

ENZO WÜRTELE - DATA ANALYST  
FOR VS GROUP COMPANY

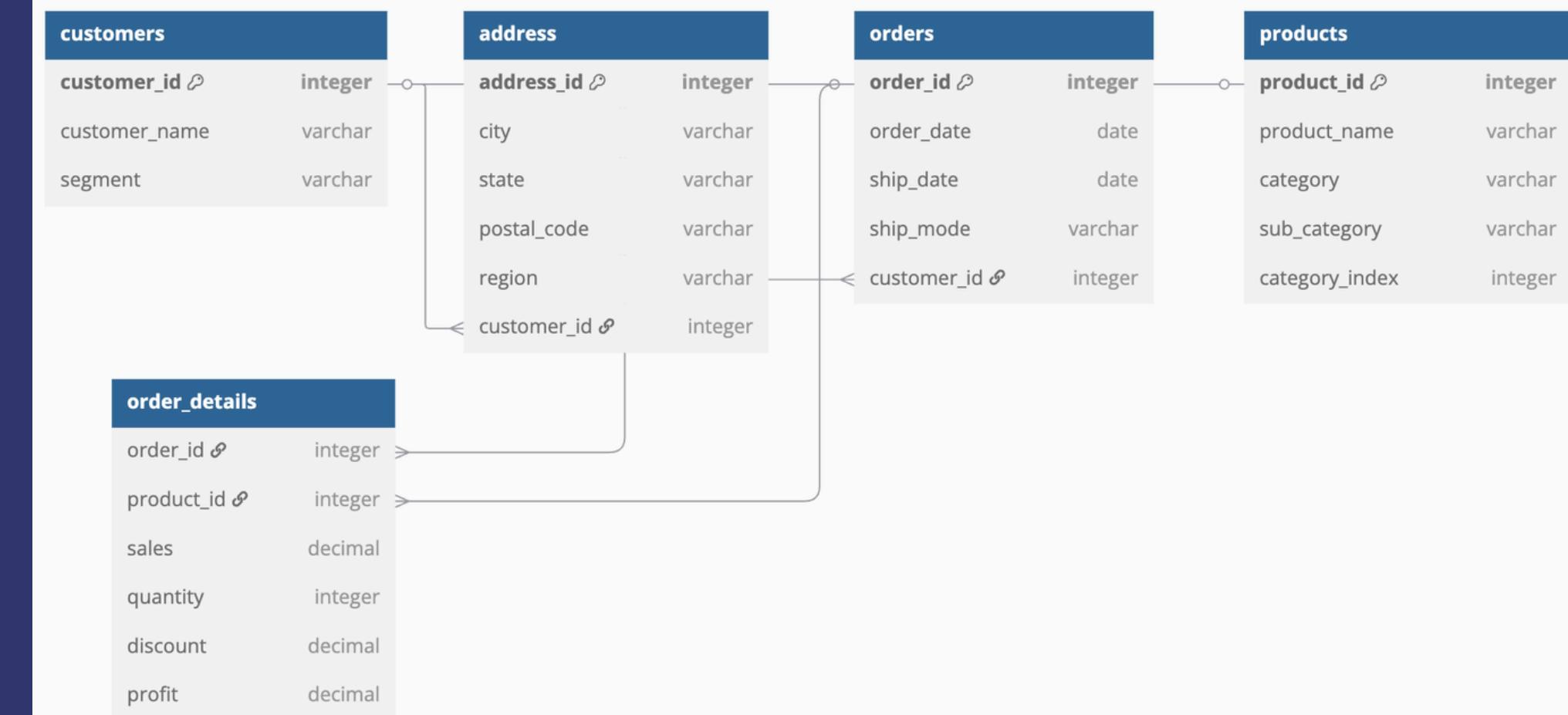
# THE CORRELATION OF PROFIT SALES AND DISCOUNTS

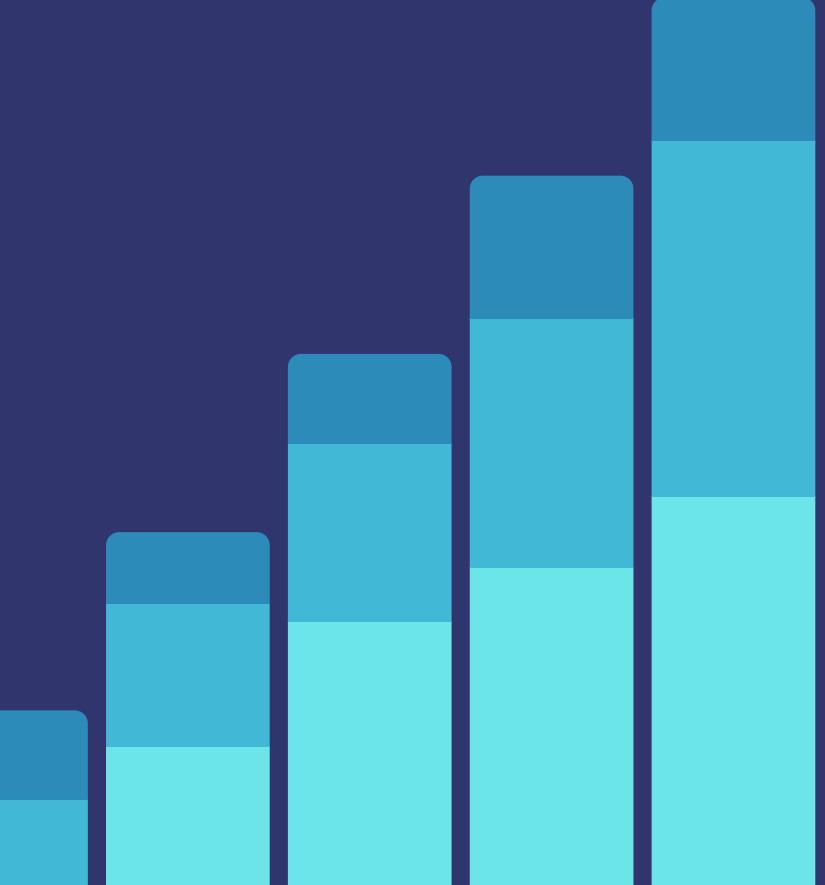
22-01-2025

# AGENDA

- MY DATABASE
- KEY DATA AND INSIGHTS
- LOW PROFITS DESPITE HIGH SALES
- WHY ARE WE LOSING PROFIT?
- DISCOUNT-PROFIT RELATIONSHIP
- CLUSTERING ANALYSIS (KMEANS)
- KPI'S FOR REVIEW
- CONCLUSION

