

ENIAC'S PRICING STRATEGY

Does revenue grow with an increase in discount?

Overview of Products and Revenue

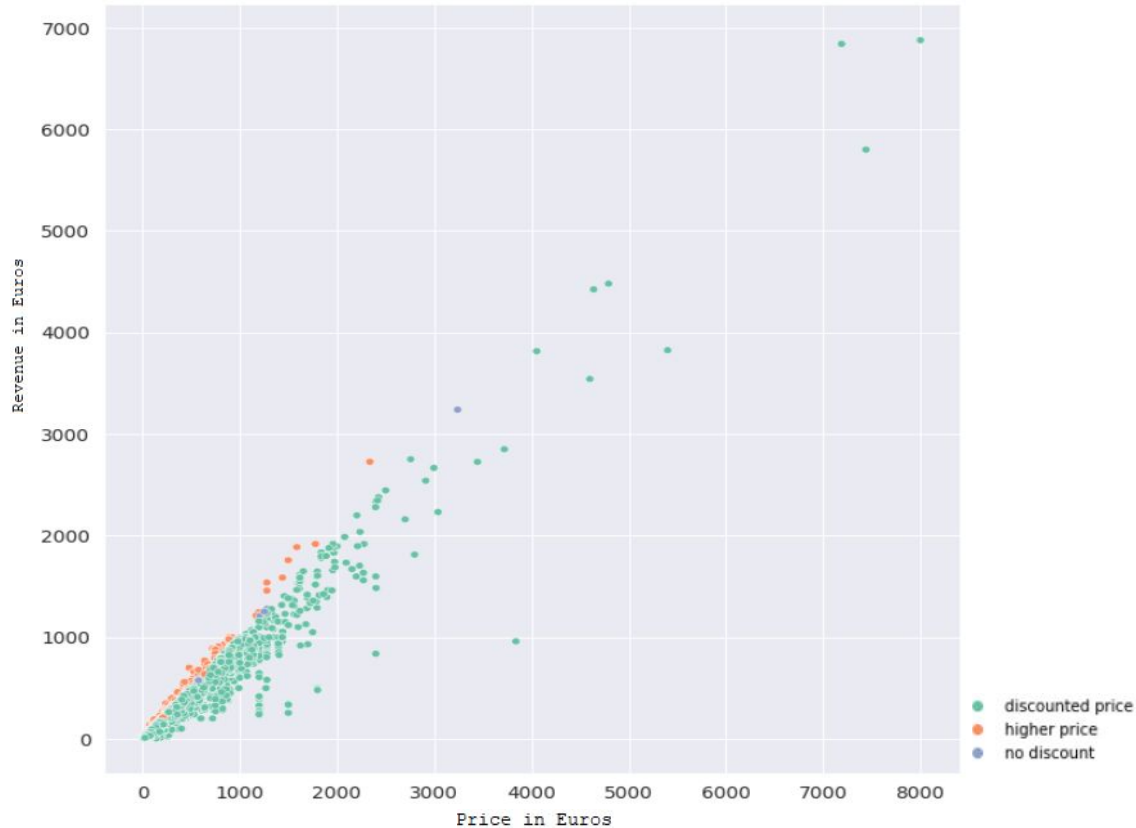
- **Completed Orders** only

Span of Database: 01/01/2017 - 14/03/2018

<u>Products</u>	<u>sold</u>	<u>Revenue</u>	<u>% of Total Revenue</u>
Discounted	55,670	€ 7.2 million	92%
Non-Discounted	4341	€ 575,081	8%
Total	60,011	€ 7.8 million	100 %

