

ENIAC: Discount Strategy

Using **data** to define ENIAC's pricing strategy concerning discounts.

Chaeyoon Lee, Kareem Khalil, Alexis Ortega
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Introduction – Why we're here

Decision at stake:

Should ENIAC keep using **aggressive discounts** or pivot to a **premium-price positioning**?

Goal of this analysis :

Quantify **how discounts influence revenue** and provide a data-backed **pricing strategy**.

Data used:

44k completed orders, **58k** orderlines, **6k** SKUs, **Jan 2017**
– **Mar 2018** (\approx 14 months),
€14.6M total revenue.

Background & Dataset “Health-check”



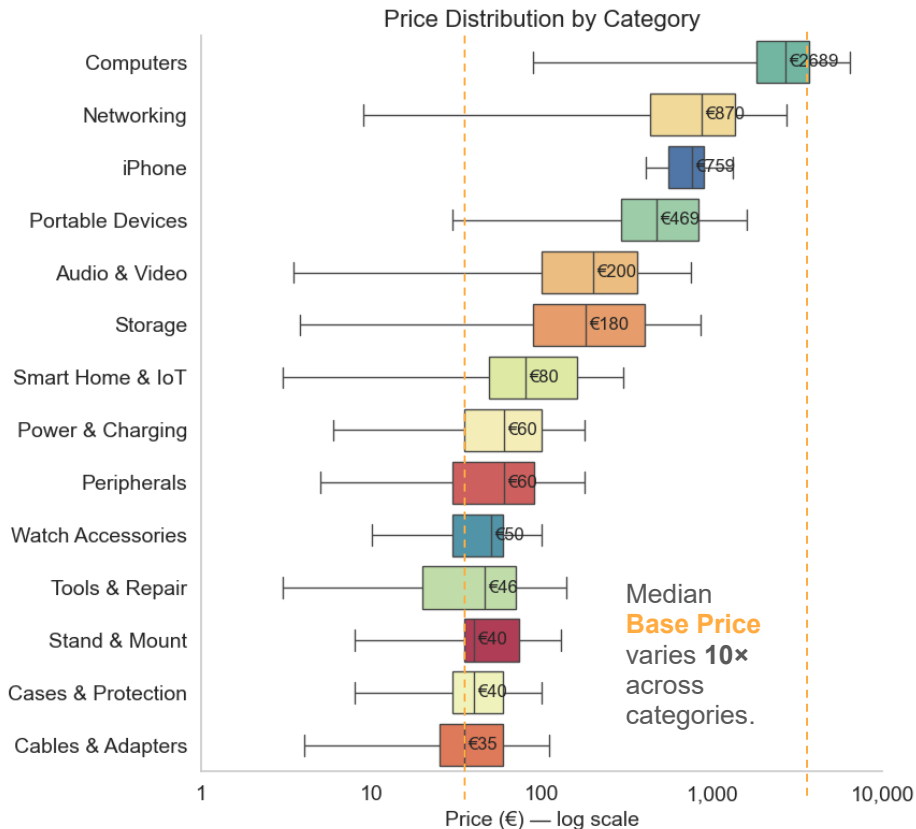
❑ Data Issues

- ❌ **Narrow time-span**
- ❌ **Messy promo_price field**
- ❌ **No cost-of-goods column**
- ❌ **No customer_id column**
- ❌ **'Non-completed' orders**

