

Are discounts beneficial?

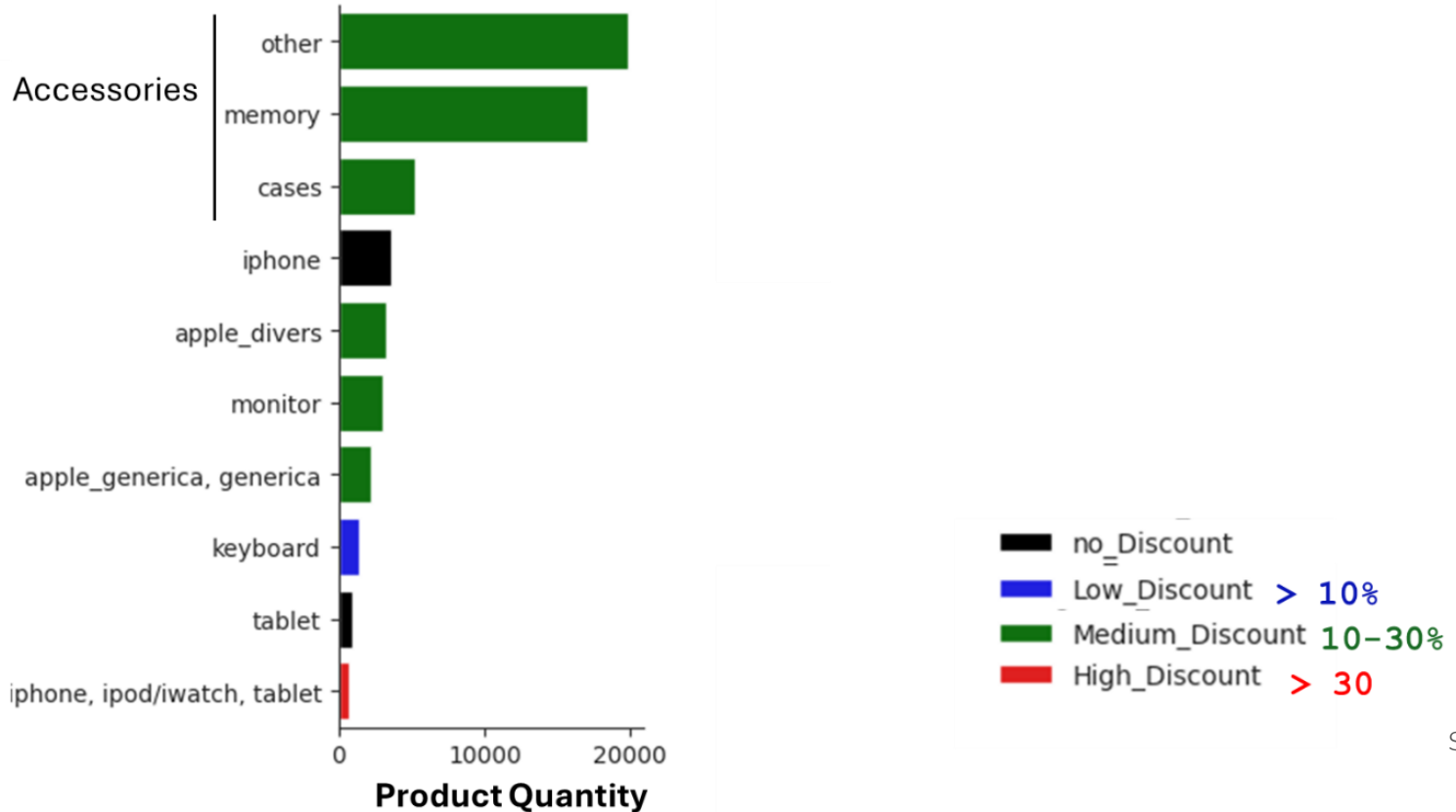


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Analysis of trends and sales according to discounts

Eniac is specialized in accessories

Product Category



Affordable products have an aggressive discount



- Products on the **lower** and **middle price** range (i.e. under 100 €) have in general **higher discounts**.
- The **revenue** comes mostly from products with **lower** and **middle** range **discounts**.

