

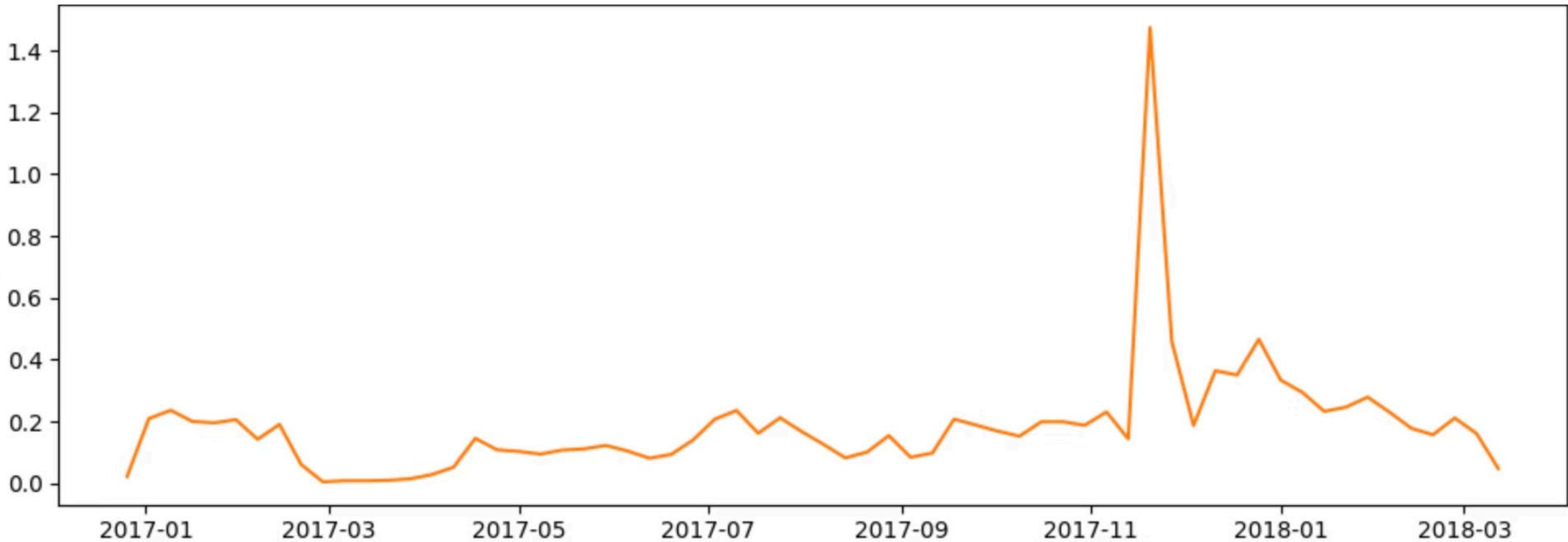
Eniac's discount strategy and revenue performance evaluation

Key Strategic Questions

- Do discounts help or hurt long-term growth?
- Do they truly win and keep customers?
- What are the results of offering aggressive discounts?
- Should the company position itself in the **quality segment** instead of competing on lowest price?

- 2 -

Timeline: 2017 January - 2018 March



Sample revenue: € 7.978.675

Product assortment and sales coverage

Total assortment: **9,992 products** (average price €667)