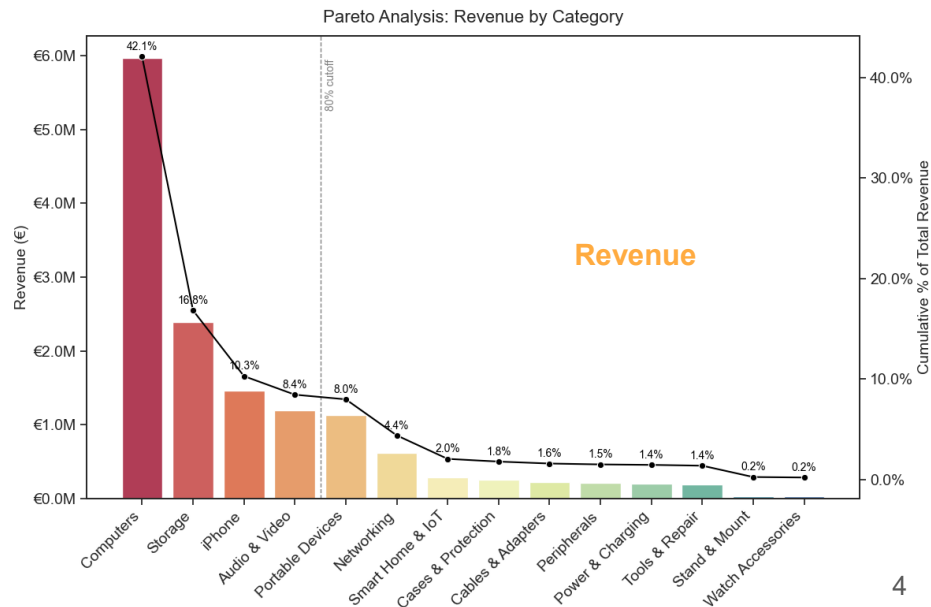
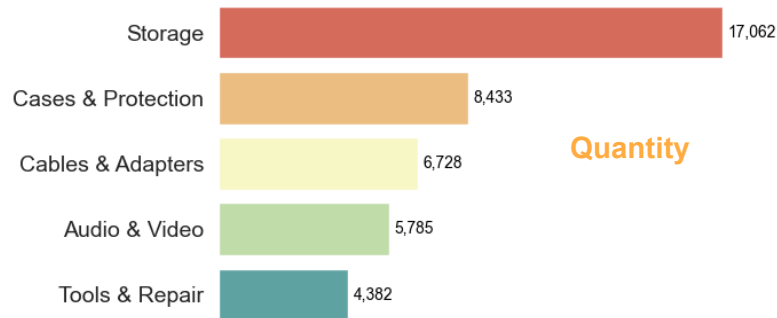
~79% of the orders
were dropped.