# My Database Structure

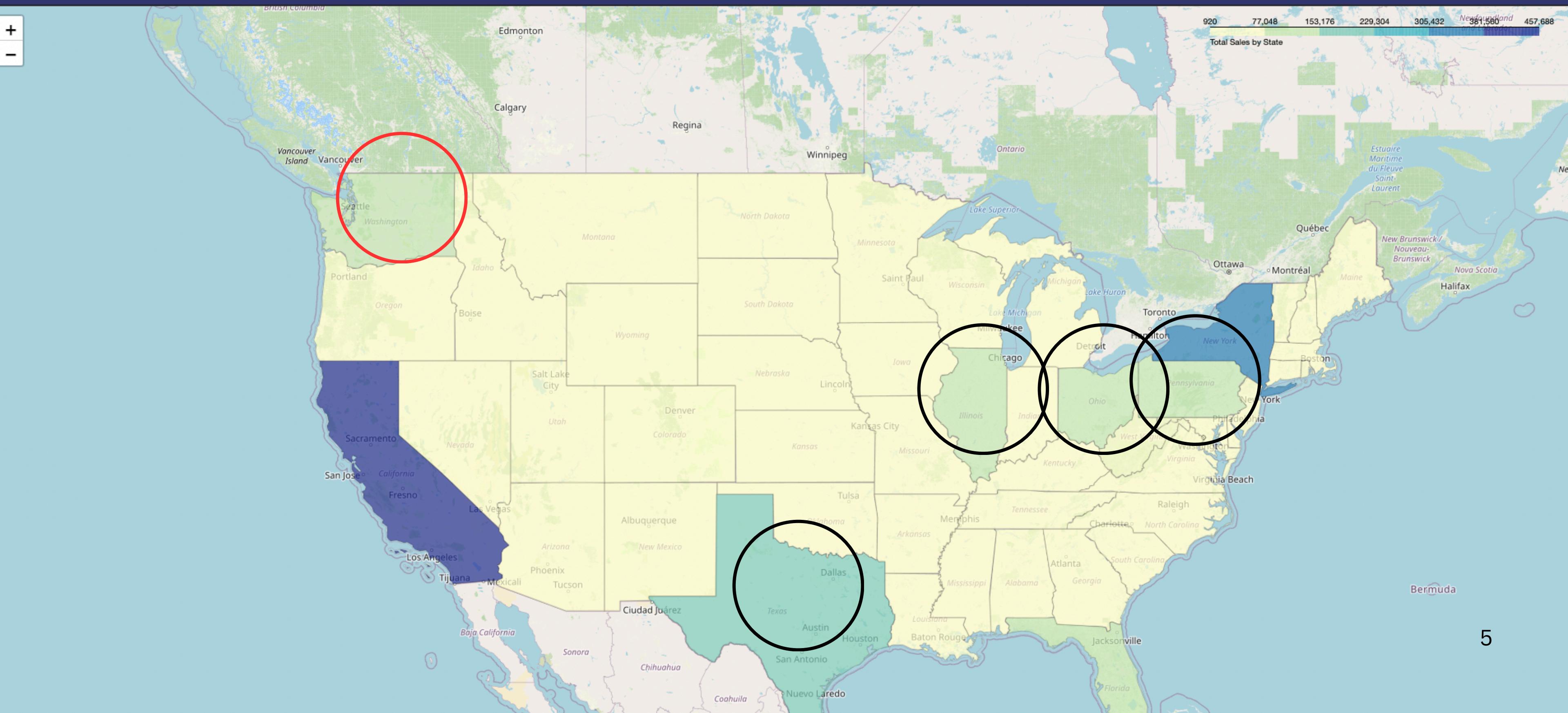




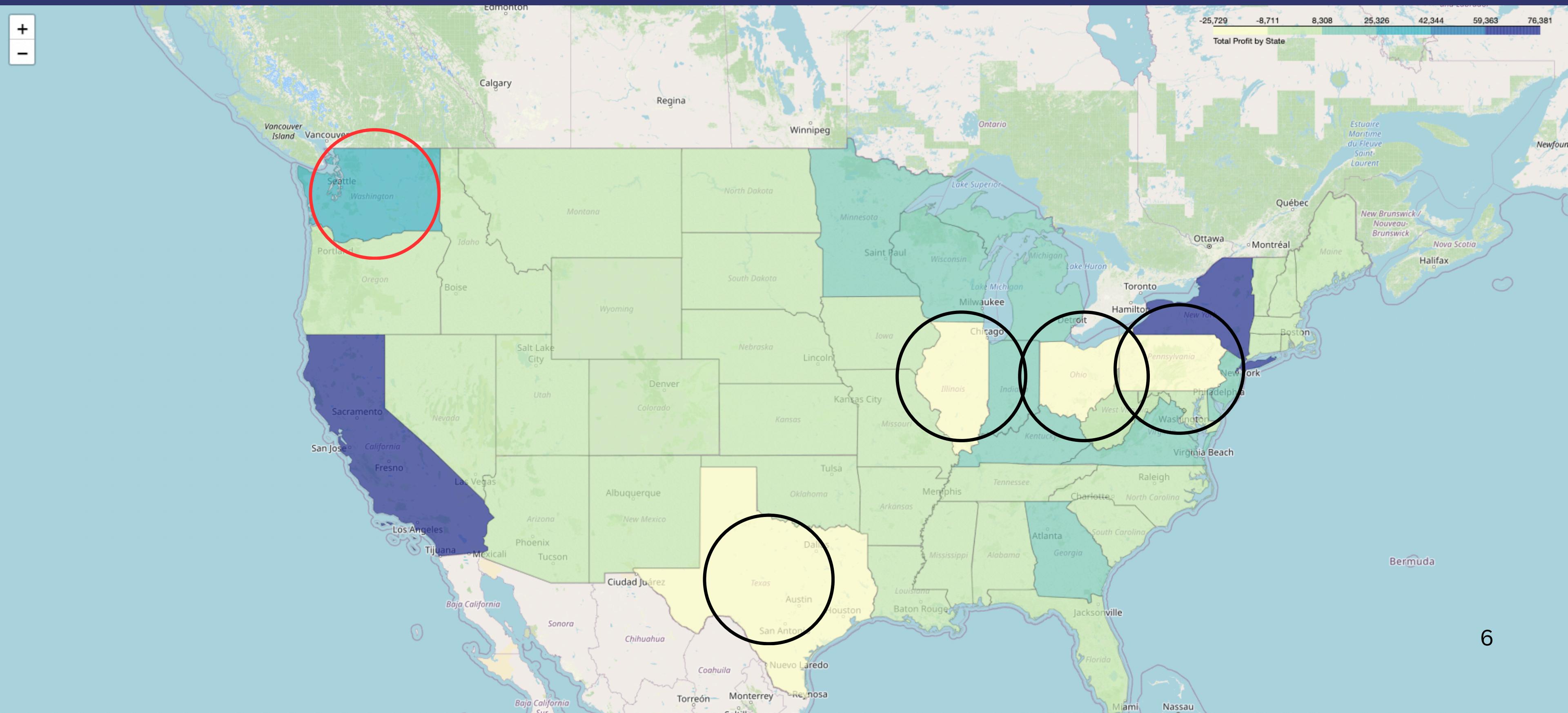
# KEY DATA AND INSIGHTS

Important data to understand for the rest of the powerpoint