51%

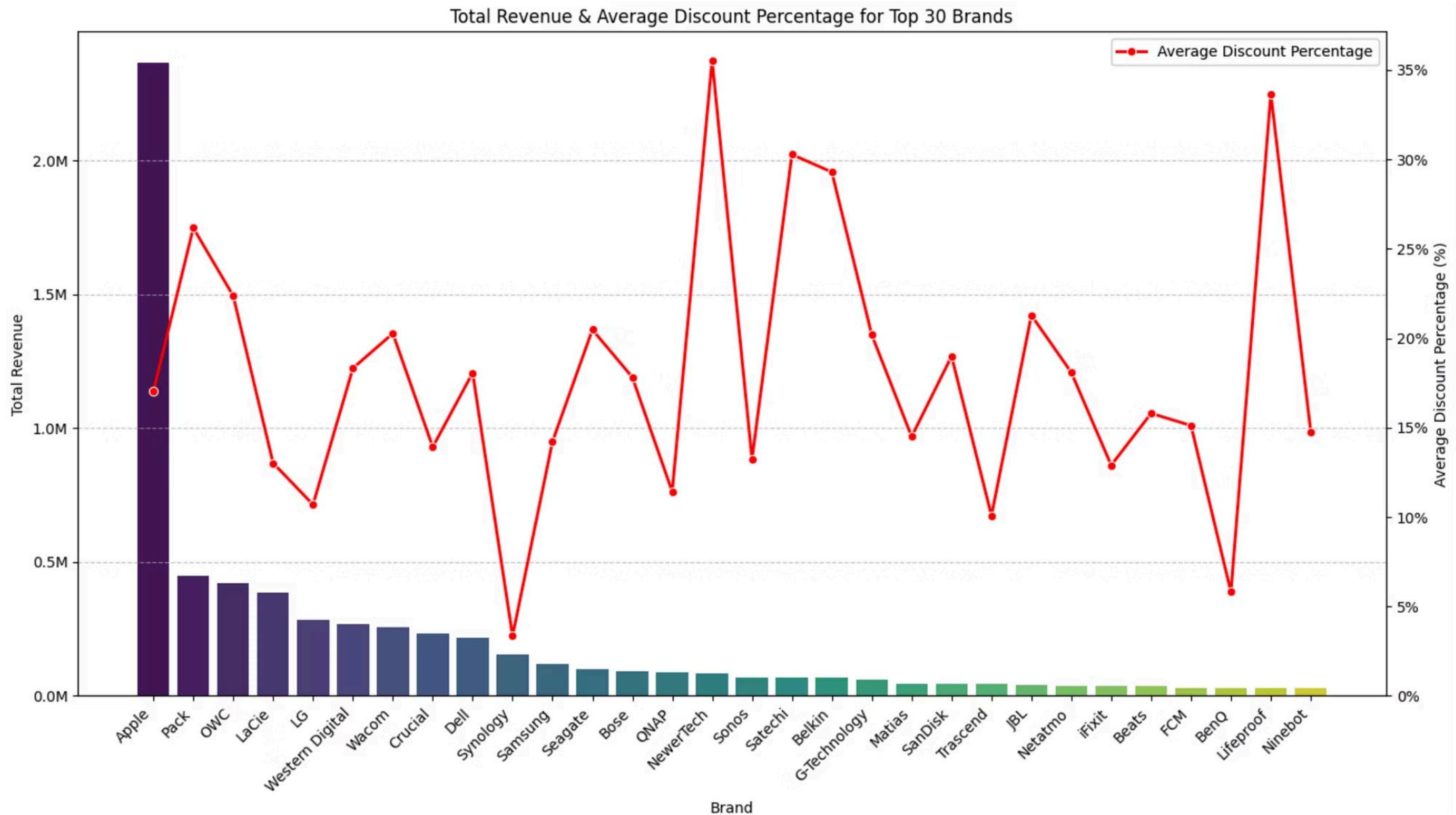
49%

Sold products: **5,098 SKUs** – Average price: € 193

Unsold products: **4,894 SKUs** – Average price: € 1161

- Eniac positioned itself already in the wide-range **price segments**.
- The company should focus on **delivery speed, customer service, and cross-selling** to boost margins **across all price ranges**.

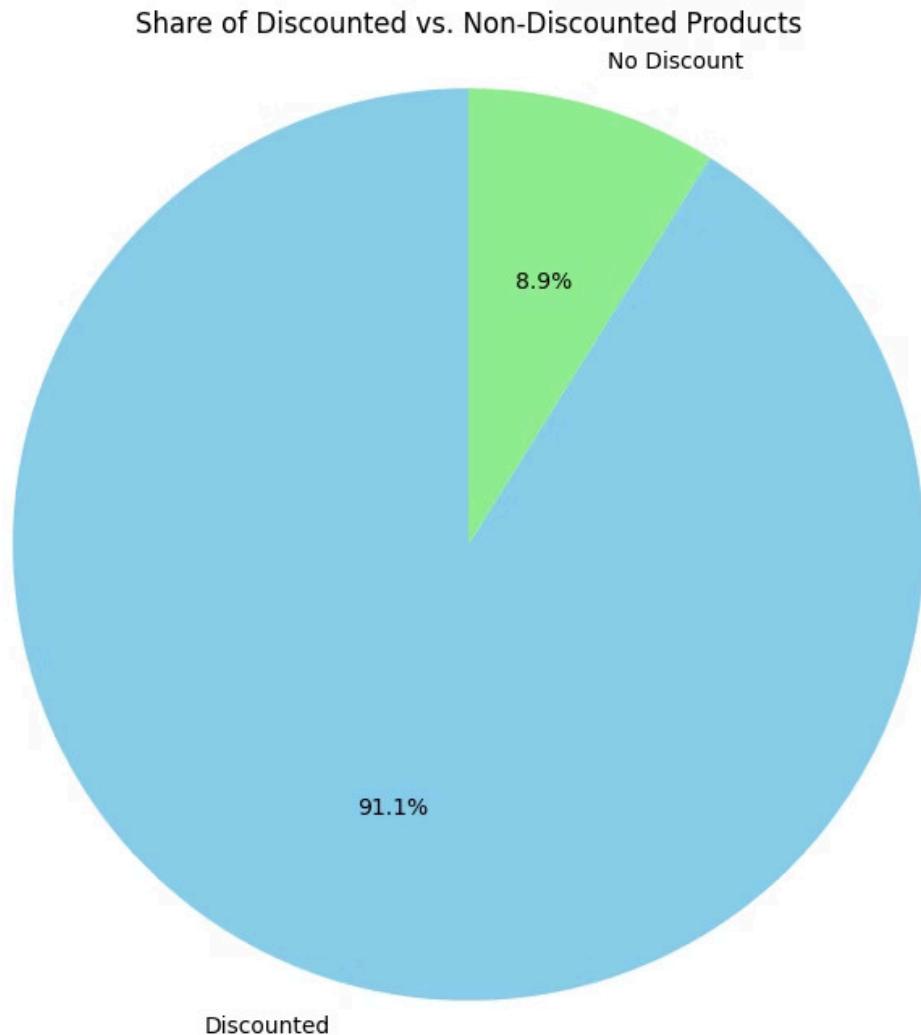
Top 30 Brands by revenue



Apple is a reliable sales engine that attracts traffic and orders.

Without cost data we cannot confirm profitability or margins — high revenue does not guarantee high profit.