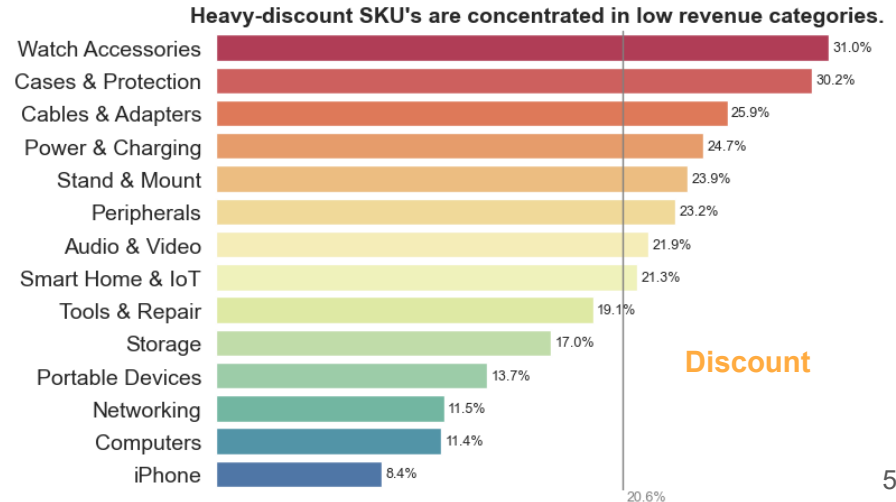
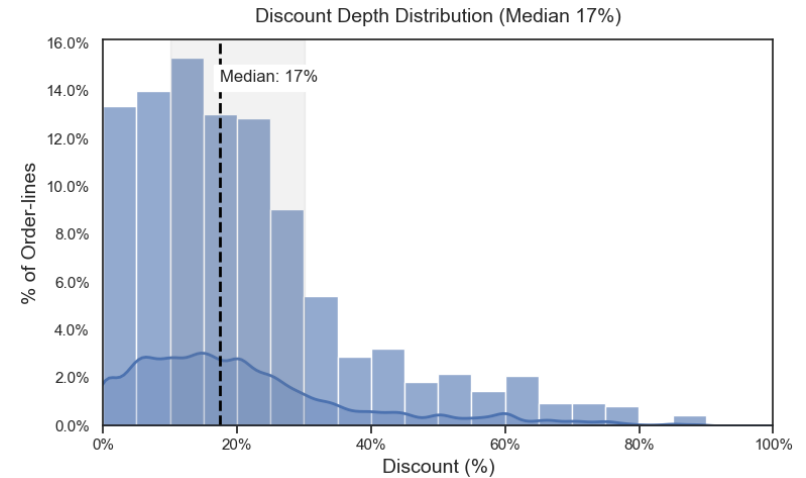
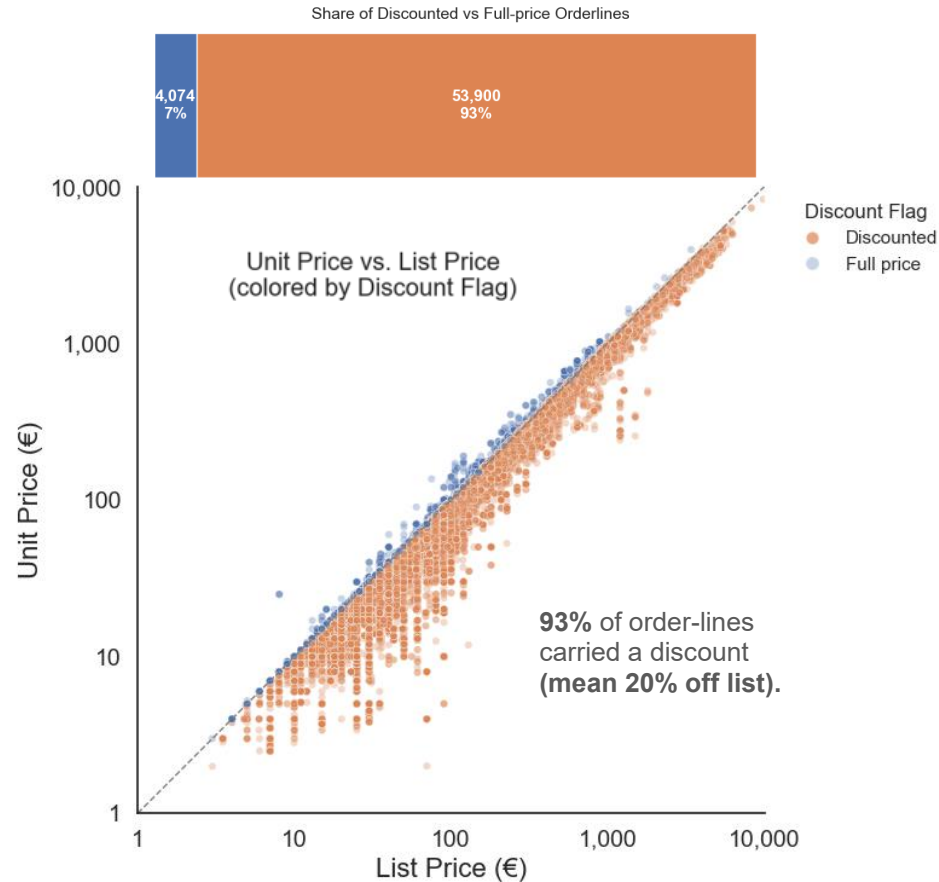
Price Landscape



