443 Homework 2 – B2B Pricing Memo
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We can draw the following conclusions from the analysis:
1. Optimizing discounts based on the model's predictions can lead to a significant increase in revenue compared to using unoptimized or original discounts.
2. The "end-of-the-quarter" effect is true, but the effectiveness of discounts varies depending on the month.

Based on these findings, I have drawn the following recommendations to the sales manager:
1. Apply dynamic discount strategy:
    a. Use optimal discount predicted by the model instead of existing discount levels. This would allow more personalized and effective discounting, leading to higher revenue.
    b. Adjust the discount level by month to align with predicted revenue from the model. For example, the model shows that higher discounts in March, May, and June lead to lower revenue improvements. Therefore, discount limitation should be applied based on the model predictions, especially during end of the quarter months.
2. Continue monitoring and adjusting.
    a. Discount tuning is a complicated process. Additional analysis can be carried out to analyze the effect of other factors on discount level and expected revenue.