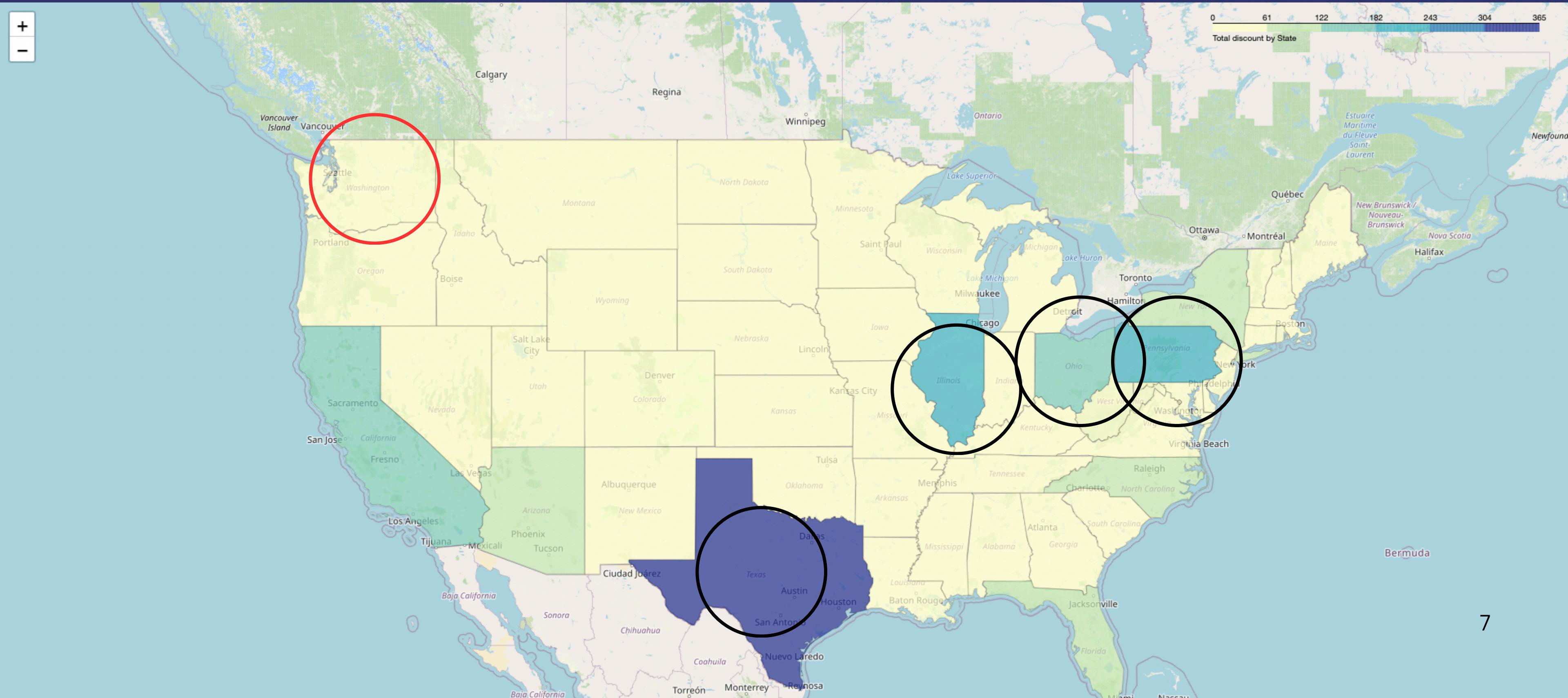
# TOTAL SALES OF STATES



# TOTAL PROFIT OF STATES

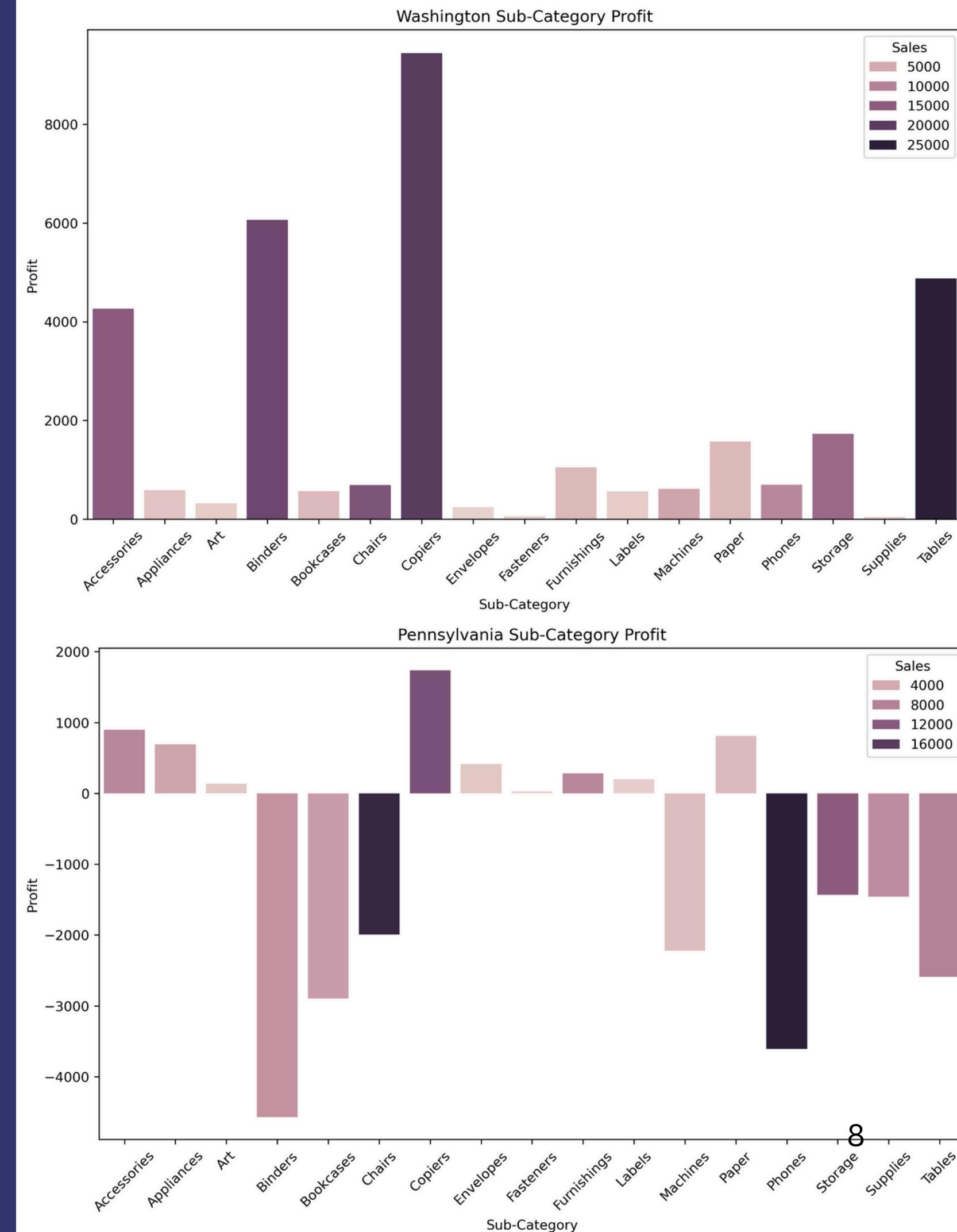


# TOTAL DISCOUNT OF STATES



# Washington vs