

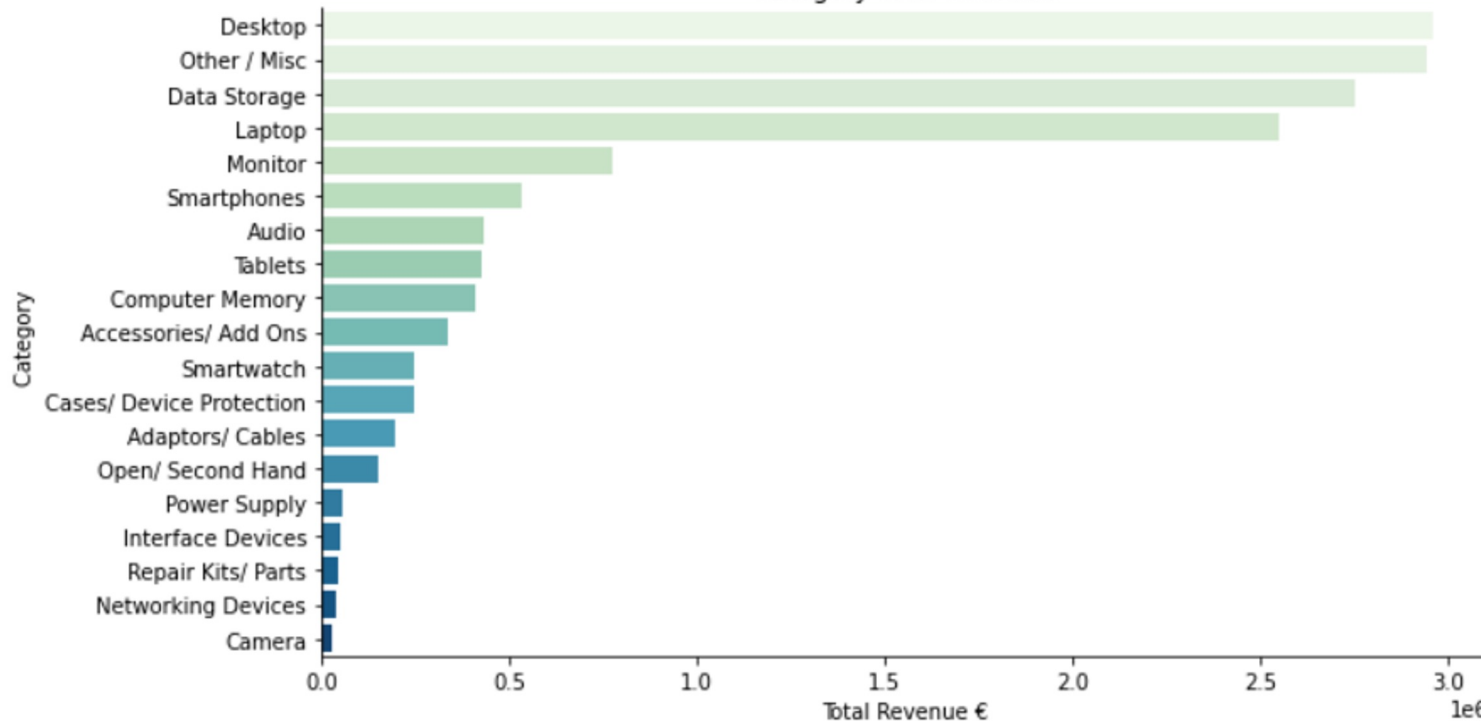
Eniac: It is beneficial to discount products?

