

## Note: Discount vs Profit Analysis

The scatter plot clearly shows a **negative correlation** between discount and profit — as discounts increase, profits tend to drop sharply.

Many data points with **high discounts** fall in the **negative profit zone**, indicating **losses** on overly discounted products.

Minimal or zero-discount transactions tend to yield **higher profits**, suggesting strong product performance or pricing power.

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This trend emphasizes the need for a **balanced discount strategy** — offering value without significantly hurting profit margins.

## Recommendation:

Limit excessive discounting on low-margin products and consider optimizing bundles or loyalty offers instead of flat discounts.