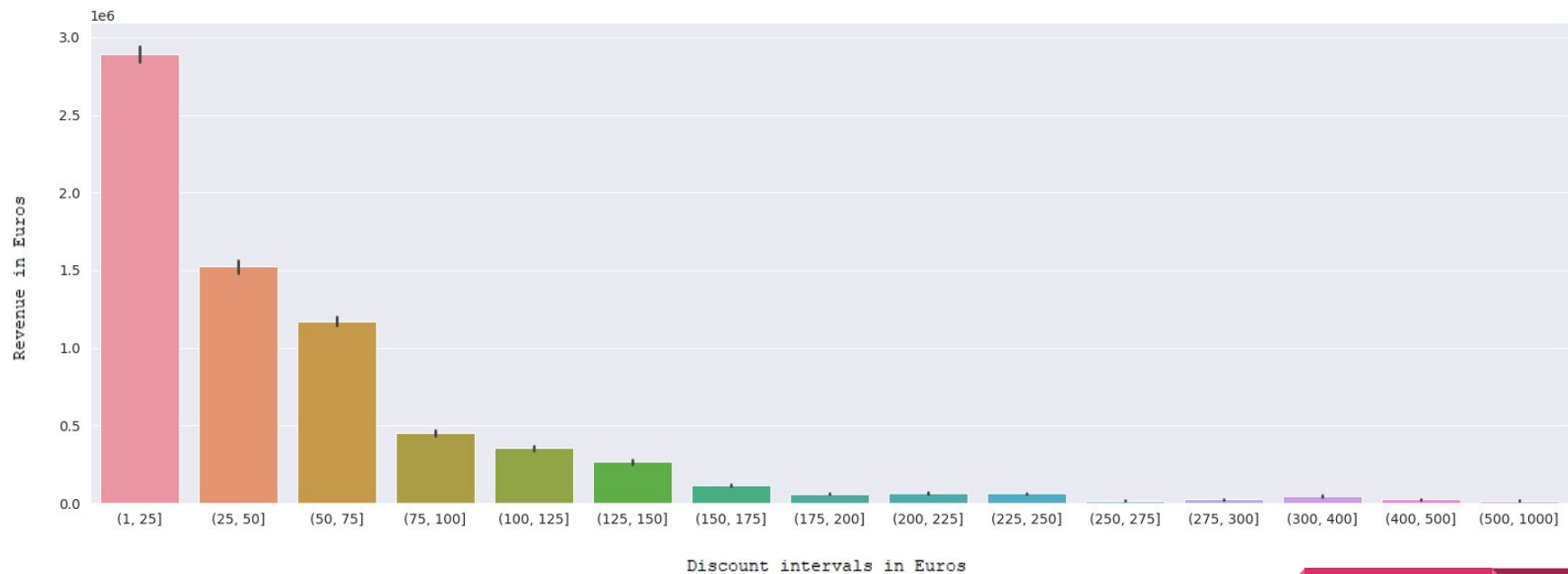


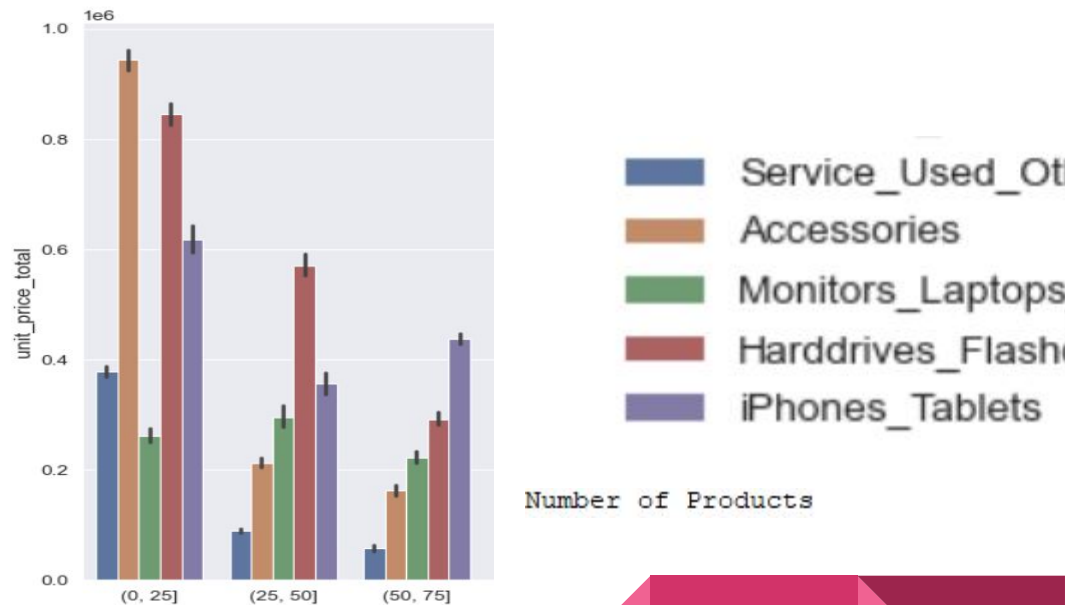
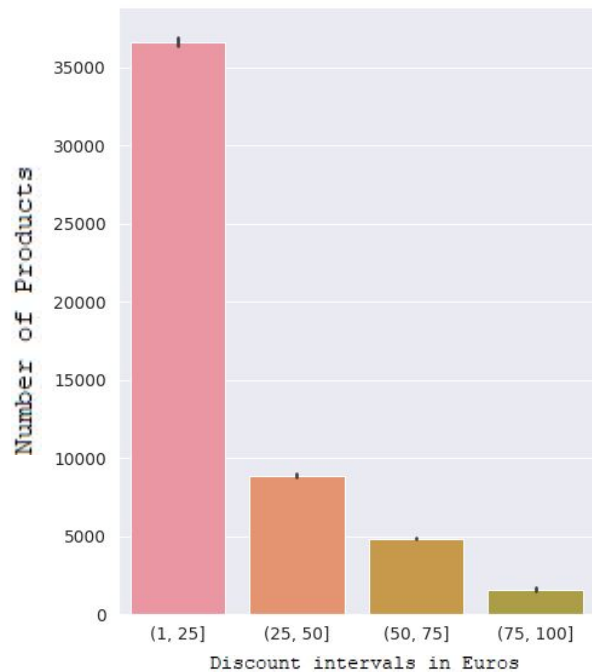
Overview of Discounts