Most sales are driven by discounts



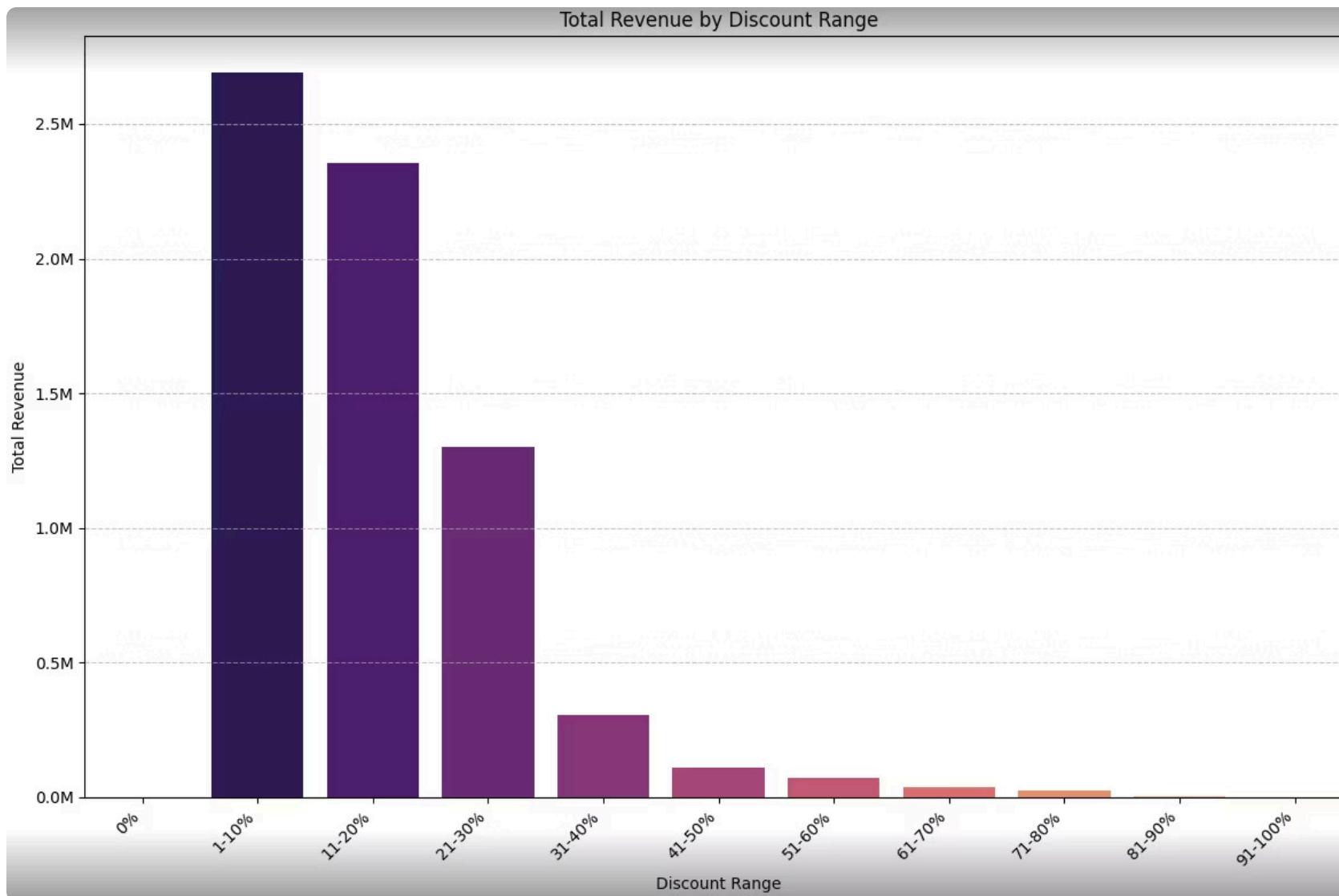
Opportunities

- Discounts may be a tool for **customer acquisition** if they drive first purchases.
- If managed strategically, selective discounting can **boost traffic, visibility, and cross-selling**.

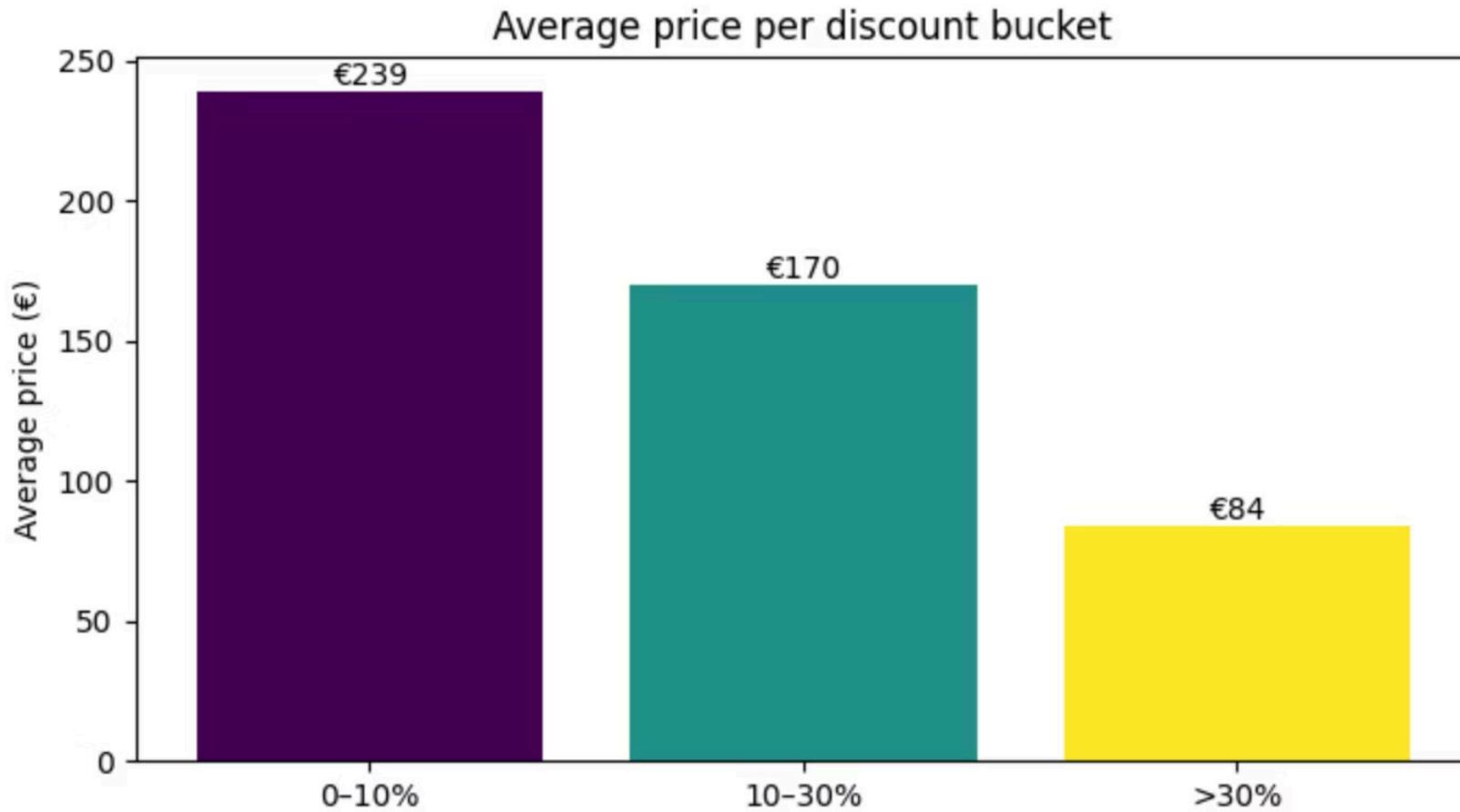
Risks

- Customers may be **conditioned to wait for discounts**, weakening full-price sales.
- Heavy reliance on promotions makes **revenue fragile** if discounts are reduced.
- True profitability is unclear without cost data — discounts could be eroding margin.

