

# 2025 Spring Retrospective

F i n a n c i a l  
A n a l y s i s &  
D e v e l o p m e n t  
T r a c k i n g

# Executive Summary

## **Net Revenue Transparency**

- Established a robust DAX-driven model to move beyond "vanity metrics" (Gross Sales), revealing the true bottom line after accounting for Total Discounts and Refunds.

## **The "Promotion Trap" Identified**

- Data trends indicate that aggressive discounting is causing significant margin erosion; while "Total Sales" may spike during promos, the corresponding lift in "Net Revenue" is disproportionately low due to increased refund rates and devalued unit prices.

## **Operational Traceability**

- Standardized the development workflow by linking Closed Pull Requests to GitHub Issues, ensuring that every calculation adjustment in the financial model is documented and auditable.

## **Resource Forecasting**

- Implemented Story Point Estimation within GitHub Projects to quantify the complexity of reporting features, allowing for more predictable delivery of financial insights.

## **Enhanced Stakeholder Visibility**

- Optimized the project repository with a professional UI (centered banners and Markdown documentation) to ensure non-technical stakeholders can easily interpret financial health indicators.

# Technical Findings

## Net Revenue Calculation

- We have moved away from basic "Total Sales" reporting to a high-fidelity Net Revenue model. This accounts for the "leaks" in the sales funnel (discounts and returns).

## Logic Applied

- $\text{Net Revenue} = [\text{Total Sales}] - [\text{Total Discounts}] - [\text{Total Refunds}]$

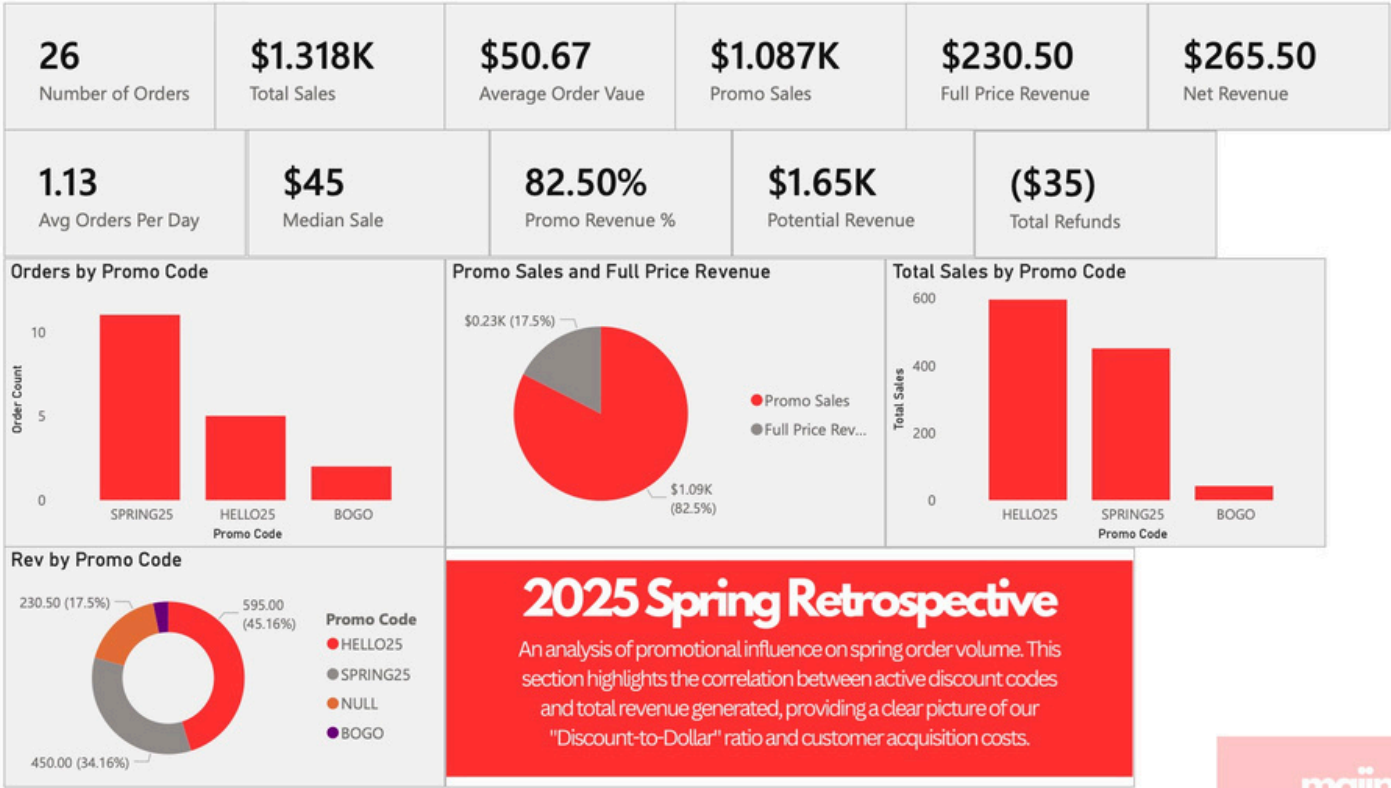
## DAX Implementation

- Used a modular approach by creating base measures for each component to ensure accuracy across different filter contexts (Region, Time, Product).

## Data Integrity

- Adjusted the model to handle "null" refund values as zero to prevent calculation breaks.

# Dashboard Presentation



# Conclusion: The "Promotion Trap"

## **Our analysis of the delta between Gross Sales and Net Revenue reveals a critical strategic insight**

Aggressive discounting is yielding diminishing returns. While high-frequency promotions successfully drive "top-line" Gross Sales and user acquisition, the data suggests they are negatively impacting the business in three key areas:

- **Margin Erosion:** The combined weight of Total Discounts and the associated increase in Total Refunds (often tied to "impulse buys") is compressing our net margins to unsustainable levels.
- **Brand Devaluation:** Constant discounting trains customers to wait for a sale, effectively lowering the "Perceived Value" of the product and making it difficult to sell at MSRP.
- **Operational Strain:** The spike in volume during promotional periods creates a "Bullwhip Effect" in logistics and customer support, leading to higher refund rates that further eat into Net Revenue.

## **Strategic Recommendation**

**We recommend shifting from broad-spectrum discounting to targeted, value-based incentives. By monitoring the Net Revenue measure established in this Power BI model, we can identify the "sweet spot" where promotion volume creates genuine profit rather than just "empty" gross revenue.**