Pennsylvania

LOW PROFIT DESPITE HIGH SALES



# WHY PICK WASHINGTON AND PENNSYLVANIA?



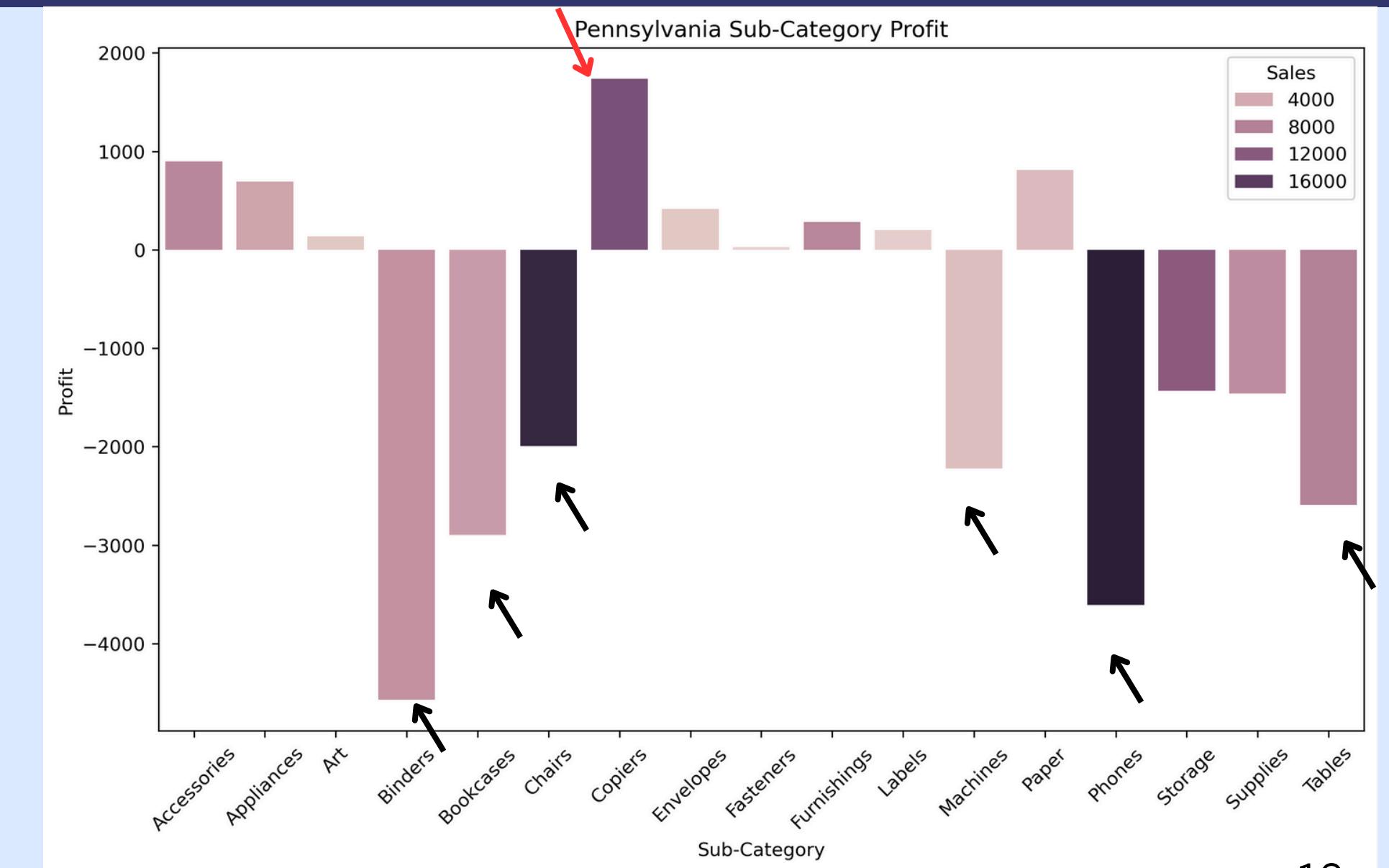
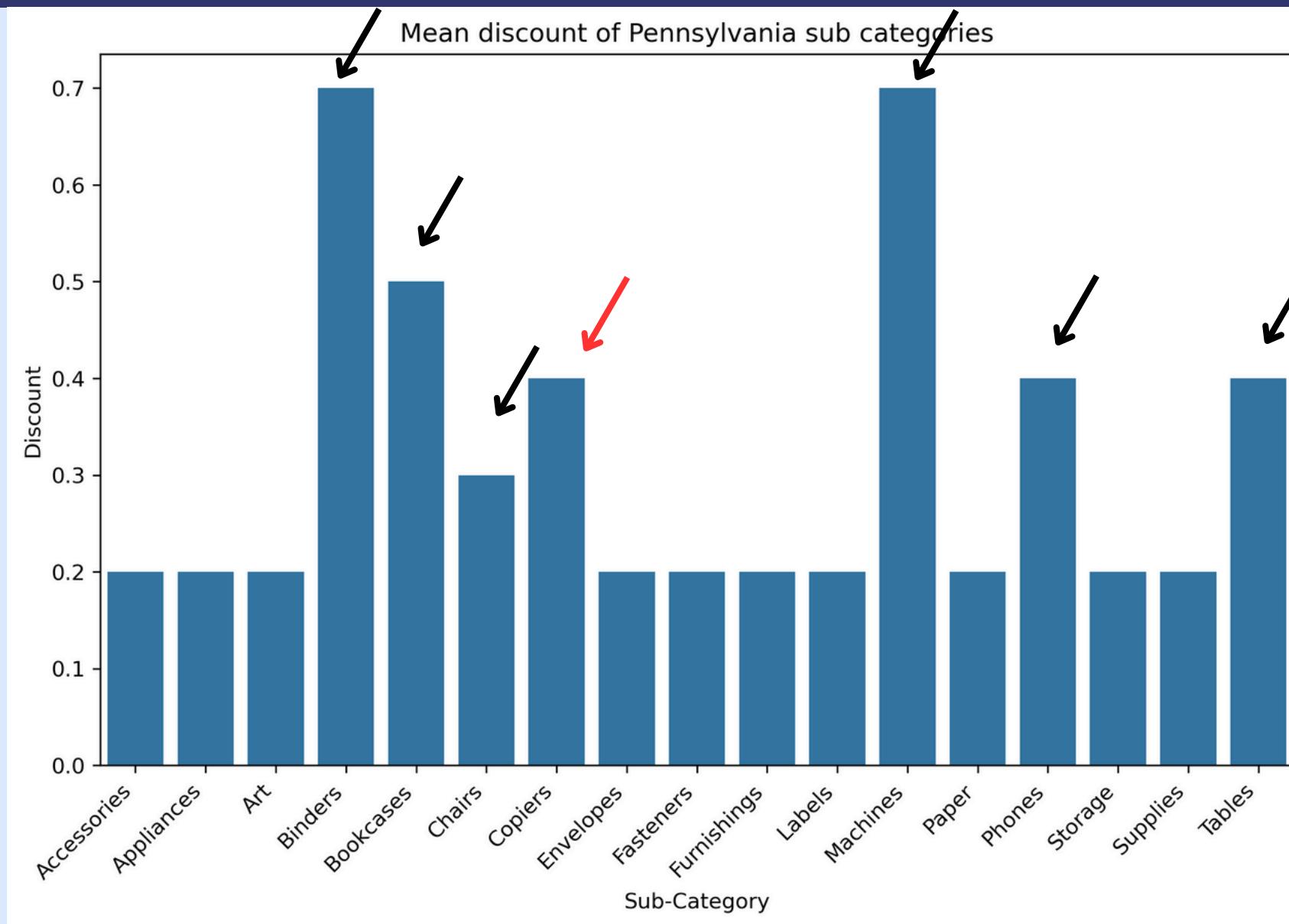
**Pennsylvania:**