Total Revenue by Discount Range



Big discounts apply mostly to low-cost products



- Products with **>30% discounts** average only €84.
- Suggestion: keep large discounts if they remain applied mainly to **low-cost products**.
- Profitability must be monitored closely — without margin data, big discounts carry risk.

Beyond Revenue: Profit, Customers, Supply

Profit & Margins

- Add cost of goods
- Track gross margin per product/category

Customer Data

- Acquisition (new buyers per period)
- Retention (repeat purchase, churn, lifetime value)
- Satisfaction (reviews, net promoter score, support tickets)

Supply & Demand

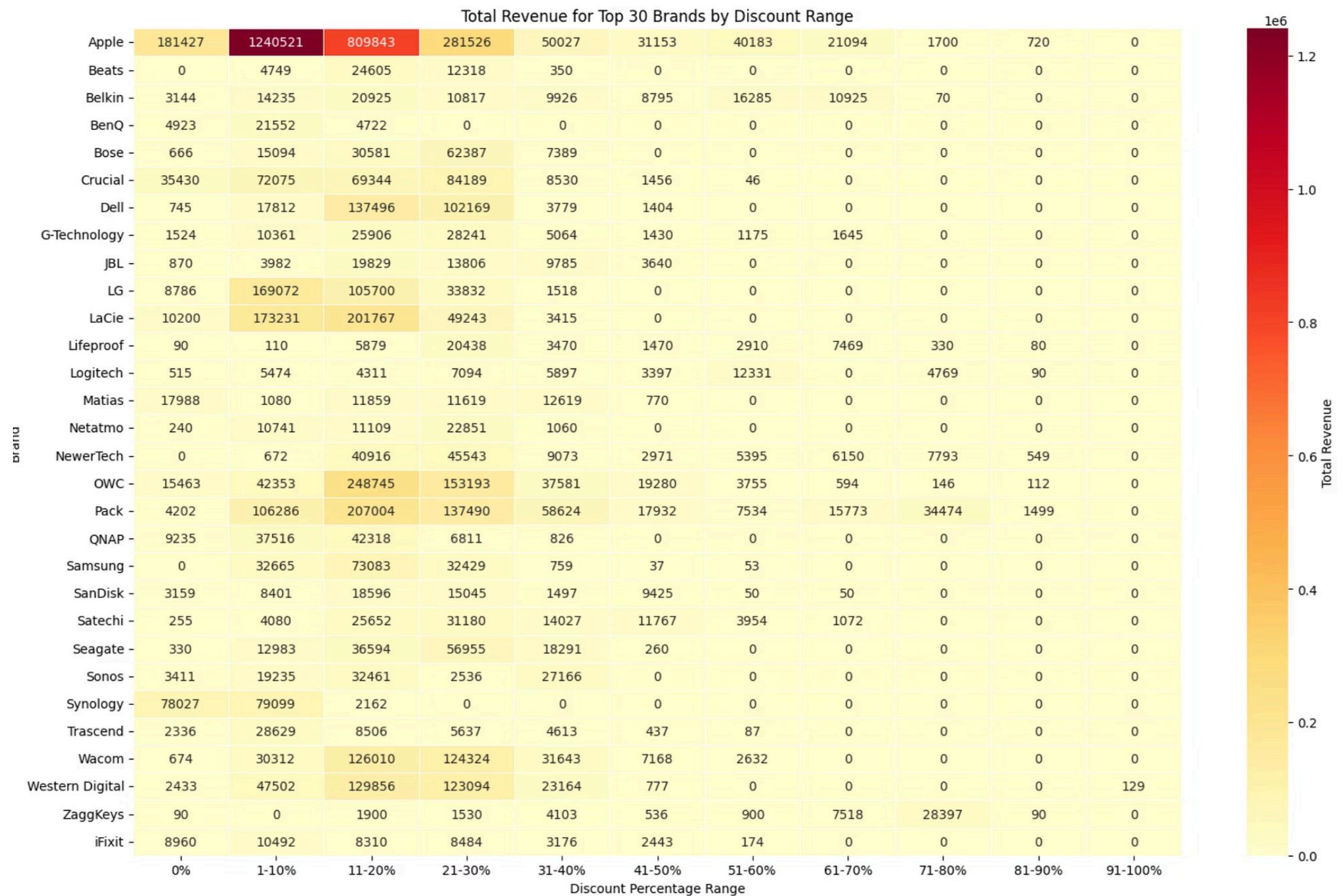
- Stock availability & delivery speed
- Out-of-stock rates
- Demand signals (searches, waitlists, cart abandonment)

Revenue alone is not enough - we need profitability, customers, and supply data to shape strategy.

Thank you for your attention

This analysis was based on data provided by **Eniac**.