- **€ 1,5 million** Total Discounts
- **19.5%** of Total Revenue
- Average Discount: € 26

Most revenue is made in the 1-25 discount-segment





Number of Products

Revenue and Discounts are unevenly distributed

...across Categories:

↗ average Revenue &

↘ average Discount:

- Harddrive/Flashdrive
- iPhones/Tablets



↗ average Revenue &

↗ average Discount:

- Accessories

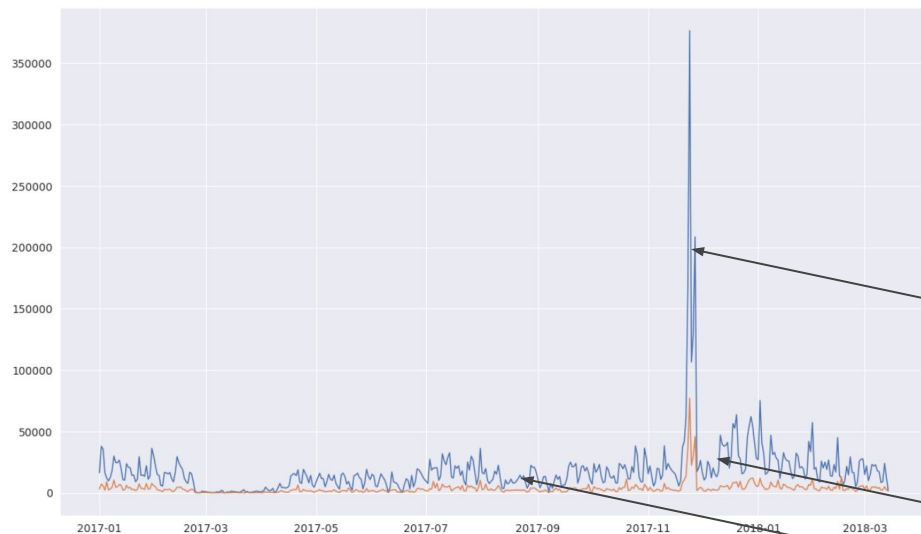
↘ average Revenue &

↗ average Discount:

- Service_Used_Other

Is revenue driven by discount for keyboard?

Maybe we could make this chart for keyboards?



This was the iPhone slide showing...

... that the revenue was independent of the discounts given.



Classification of Subcategories

Our Recommendation:

↗ average Revenue &

↘ average Discount:

- Harddrive
- iPhone
- Monitor
- Tablet
- Computer
- RAM
- Watches



↗ average Revenue &

↗ average Discount:

- Keyboard
- Accessories
- Second-Hand

→ *Decrease discount to
further increase revenue*

↘ average Revenue &

↗ average Discount:

- Other
- Headphones
- Flashdrive
- Powerbank

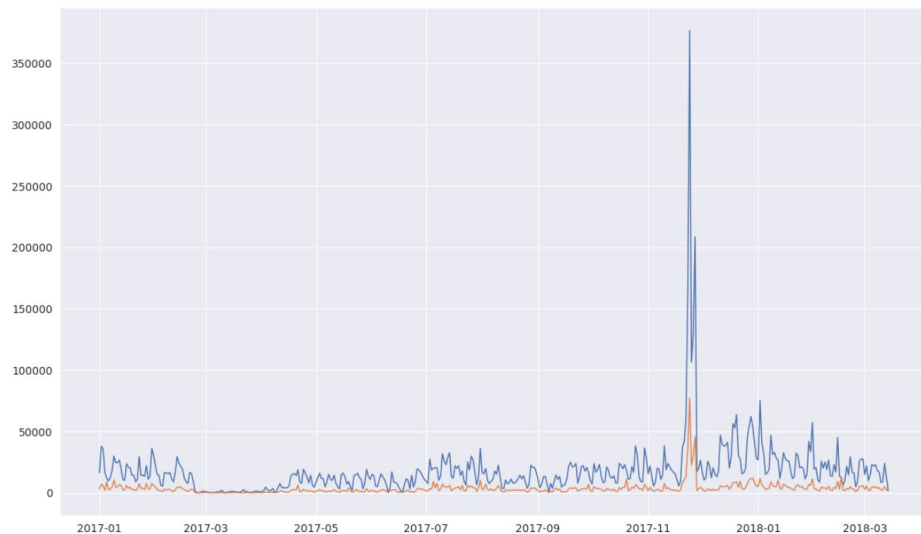
→ *No need for discounts*

Thank you!