Abigail Flynn



Product Categories

Category Total Revenue



Data Analysis based on
completed orders only

Categories:

- 19 Categories

Top 5 Categories

1. Desktop - €3.0 mil
2. Other/ Misc - €2.9 mil
3. Data Storage - €2.8 mil
4. Laptop - €2.5 mil
5. Monitor - €0.8 mil

Limitation

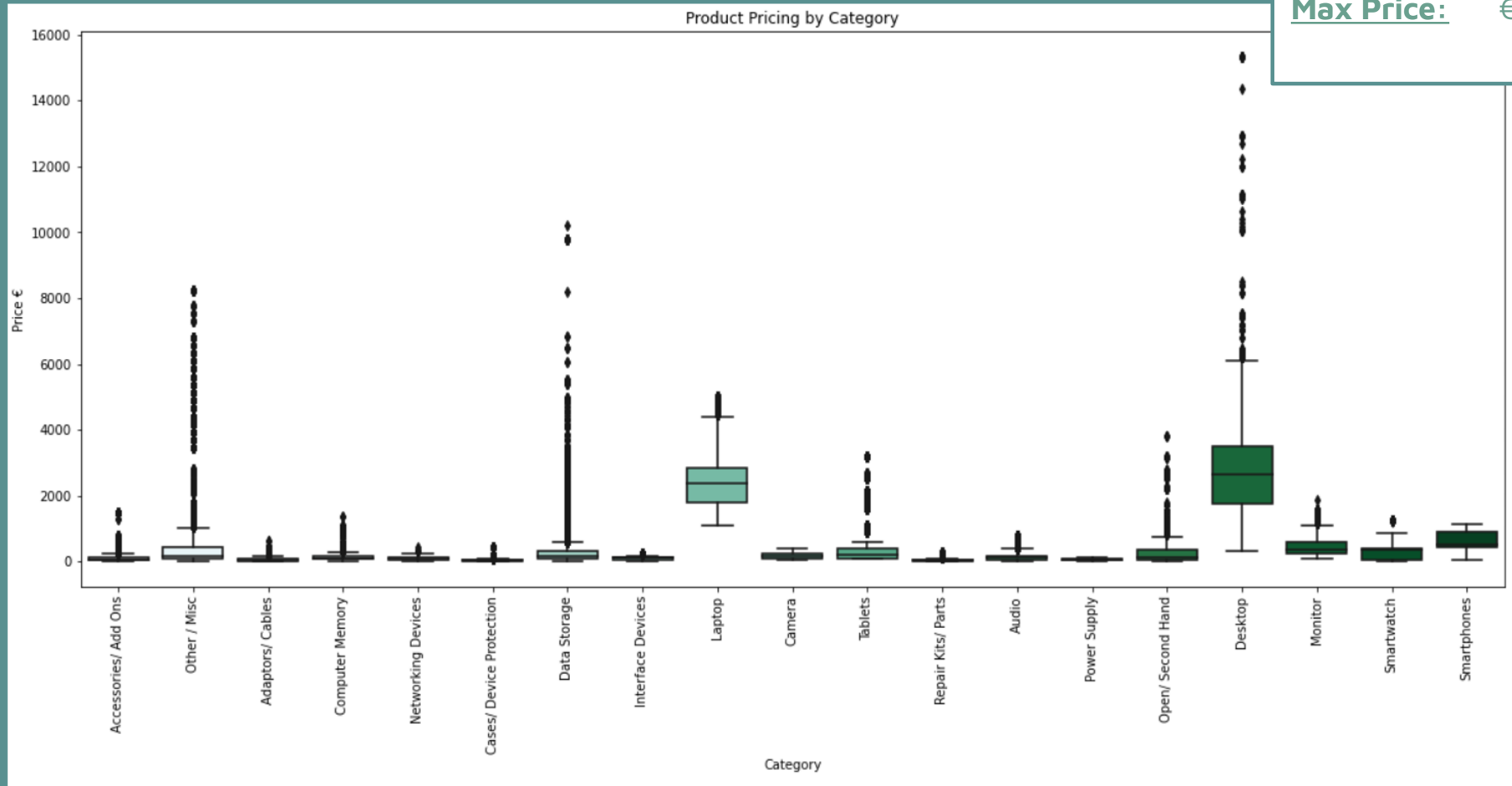
- 1044 Items added to 'Other/ Misc' category
- Due to time constraints