Appendix

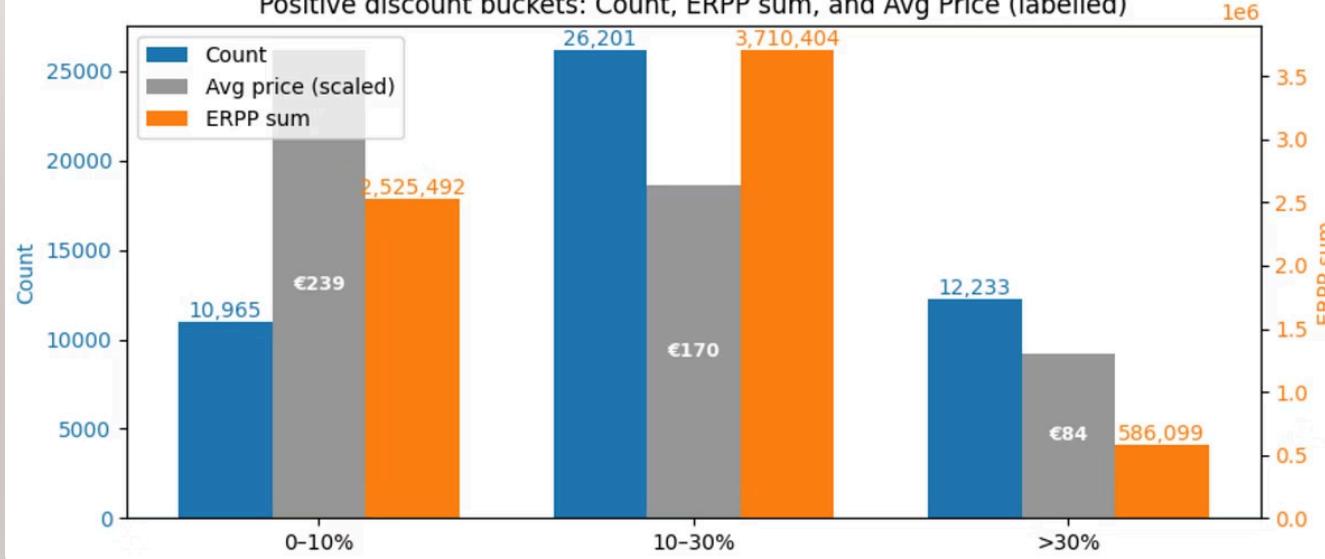


Black Friday revenue

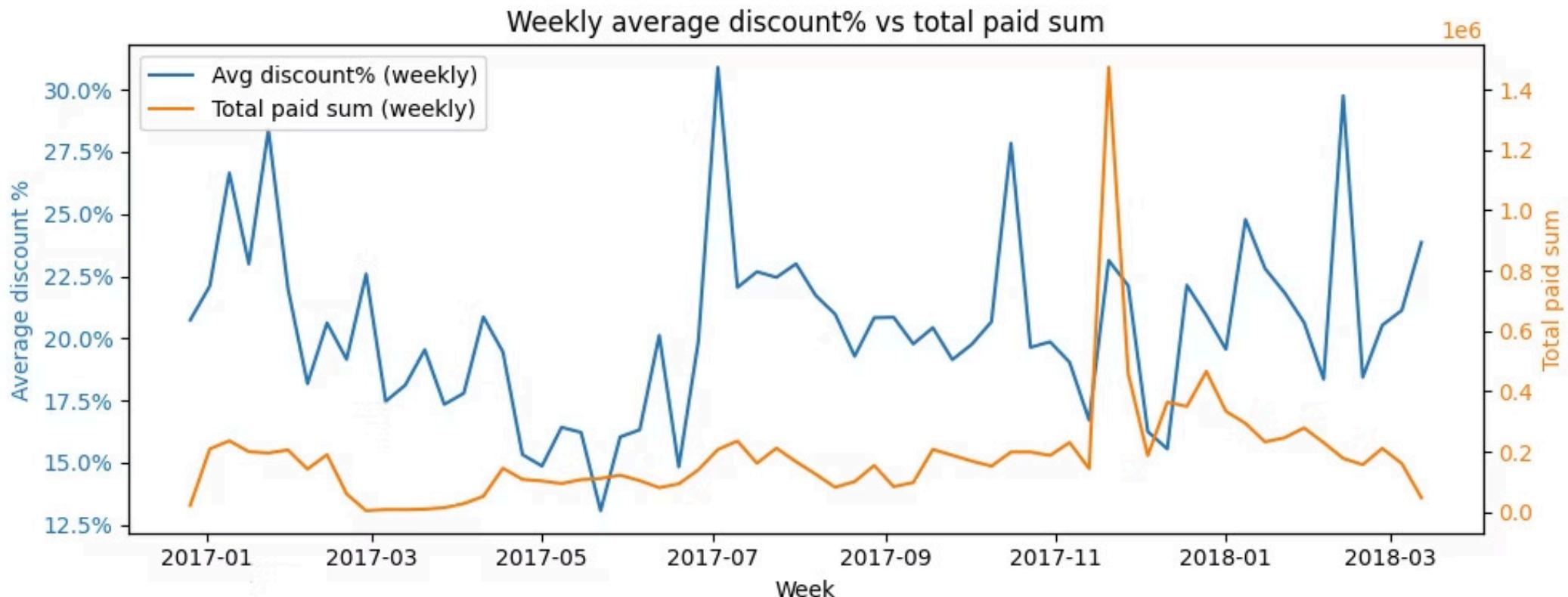
€1,175,565

10 days around Black Friday brought almost 15 % of overall revenue