Category	Sales	Profit	Profit Margin (%)
Furniture	\$39,354.93	-\$7,196.72	-18.29%
Office Supplies	\$34,941.71	-\$5,172.02	-14.80%
Technology	\$42,215.27	-\$3,191.22	-7.56%

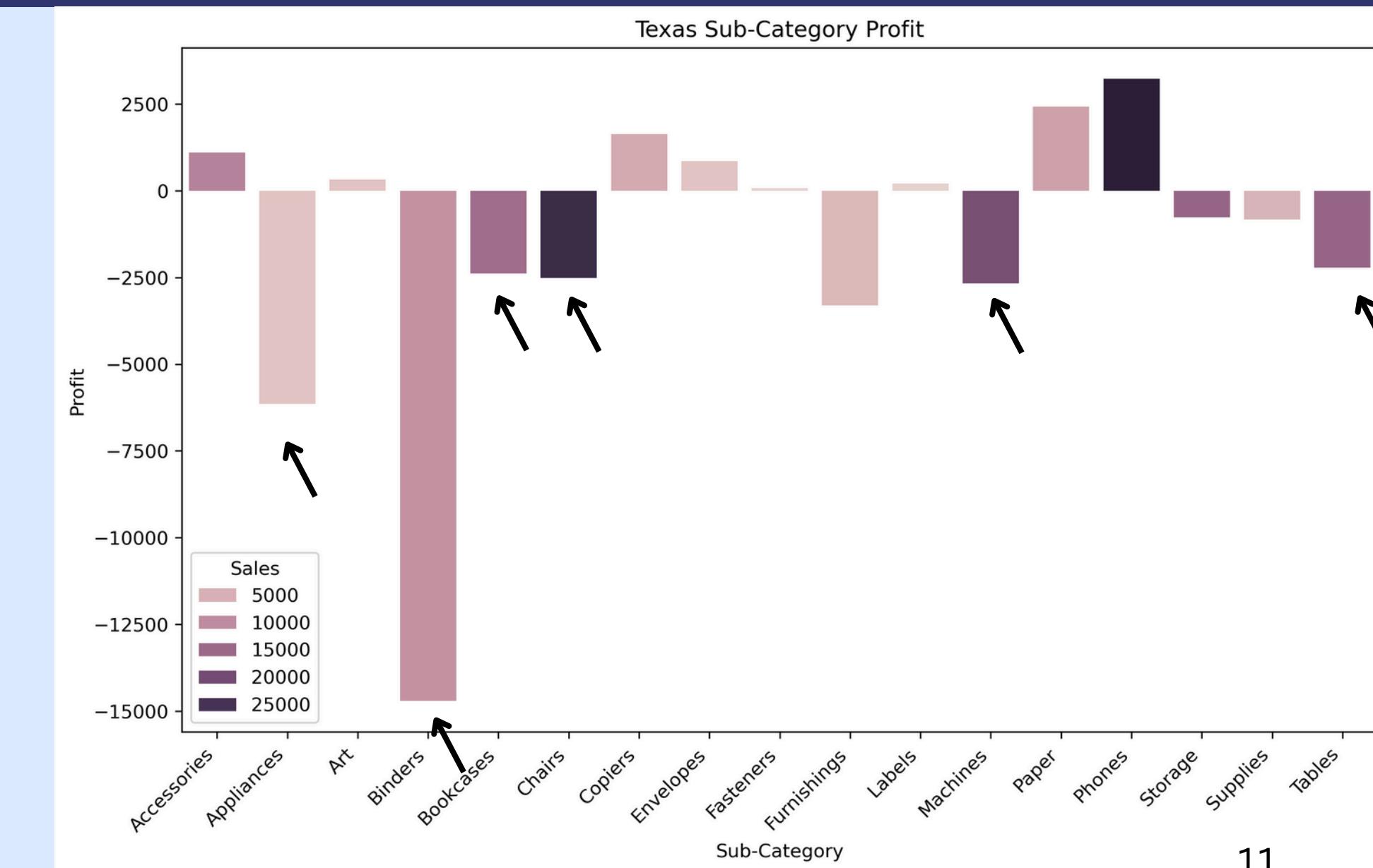
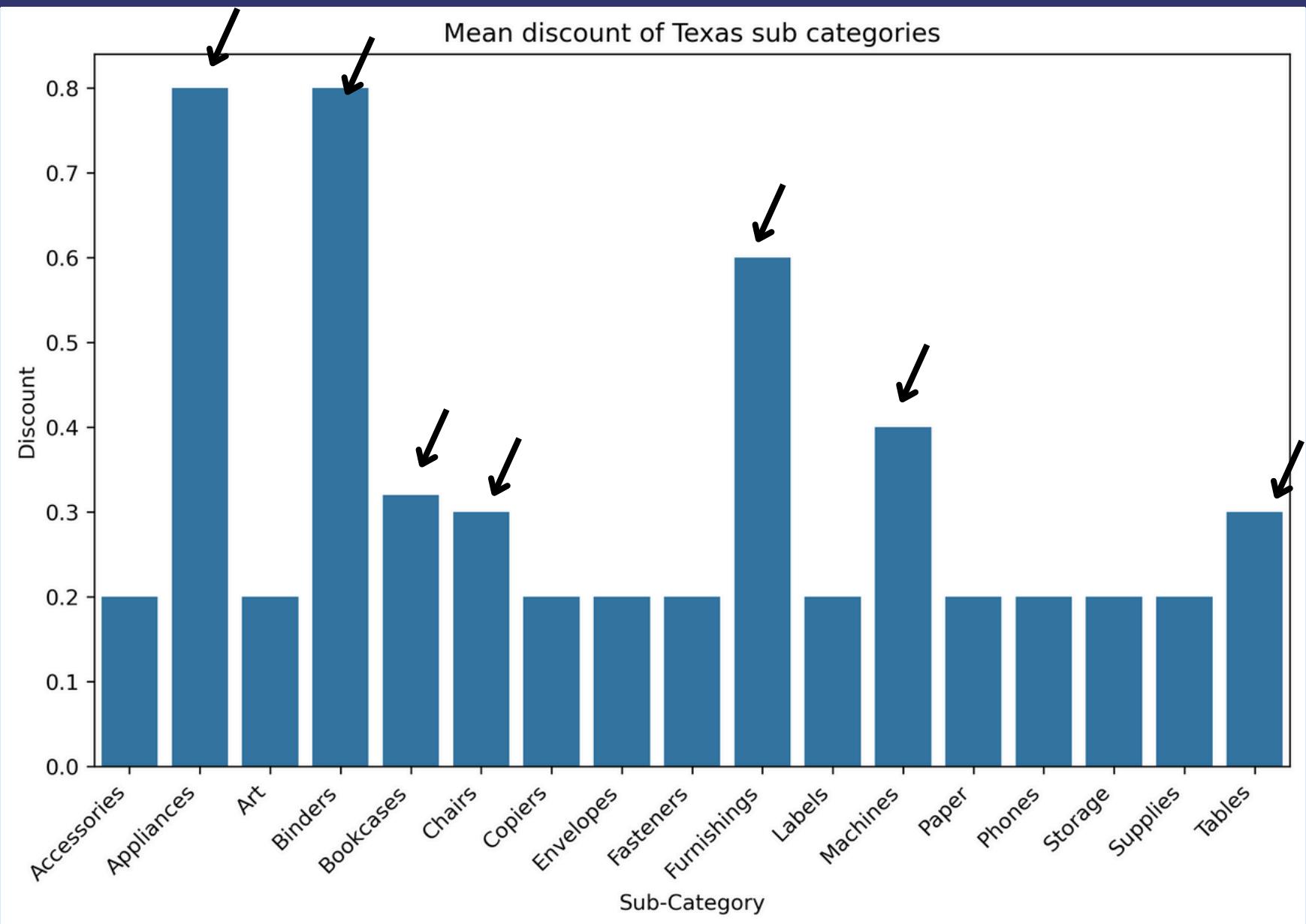
**Washington:**