Product Pricing Architecture

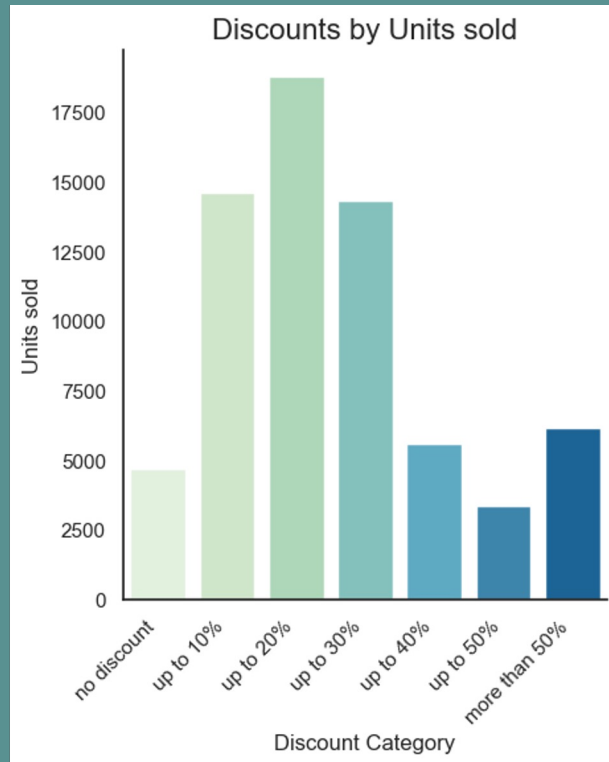
Average Price: €461.34

Min Price: €2.99

Max Price: €15,339



Discounts

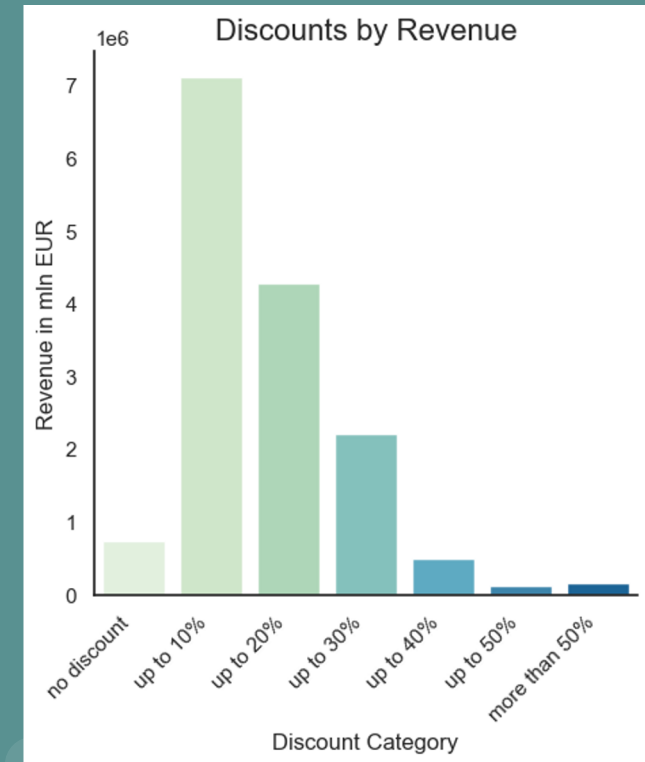


93.1% of all units sold were discounted (by **20.8 %** on average) representing **95.0%** of total revenue.

High discounts do not directly result in high revenues, indicating they are not applied to high-value-products

General Effects of high discounts on low-value-products **hard to assess:**

- No data regarding stock-reduction
- No data on customers
- No data on shop-traffic
- Fitting a premium accessory-provider?



Discounts in Top-Categories

Why?