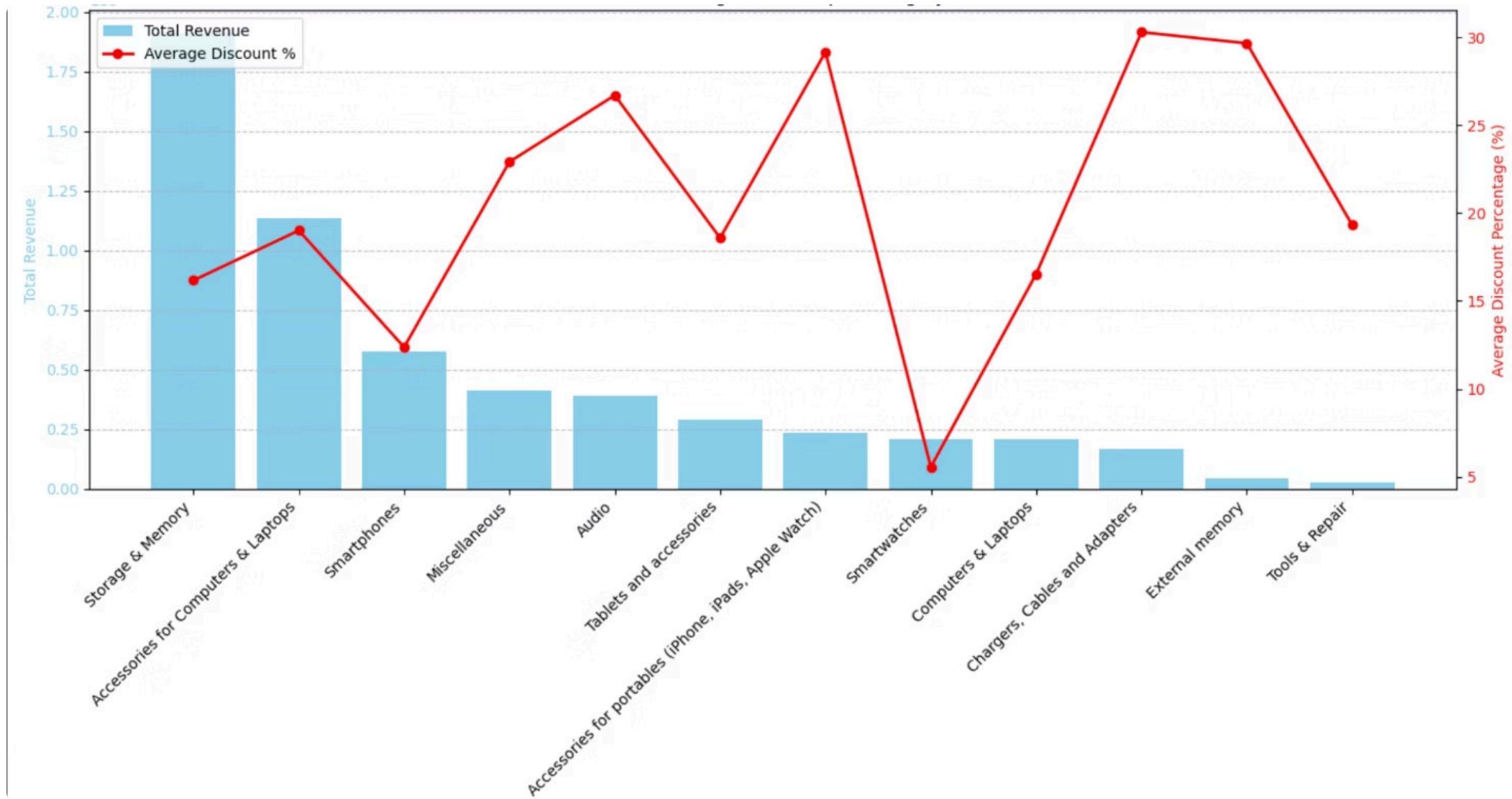
Positive discount buckets: Count, ERPP sum, and Avg Price (labelled)



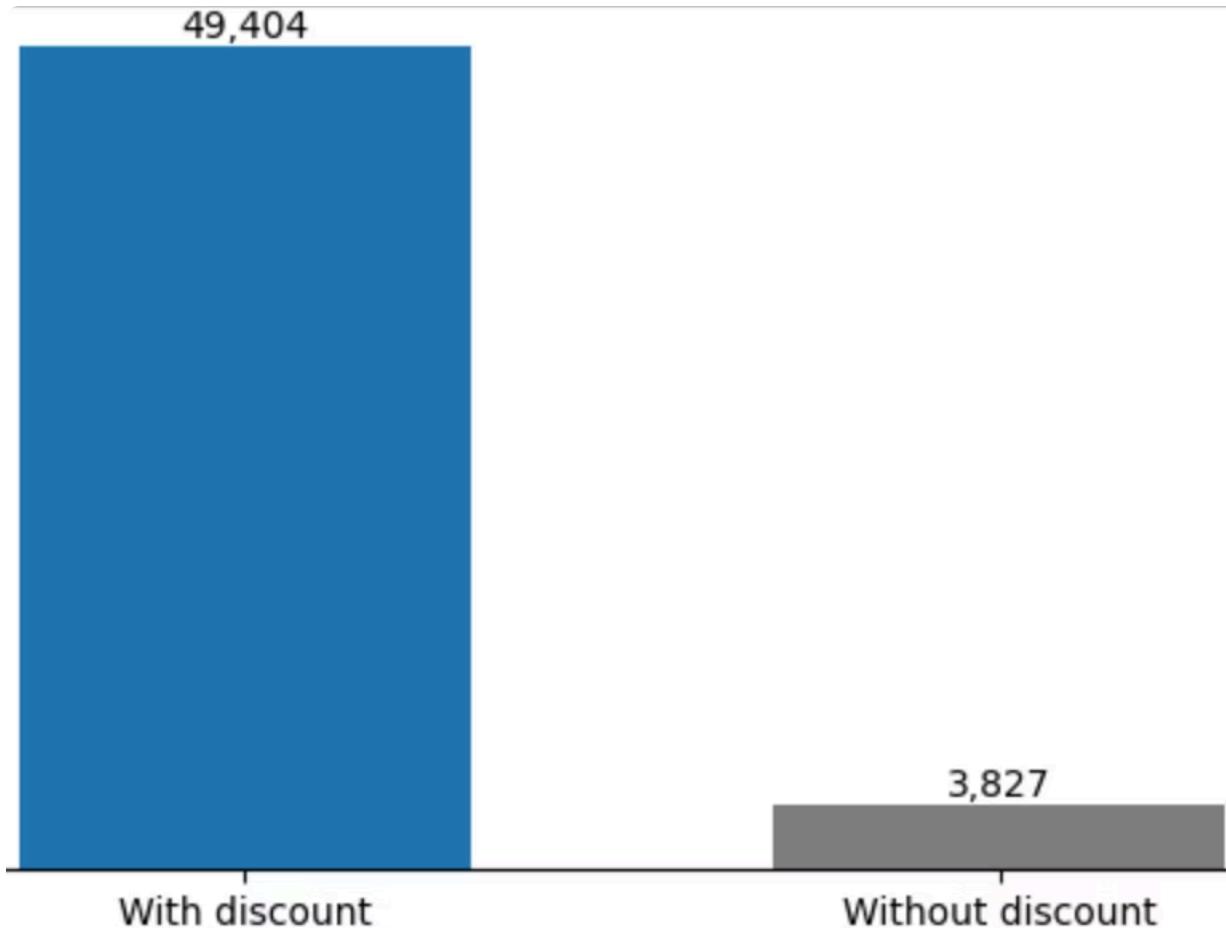
Black Friday discount average is not higher than most of the rest of the year