Category	Sales	Profit	Profit Margin (%)
Furniture	\$48,020.15	\$7,193.79	14.98%
Office Supplies	\$40,084.41	\$11,189.52	27.92%
Technology	\$50,536.71	\$15,019.34	29.72%

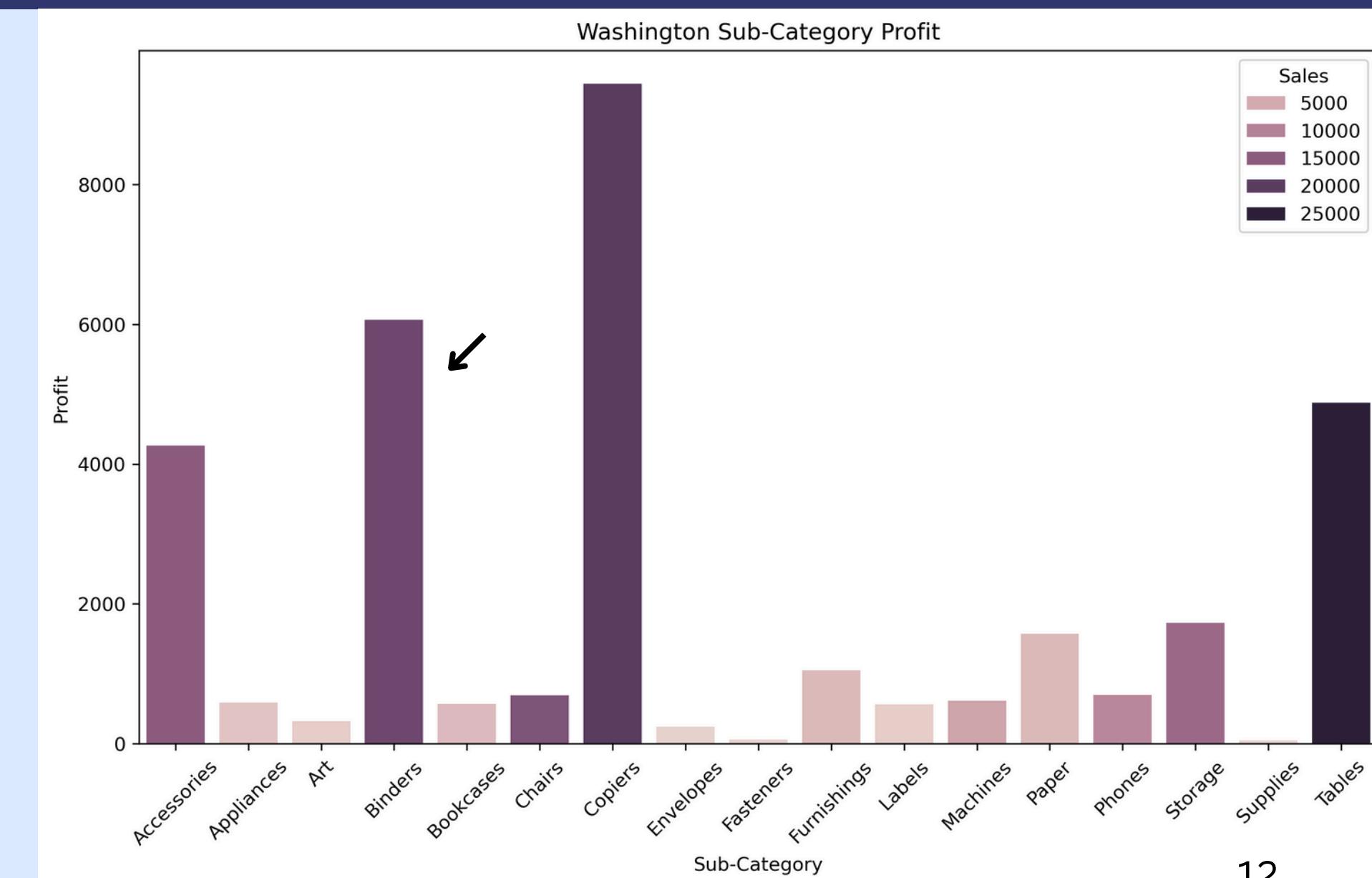
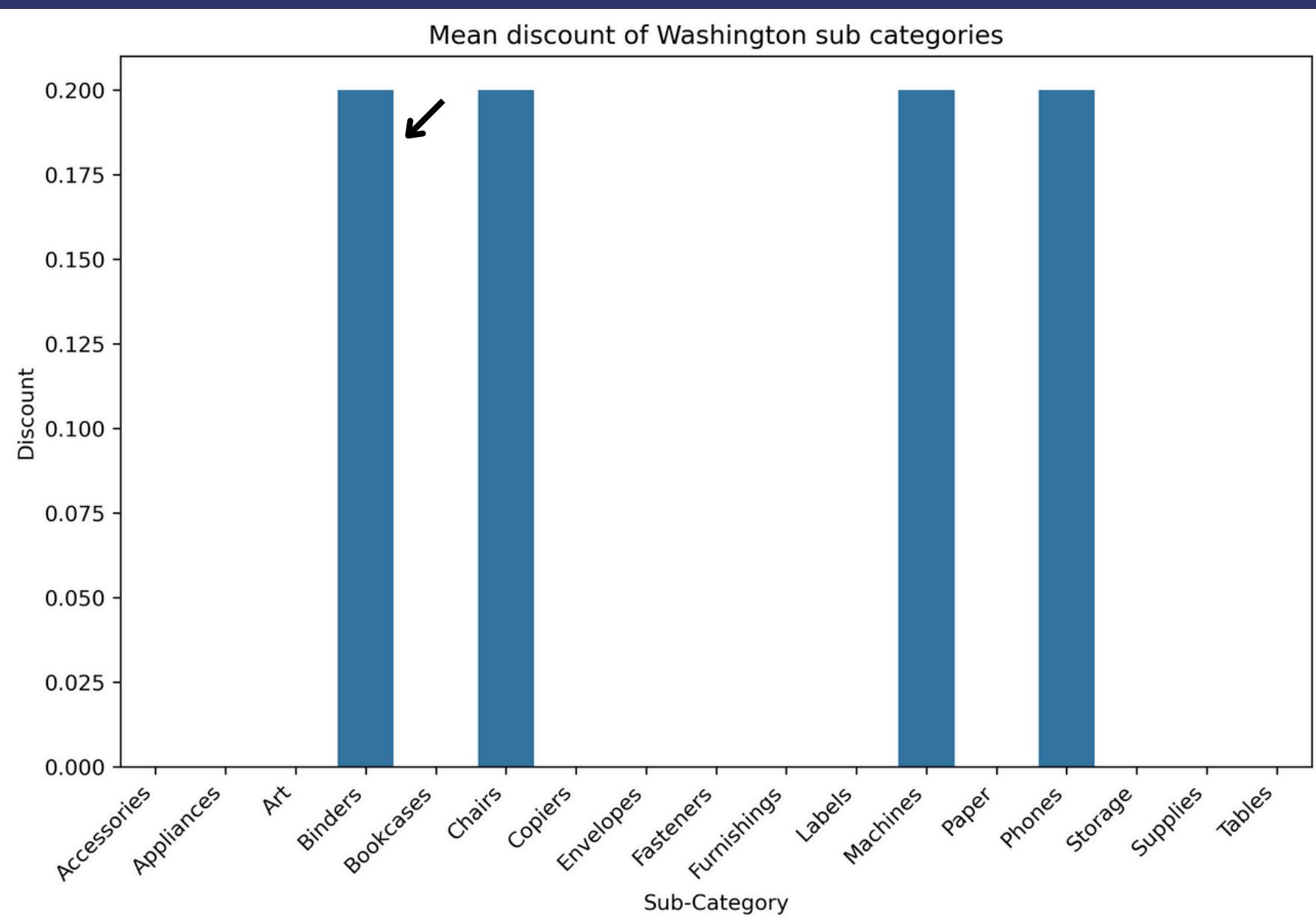
# WHY ARE WE LOSING PROFIT?



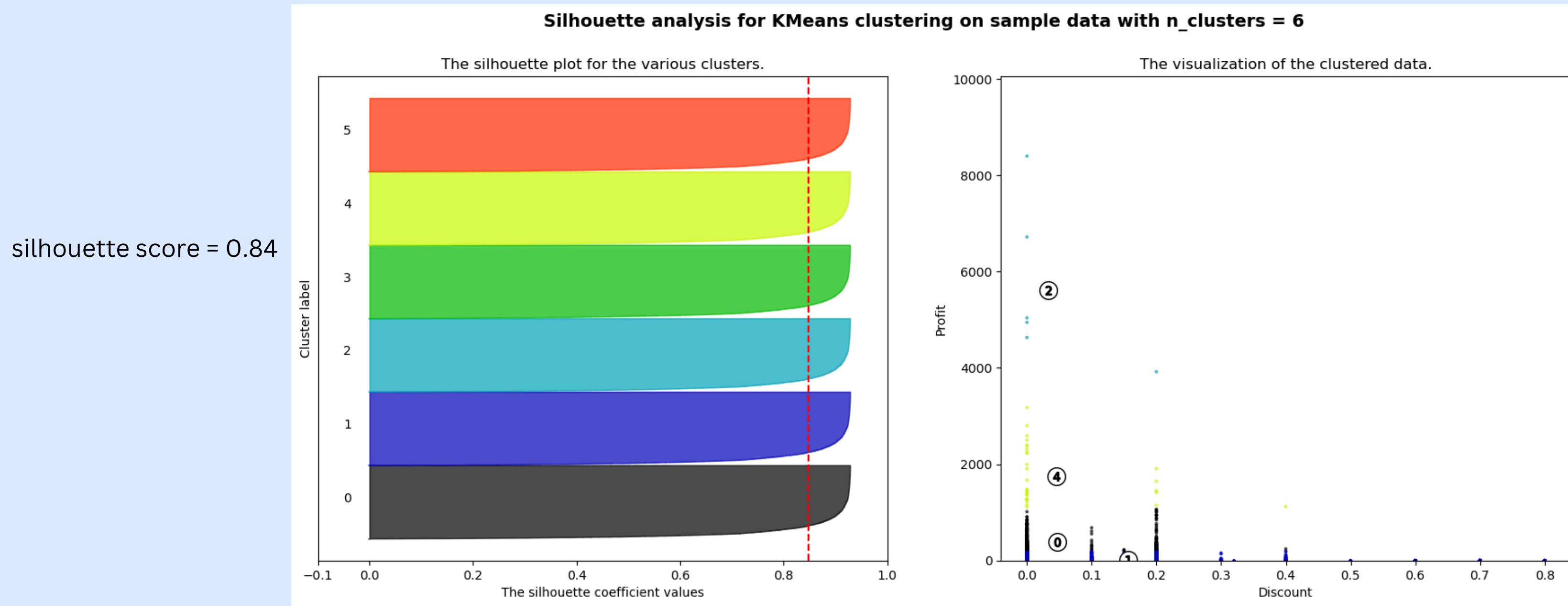
# REPEATED RESULTS FOR OTHER LOW PROFIT STATES