Is revenue driven by discount for keyboard?

Maybe we could make this chart for keyboards?



Is revenue driven by discount for accessory?



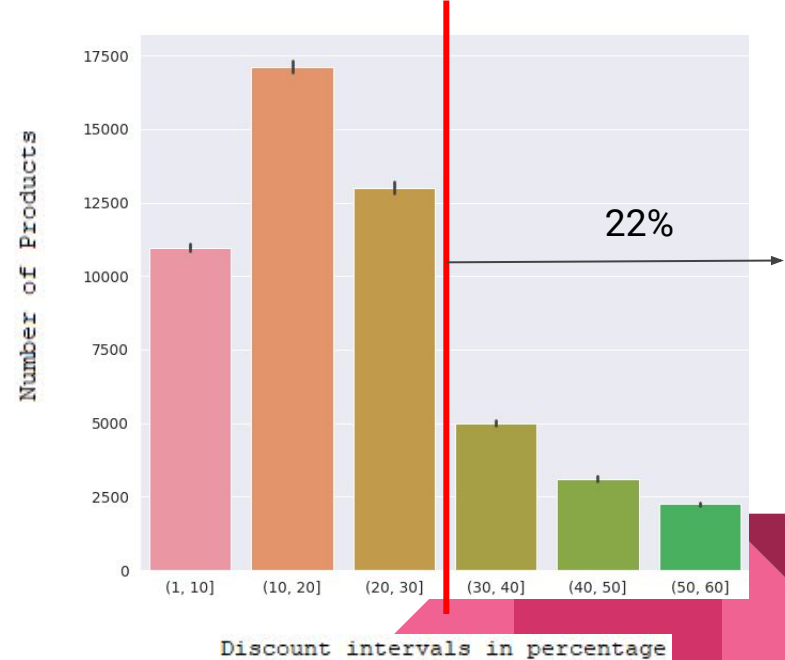
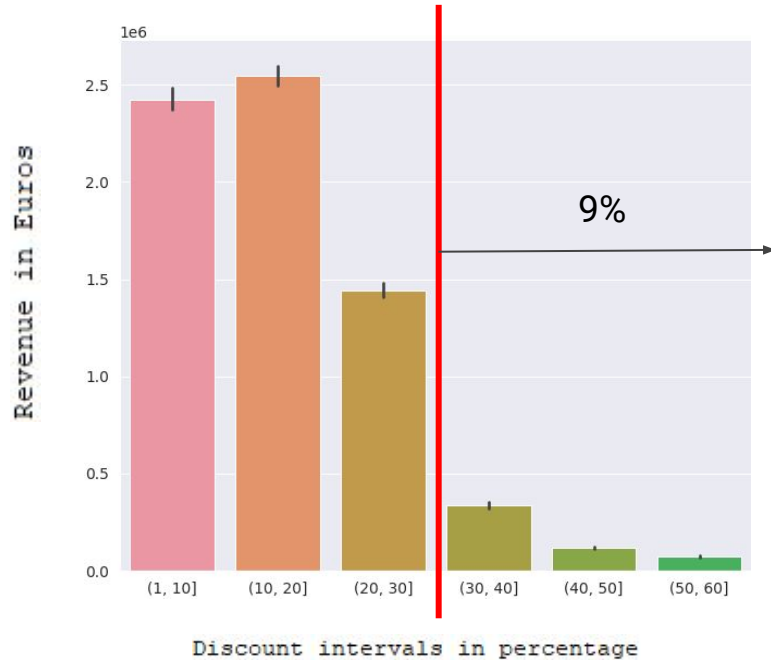
Is revenue driven by discount for second-hand?