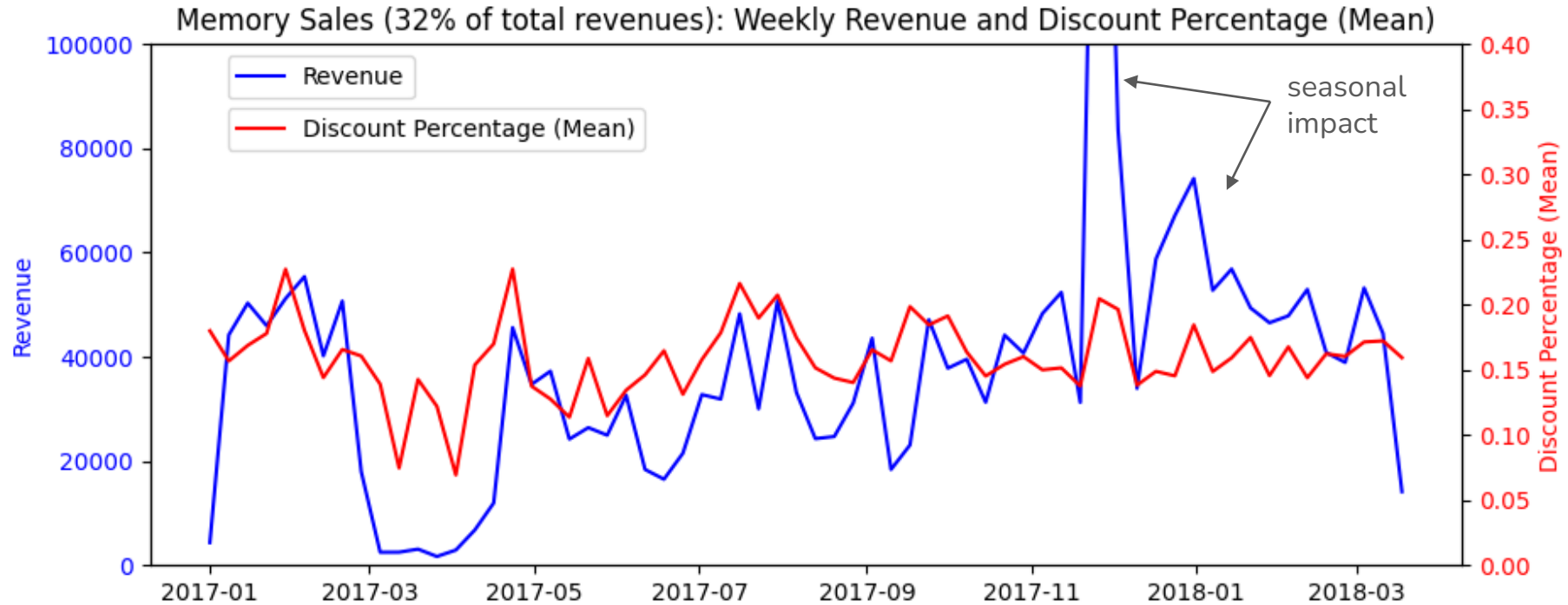
Seasonality has a great impact on sales



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- Sales around **Black Friday** and **Cyber Monday** make **10 %** of the yearly revenue.
- **Low** and **medium** range **discounts** (i.e. between 10 % and 30 %) bring the **most revenue** on seasonal sales.
- **High** range **discounts** (i.e. over 30 %) show **little impact** on the **quantity** of the sales

Higher discounts lead to higher revenues.



Moderate correlation: Pearson correlation coefficient $r=0.44$

Summary



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- All major categories have a moderate correlation of discounts and revenues.
- Aggressive discounts do not increase the popularity of the product
- Seasonal sales, especially those in november have a strong impact on the yearly revenue.

Recommendations



- Do not offer very high **discounts** of over **25%**, as **revenues** will **not increase** accordingly.
- Assign products to **robust categories** so that the discount strategy can be determined on the basis of the categories and tested with **A/B tests**.
- **Low** and **medium** range discounts achieve the best **seasonal** revenue.

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We are happy
to answer your
questions

Sources for images

1. <https://www.apple.com/de/shop/buy-watch/apple-watch-se/40mm-gps-polarstern-aluminium-polarstern-sportarmband-sm-se> (visited on: 23.05.24)
2. <https://www.macconsultshop.de/thunderbolt-kabel/owc/owc-thunderbolt-4-usb-c-kabel-1m-schwarz.html> (visited on: 23.05.24)
3. <https://www.mmore.net/de/products/biodegradable-phone-case-sunshine-yellow> (visited on: 23.05.24)
4. <https://www.alternate.de/OWC/Thunderbolt-Hub-Dockingstation/html/product/1697007> (visited on: 23.05.24)
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