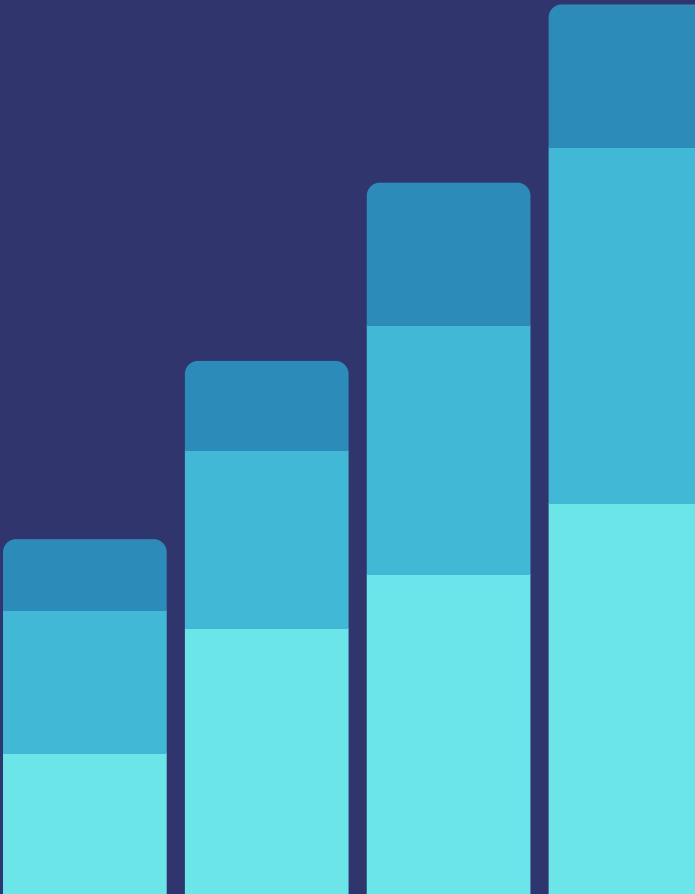
# HOW DOES WASHINGTON LOOK COMPARATIVELY?



# CLUSTERING ANALYSIS (KMEANS)



# KPI



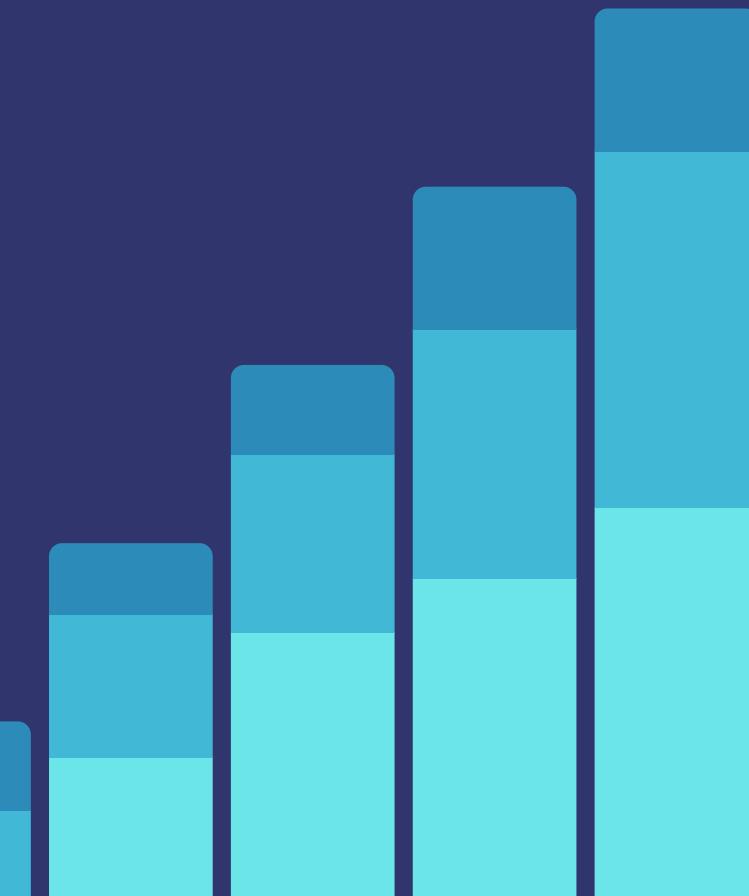
## Definition

Tracks how discounts influence profit margins across product categories, focusing on identifying the optimal discount level to maximize profitability while maintaining sales growth.

## Objective

To reduce the negative impact of excessive discounts on high-margin products, ensuring profitability while driving sales.

# KPI AIM AND PLANS



## Target

Maintain an average profit margin reduction of less than 10% due to discounts across all categories.

## Action Plan

- Reevaluate discount strategies for high-margin products.
- Implement dynamic pricing or tiered discounting based on profitability thresholds.
- Monitor category-specific profit margins and adjust discount policies accordingly.

# Conclusion

Entering the market presents an opportunity to learn from the challenges faced by competitors. By avoiding excessive discounting and focusing on strategic pricing for high-margin products, our company can establish a profitable foothold. Leveraging data-driven insights and efficient management practices will position us for sustainable growth and competitive success.