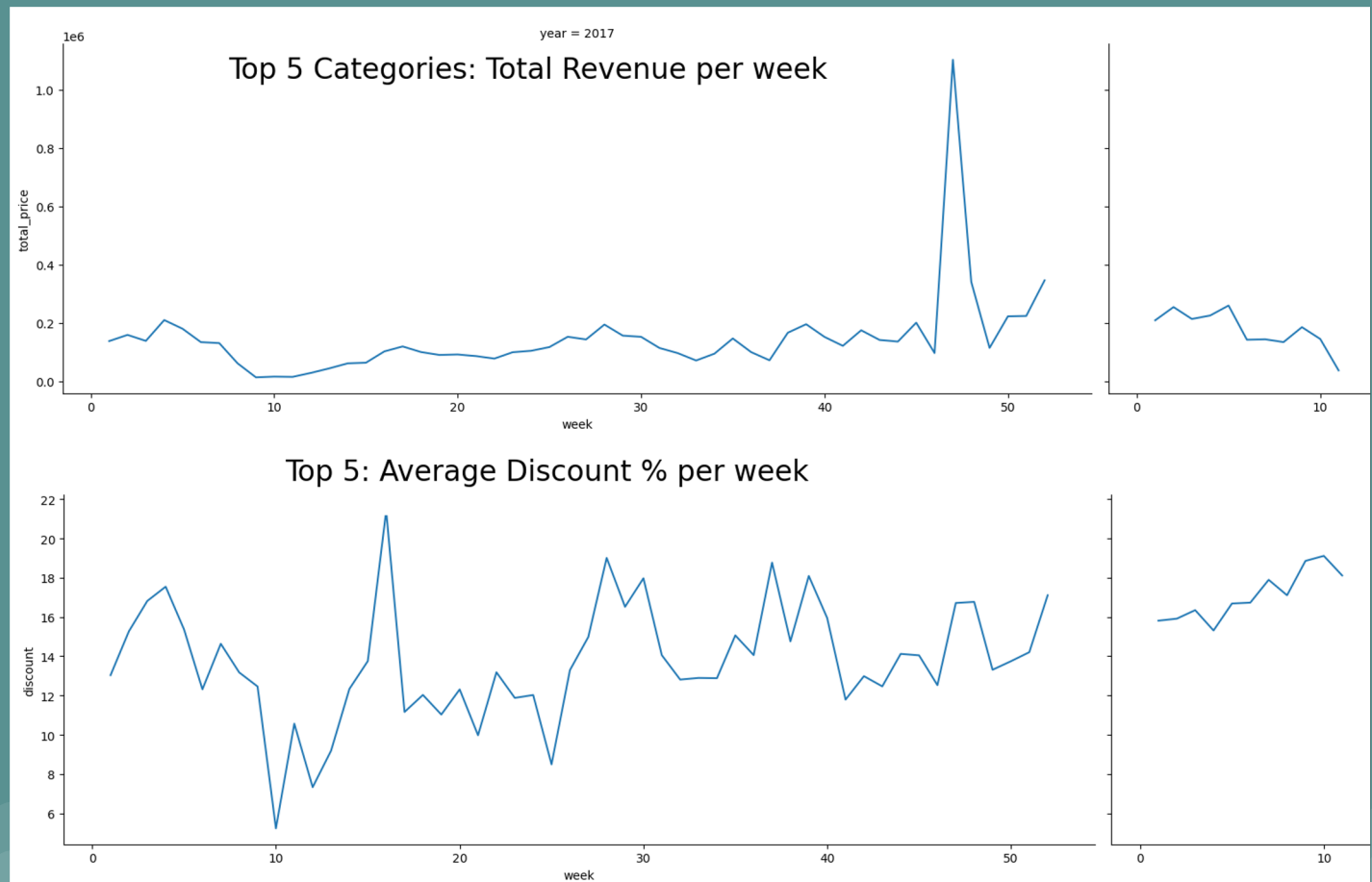
- Main revenue-drivers

Key Findings:

- No Obvious Pattern
- Fluctuation of discounts rather low

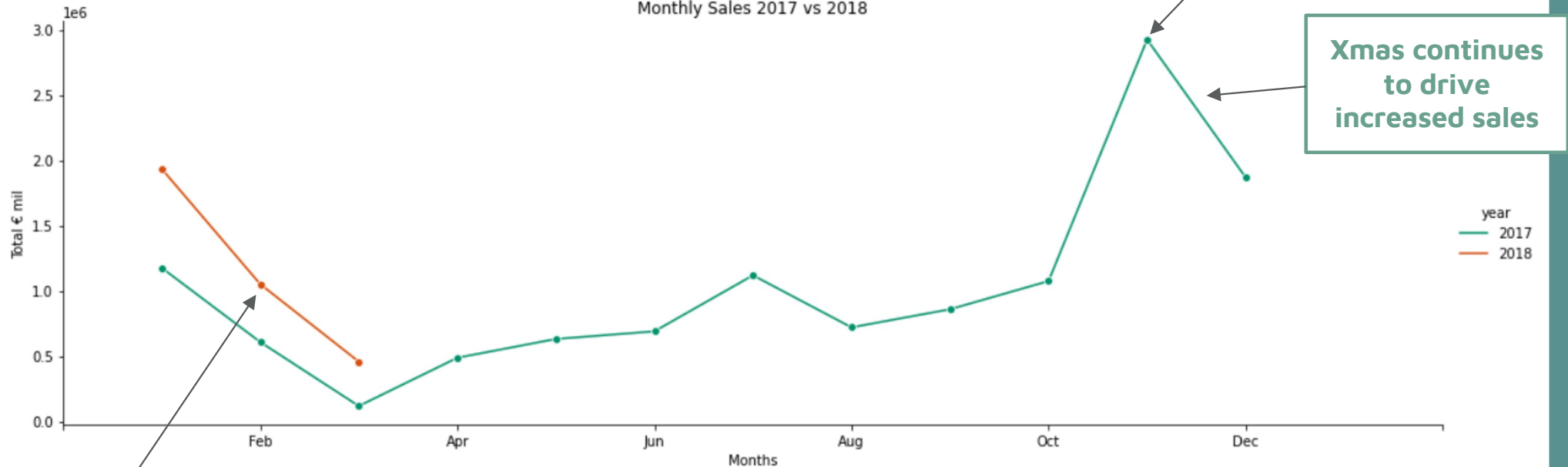
Limitations:

- When excluding the end-of-year-peak in revenues, there might be a small correlation
- In-depth statistical analysis might give insights
- did not happen due to time constraints



Seasonality

Monthly Sales 2017 vs 2018



Comparing Q1 Sales from 2017 vs 2018:

- **2018 Sales Stronger**
- **Increases Market Awareness**
 - Could be due to increased traffic over Black Friday and Xmas
 - Could this be driven by promotions?

Limitations / Data Collection Improvements

Unaware of the Company Goals:

- **Build Market Awareness**
E.g. Is there a need to drive increase traffic to site to build brand awareness?
- **Are they a new company?**
Trying to acquire the customer base

Missing Information:

- **Profits / Cost Price / Margins**
Although we can see peak in revenue we are unaware on how discounts are impacting company profits.
- **Customer Information**
We do not have customer information therefore we cannot see if they are returning or being driven to the site with discounts.

Data Collection Improvements:

- **Prices**
To be rejected if entered incorrectly (with two decimals)
 - **Remove/ Reject Duplicates**
When updating product-portfolio
 - **Datetime-Format**
Automatically import date-inputs as datetime-format
 - **Column Names**
Columns to have the same name if they contain the same information
 - **Database**
Data to be in a Database not in 4 CSV files

It is Beneficial to Discount Products?

After cleaning and reviewing the dataset provided we are **unable to advise if it is beneficial to discount products** due to limitations in the data:

1. Peaks in revenue are not mainly driven by discounts
2. Assessing the beneficiality is difficult because we do not know the overall strategy of the company
3. We are unaware of the impacts discounting is having on company profits
4. Since the dataset shows discounts over the whole time frame it's not possible to assess what would happen if we were not discounting or only discounting on special occasions

Any Questions?