Discount > 30% is accounting for only 9% of revenue

... even though there are more products sold

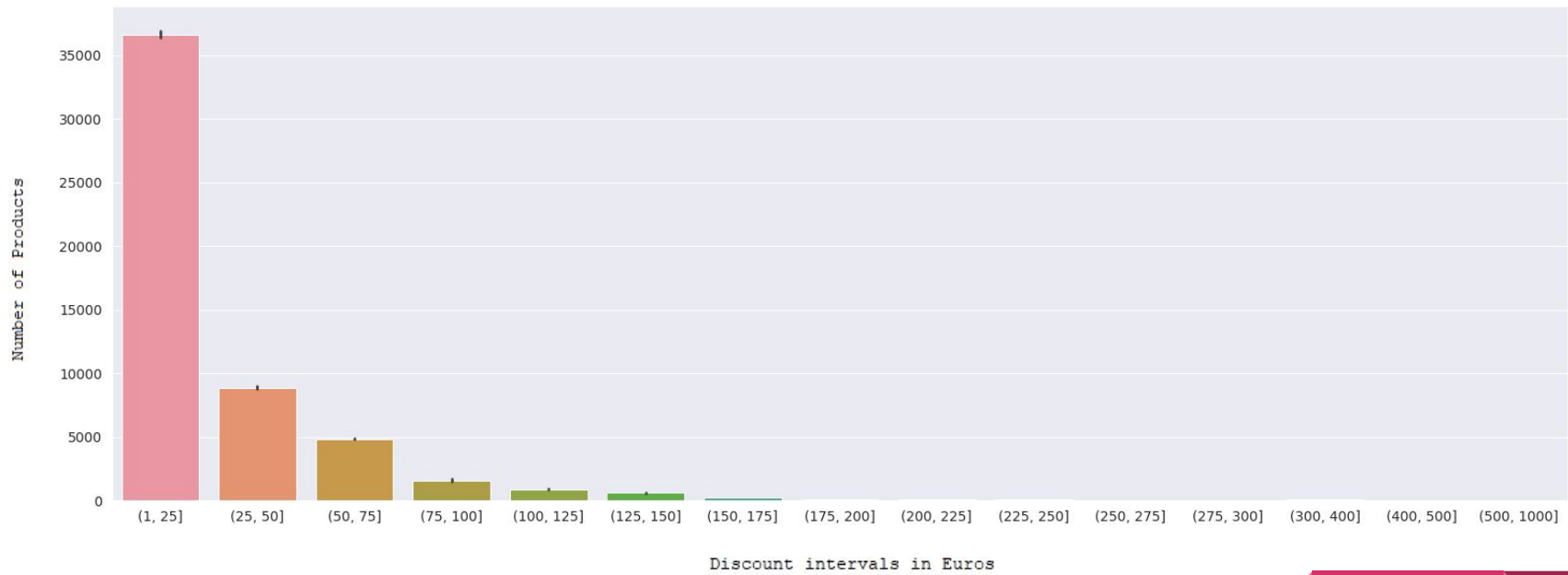


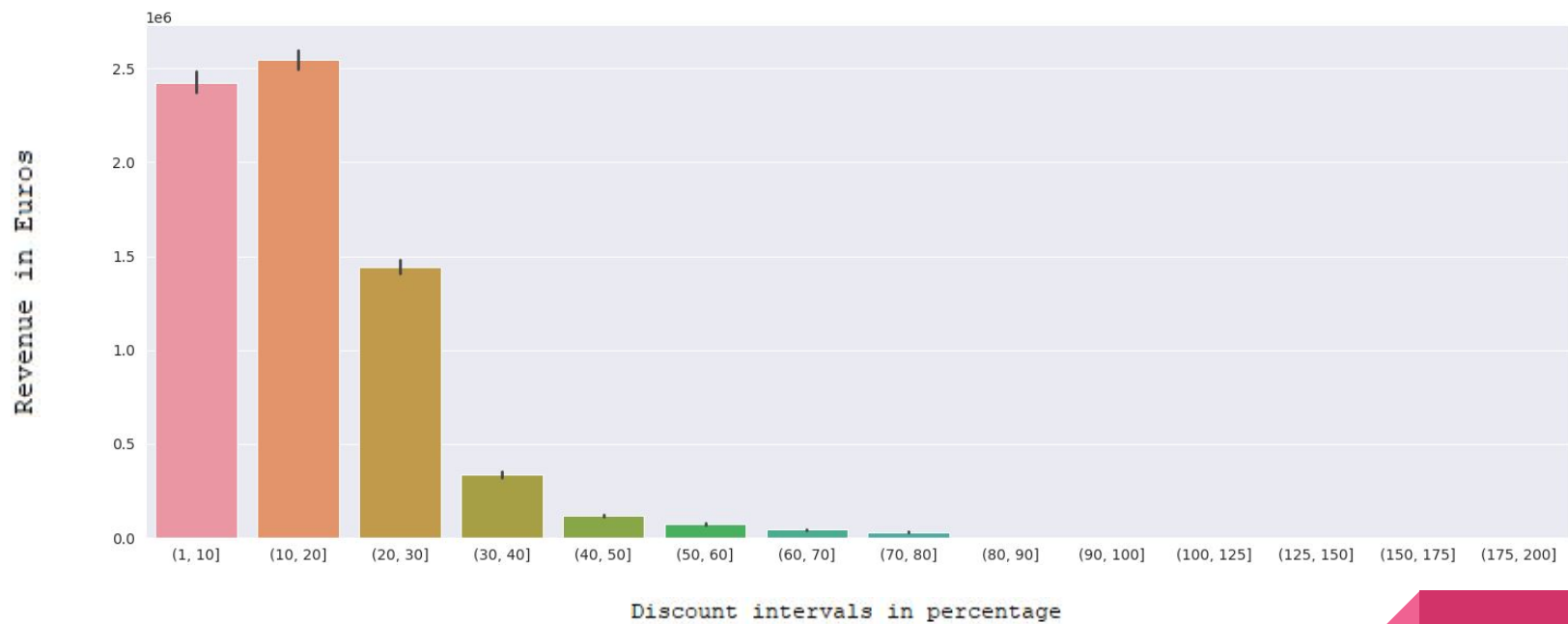
UNDERSTANDING “DISCOUNT AND REVENUE”