Revenue & discounts by category

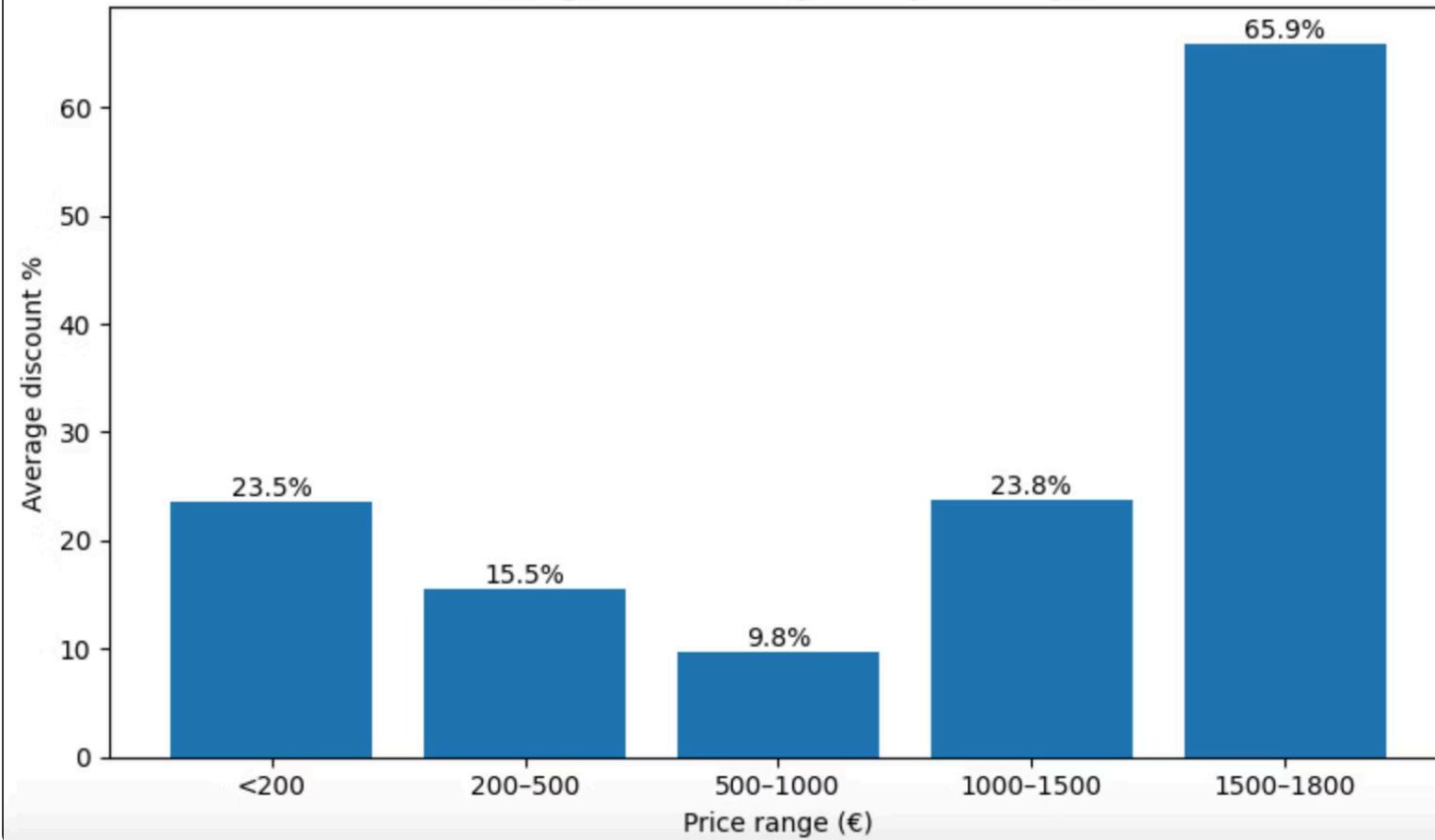


Share of products with vs. without discount

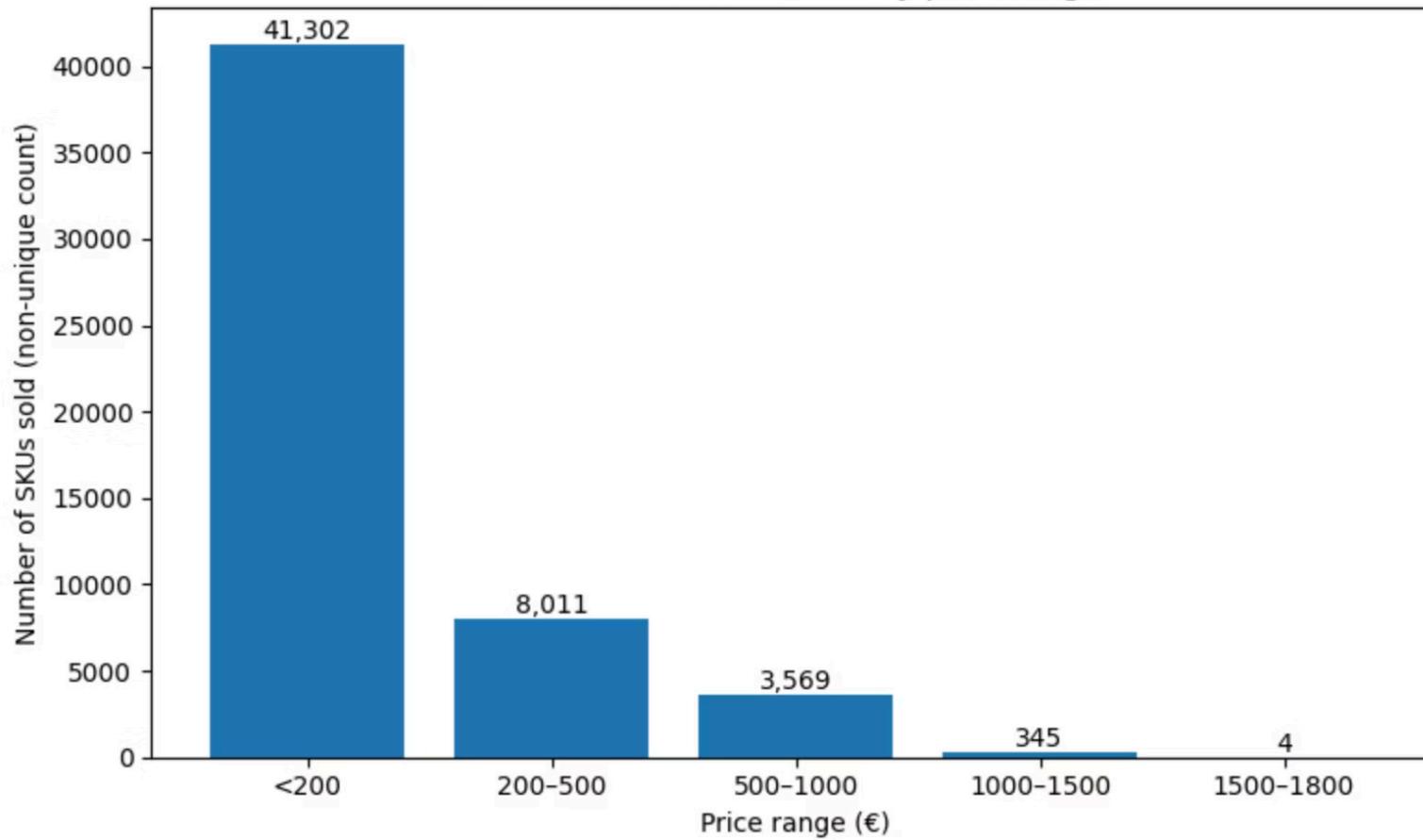


- Orders with discounts: **95%** of total (N orders)
- Orders without discounts: **5%** of total (M orders)
