% or 40% at most.
- 2. They should apply to selected products rather than all items, especially those nearing out date and expiration.
- 3. Promotions and discounts should be limited to specific seasons rather than spread throughout the year. It would be advisable for the marketing department to review our report to determine the best timing for these offers.

Furthermore, we were unable to determine net profit and the impact of the discounts on it, as the data does not contain relevant information. Instead, we analyzed overall revenue as an indicator of net profit.

Maintaining our position in the quality segment is crucial. The proof of this is that most of our sales and revenues come from Apple products, which are of high quality. However, staying in the quality segment does not contradict offering certain discounts in the structured manner we outlined.

Finally, the decline in sales volume in the first quarter could be a natural consequence of the sharp increase in sales during the last quarter of 2017, which saturated the market and led to a reduced purchasing demand.