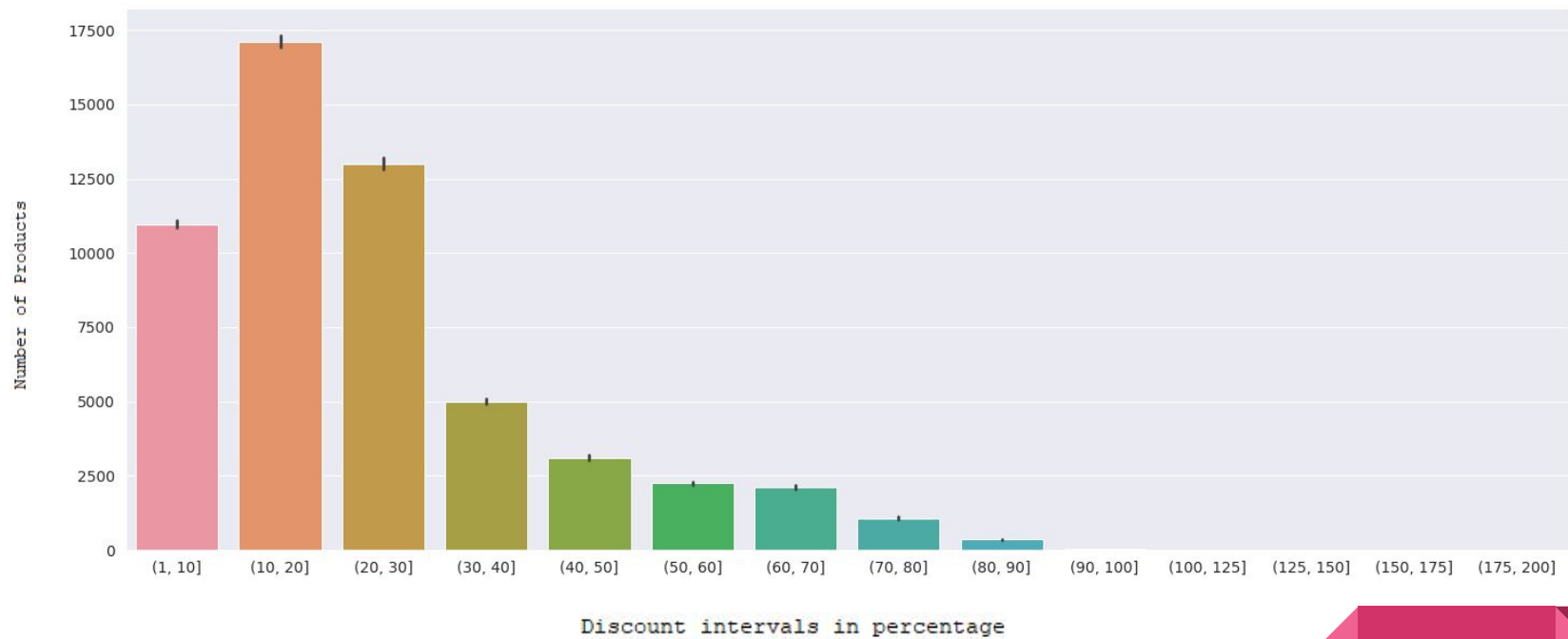
Why to or why not to give discount

Does revenue grow whenever there is an increase in discount...