- Most sales are driven by discounts → shows relative reliance on discounting

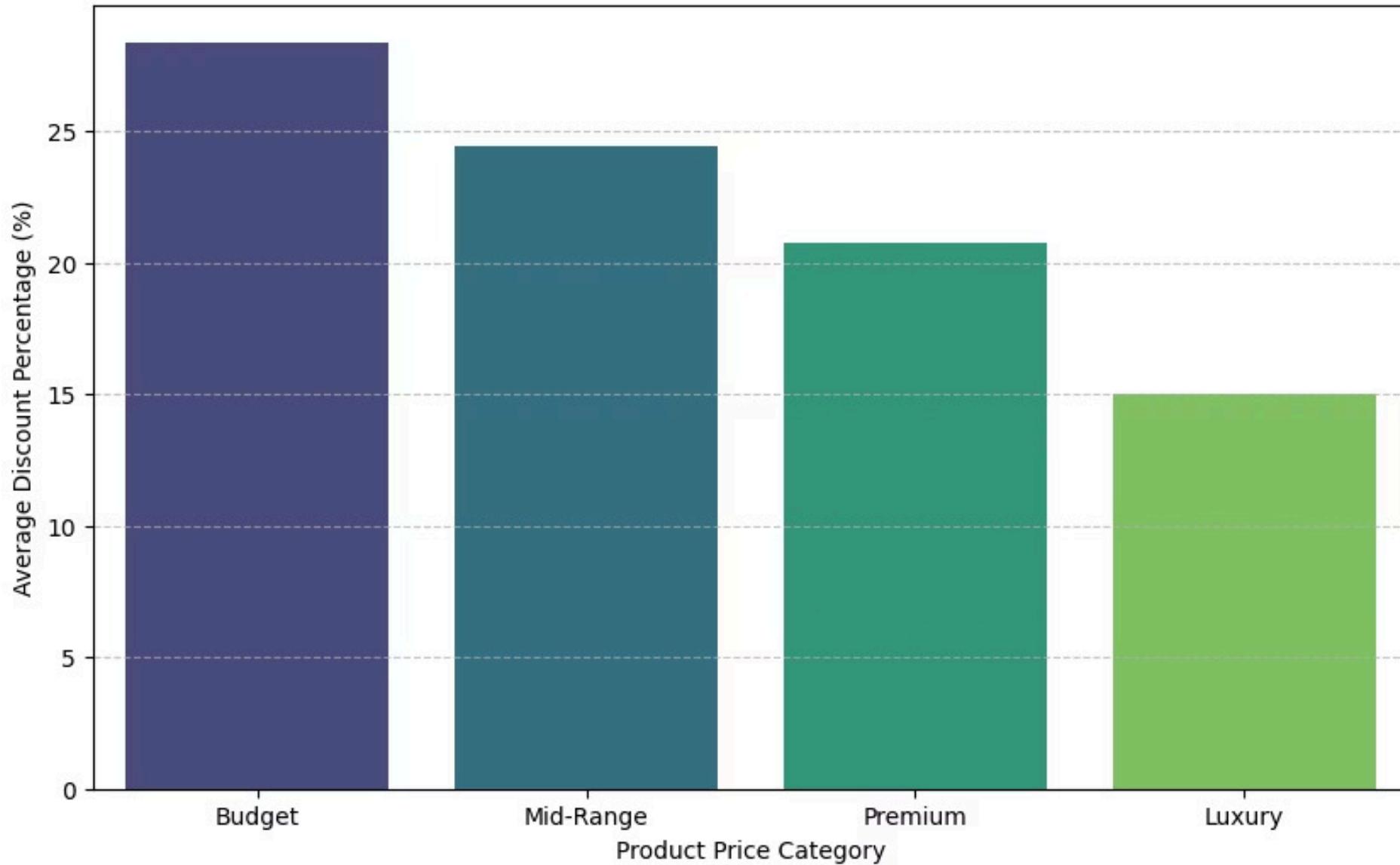
Average discount% by fixed price range



Distribution of SKUs sold by price range



Average Discount Comparison by Product Price Category



Discount distribution across products