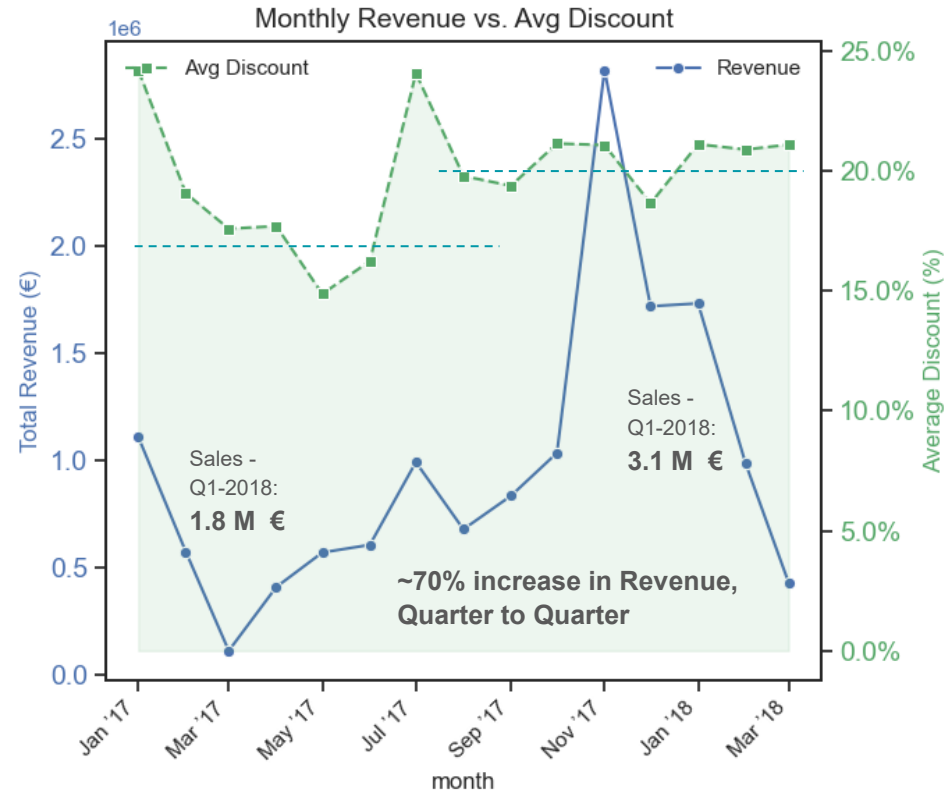
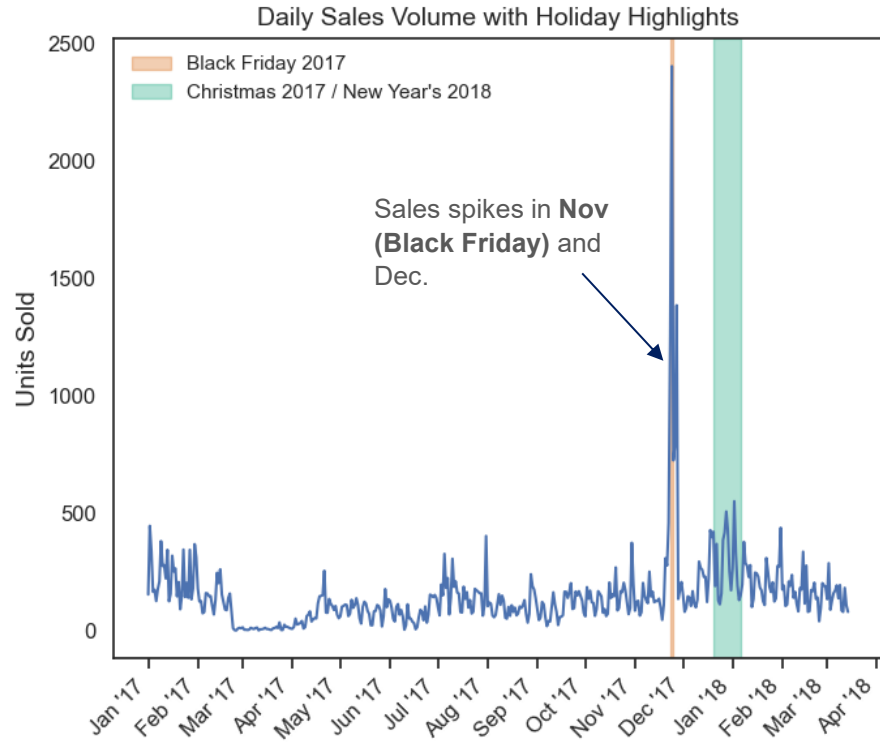
Storage, Cases & Protection and Cables & Adapters dominate unit volume.