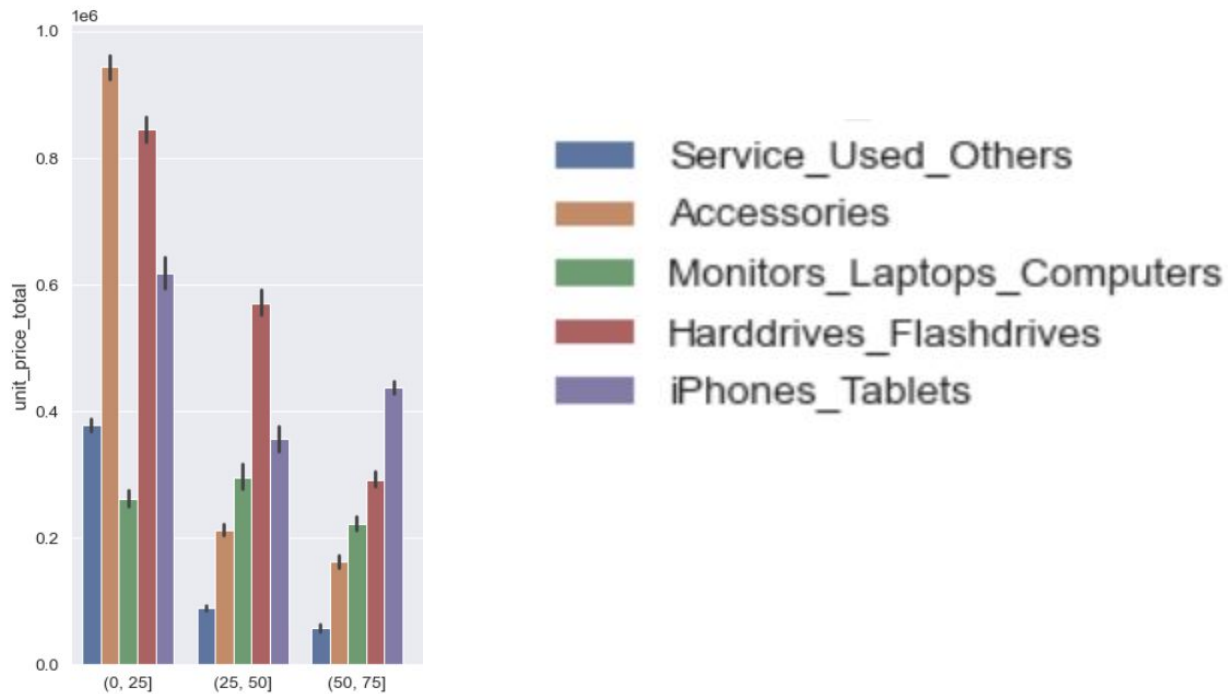
Revenue and Discounts are not evenly distributed

Categories with

1. above average revenue and below average discount
 - iPhones
2. above average revenue and above average discount
 - Harddrives
3. below average revenue and above average discount
 - Accessories



Revenue for discounts per category



Analysis of Discounts

1. “Extreme” discounts
2. Effect of discounts in different categories
 - a. Which products creating more revenue and their discounts (ideally, discount should be less)?
 - i. Harddrives
 - ii. iPhones
3. Effect of discounts over time



Analysis of extreme discounts

1. Extreme Discounts exceeding 700 €
 - a. Are almost all due to refurbished iMacs



Analysis of products over-time

In Q4 2017 we had sales of 3,037,096.34 and a total number of products sold of 20,251.

* 2017 - Q4: (3,037,096.34, 20,251)

* 2017 - Q3: (1,366,908.1, 10,429)

* 2017 - Q2: (845,881.28, 6,725)

* 2017 - Q1: (961,560.19, 10,013)

And looking forward:

* 2018 - Q1: (1,605,758.49, 12,593)

Q1 is not yet finished and will be less than then 3 million of Q4 2017.

But it passed already 1 Million and is thus higher than all other quarters before.

-how do prices evolve in time compared with amount of sales of it, is there a correlation? especially for things like phones

-TIME: How seasonality and special dates (Christmas, Black Friday) affect sales. (can be shown by graph - already have it)

- Time question (not the same prices always)

Future Improvement of Data on Discounts

Huge Difference between Product prices and unit prices of iphone 7 and iphone 6 models (as these are launched in the year 2016-2017)

The product prices should be stored over time, to improve the calculation of discounts.

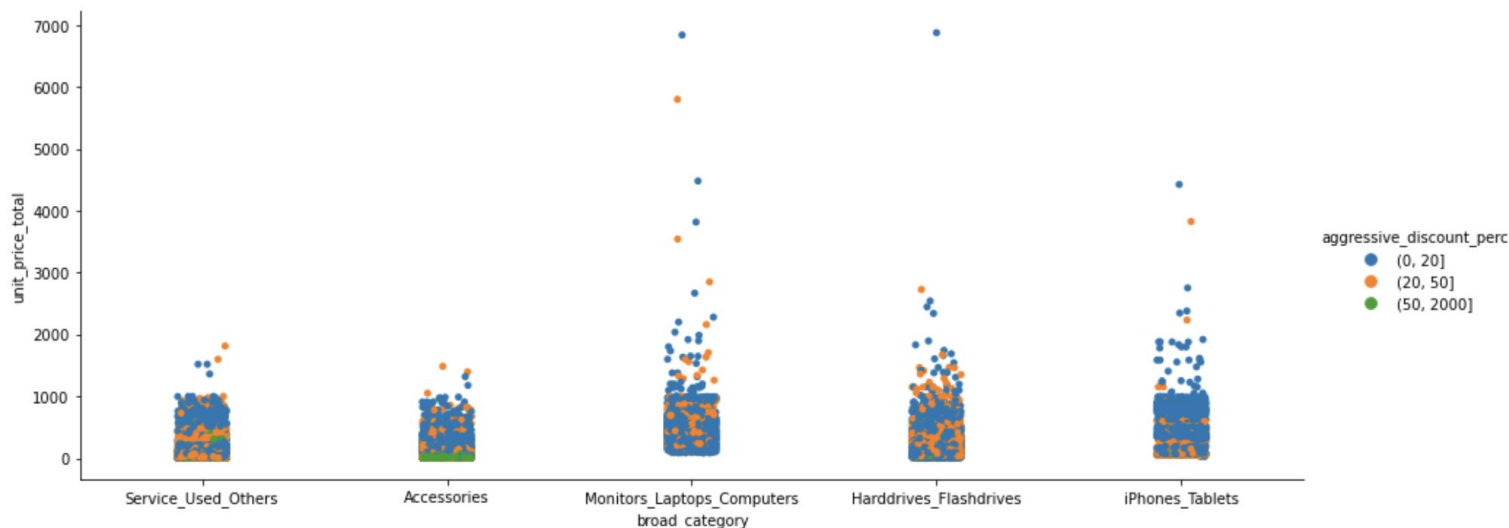
(TODO: Add a graph showing price differences)





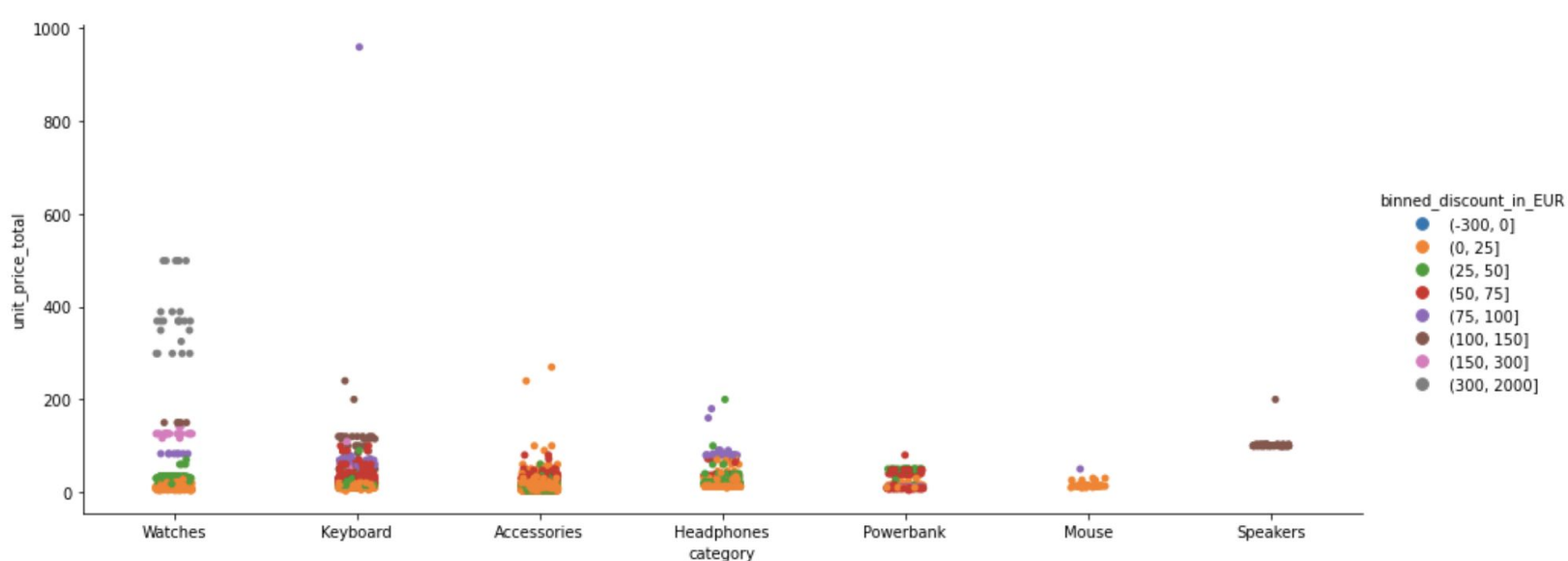
High Percentage Discounts per Category

- Aggressive Discounts have been mainly given in the category 'Accessories'



High value discounts per subcategory

High value discounts (> 75 EUR) have been mainly found in the subcategories of Watches, Speakers, Keyboards and Headphones.



Analysis of Different Category

- What is the distribution of product prices across different categories.
- How many products and or categories are being discounted. (with the numbers)