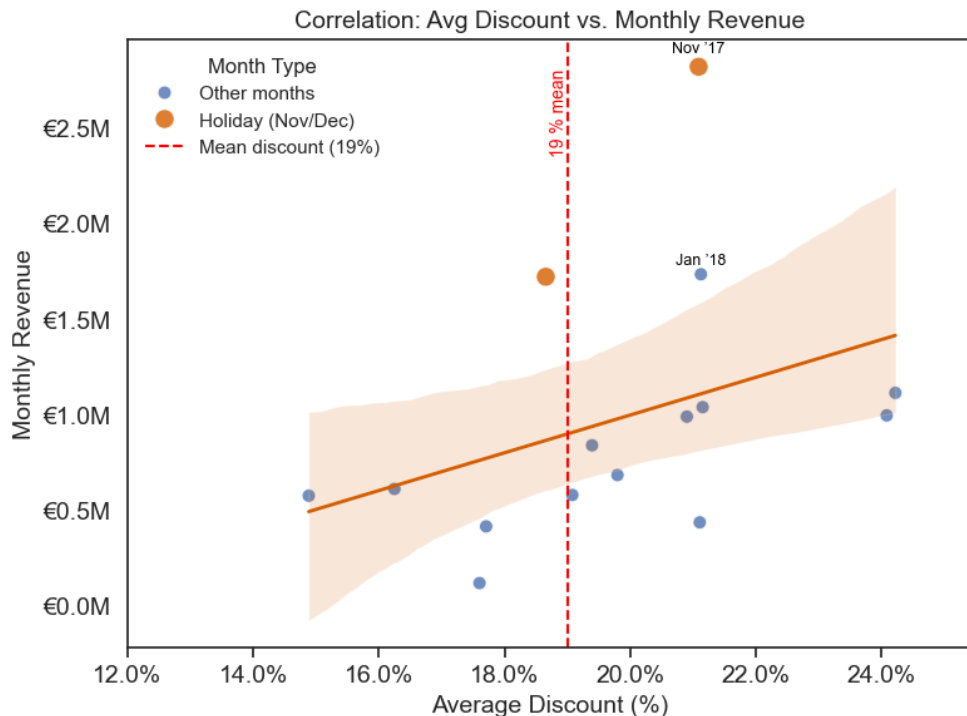
Discount Practices



Seasonality Effects



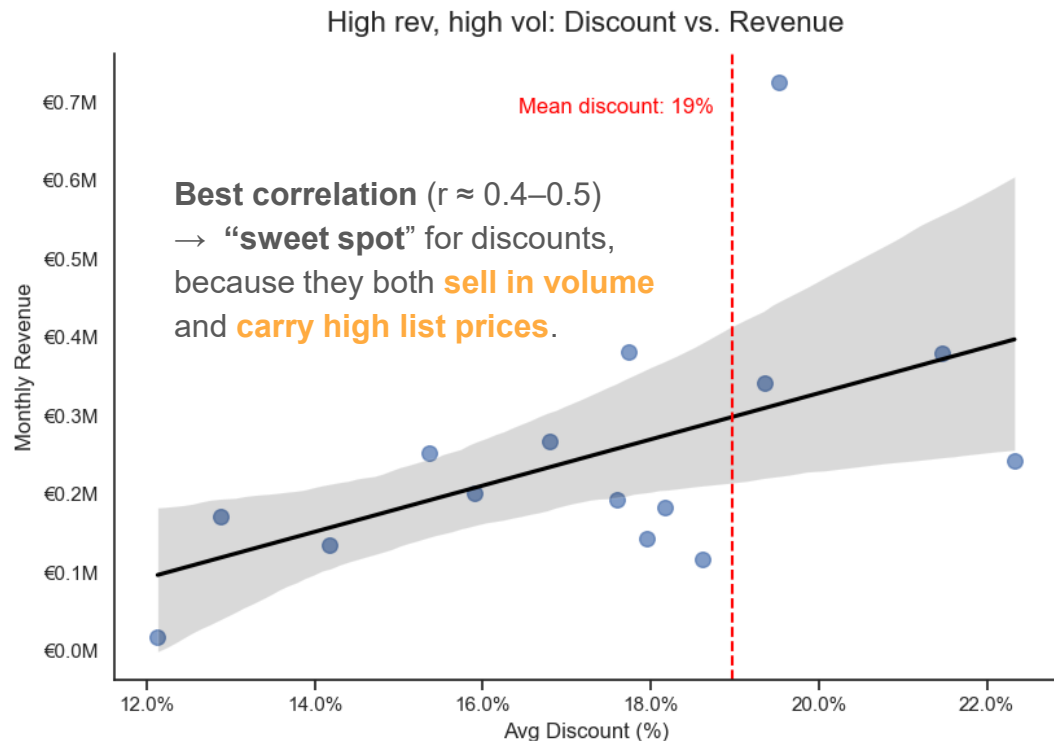
Does discounting grow revenue?



Metric	Low-discount months ($\leq 20\%$ avg)	High-discount months ($> 20\%$ avg)
Avg. revenue / month	€0.69 m	↑ €1.30 m
Units sold / month	3.04 k	↑ 5.81 k

Discounts do lift gross revenue—but the effect is uneven across categories and seasons.

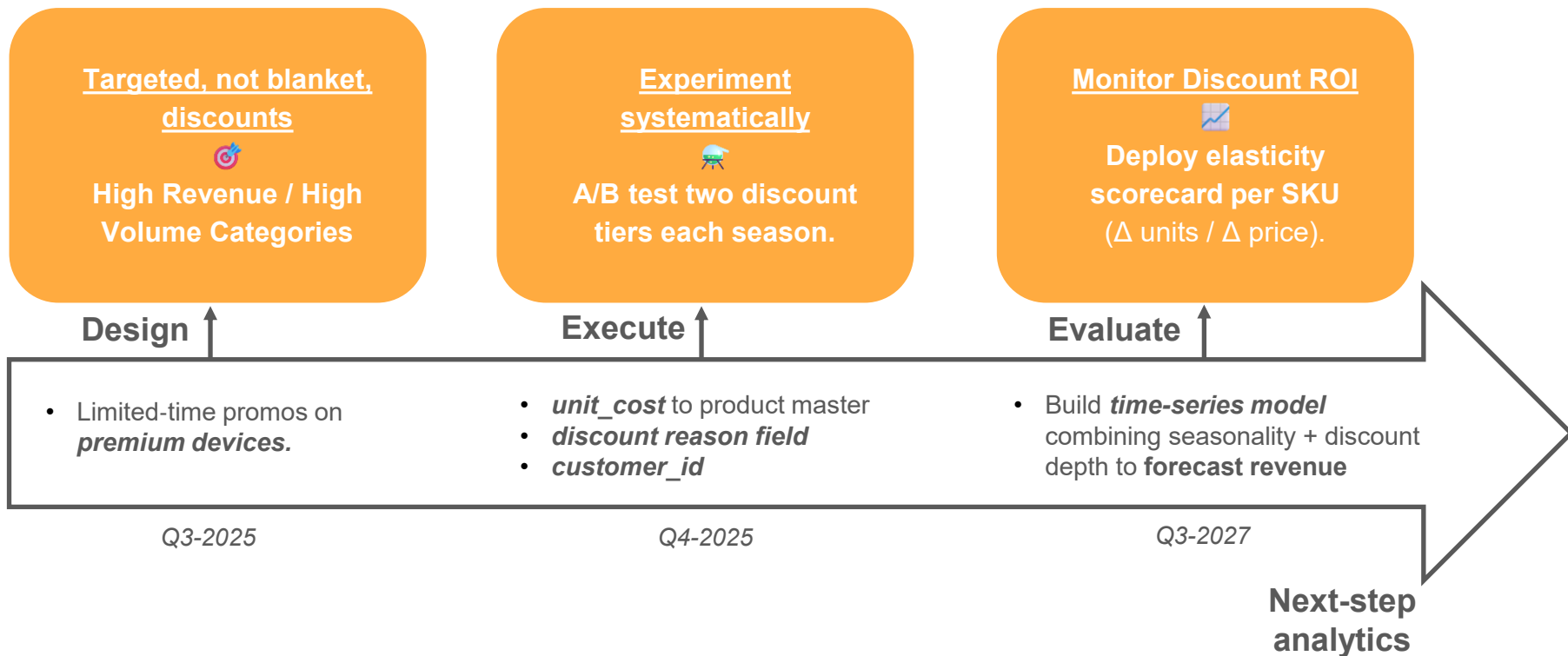
Bottom line for pricing strategy



- 93% of order-lines already discounted, **median 17% off**
- **High-rev / High-vol** (*Storage, Audio & Video*) $\Rightarrow r = 0.45 \rightarrow$ **keep 20–25% promos**
- **High-vol / Low-rev** (*Cables & Adapters, Cases*) $\Rightarrow r \approx 0 \rightarrow$ **cap at 10%**
- **High-rev / Low-vol** (*Premium devices – Computers, iPhone*) $\Rightarrow r \approx 0.30 \rightarrow$ **limit to $\leq 10\%$ “prestige” promos or bundle-value offers**

Discounts pay off only where scale & price meet

Implementation Roadmap



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Questions?

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